BOF-POL-024

Insurance Management and COI Control

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Insurance Management and Certificate of Insurance Control Policy Commercial Trucking & Logistics Operations - Operational Compliance Policy Policy Number BOF-POL-011 Version 1.0 Effective Date July 20, 2026 Review Cycle Annual Policy Owner Director of Operations / Chief Financial Officer Approved By Chief Operating Officer Classification Internal - Controlled Document Related Policies BOF-POL-005 (Claims and Incident Response); BOF-POL-007 (Document Retention Standard); BOF-POL-009 (Fleet Maintenance)

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1. Purpose and Scope

1.1 Purpose

This policy establishes the standards, procedures, and responsibilities for managing all insurance policies, certificates of insurance (COIs), Federal Motor Carrier Safety Administration (FMCSA) insurance filings, unit-level coverage tracking, and claims coordination for all company-operated and owner-operator equipment operating under company authority.

The objective of this policy is to ensure continuous insurance coverage at all times, maintain full regulatory compliance with applicable federal and state requirements, protect the company's financial position, and preserve claims defensibility across all coverage lines.

1.2 Scope

This policy applies to all departments and personnel involved in insurance administration, including but not limited to:

? Operations - unit management, owner-operator coordination, dispatch oversight

? Finance / Accounting - premium payment, premium audit, reserve tracking

? Safety - accident reporting, claims initiation, evidence preservation

? Human Resources (HR) - workers compensation administration, O/O disclosures

? Dispatch - confirming COI currency before unit dispatch

This policy governs all company-owned power units and trailers, all owner-operators (O/Os) dispatched under company authority, all leased equipment, and all operations conducted under the company's FMCSA operating authority.

■ Coverage Gap Prohibition No unit - company-operated or owner-operated - may be dispatched under company authority without all applicable insurance coverages confirmed as active and current. Any coverage gap must be resolved before dispatch is authorized.

2. Regulatory References

This policy is established in conformance with the following federal and state regulatory requirements:

Regulation / Authority	Description	Applicability
49 CFR Part 387	Minimum Levels of Financial Responsibility for Motor Carriers	All interstate motor carrier operations
FMCSA Form BMC-91 / BMC-91X	Primary Auto Liability insurance filing with FMCSA	Required for all active FMCSA operating authority
FMCSA Form BMC-34	Cargo liability insurance filing with FMCSA	Conditionally required per shipper/broker contracts
49 CFR Part 376	Lease and Interchange of Vehicles - O/O occupational accident disclosure requirements	All owner-operator lease agreements
State Workers Compensation Statutes	Statutory workers compensation requirements by state of employment	All W-2 company drivers and employees
State Minimum Auto Liability Requirements	State-level minimum financial responsibility for commercial vehicles	Intrastate operations in all states of operation
Carmack Amendment (49 U.S.C. § 14706)	Cargo liability standards and shipper notice requirements	All interstate freight movements

Cross-Referenced Internal Policies:

? BOF-POL-005 - Claims and Incident Response Policy

? BOF-POL-007 - Document Retention Standard

? BOF-POL-009 - Fleet Maintenance Policy (physical damage coordination)

3. Definitions

The following terms are used throughout this policy with the meanings set forth below:

Term	Definition
Certificate of Insurance (COI)	A document issued by an insurer or its authorized representative that provides evidence of an insurance policy's existence, effective dates, coverage types, and limits. The standard form is ACORD 25.
ACORD 25	The standardized Certificate of Liability Insurance form issued by the Association for Cooperative Operations Research and Development (ACORD), widely used in the commercial trucking industry.
Named Insured	The entity or individual specifically identified on the declarations page of an insurance policy as the primary policyholder.
Additional Insured	A party other than the named insured who is afforded coverage under the policy, typically by endorsement and often required by shipper, broker, or lender contracts.
Waiver of Subrogation	An endorsement that prevents an insurer from pursuing recovery from a third party after paying a claim, as required by certain customer or shipper contracts.
BMC-91 / BMC-91X	FMCSA forms filed by an insurer on behalf of a motor carrier certifying that the carrier maintains the federally required minimum primary auto liability insurance. BMC-91X is the endorsement form for surplus lines carriers.
BMC-34	FMCSA form filed by an insurer certifying that the motor carrier maintains cargo liability insurance meeting federal standards.
Primary Auto Liability	Insurance covering bodily injury and property damage caused by the operation of commercial motor vehicles under the insured's authority while on dispatch.
Cargo Liability	Insurance covering loss of or damage to freight in the carrier's care, custody, and control during transportation.
Physical Damage	Insurance covering damage to the insured's own commercial motor vehicles, including collision (collision with another object) and comprehensive (non-collision events such as fire, theft, or weather).
Bobtail / Non-Trucking Liability (NTL)	Liability insurance for a tractor when it is operated without a trailer and not under dispatch - typically required for owner-operators to cover periods when the carrier's primary liability is not active.
Occupational Accident	A voluntary insurance product available to owner-operators that provides limited disability, accident medical, and death benefits. It is not equivalent to and does not replace workers compensation coverage.
Workers Compensation (WC)	State-mandated insurance coverage for W-2 employees providing medical and disability benefits for work-related injuries and illnesses, regardless of fault.
Umbrella / Excess Liability	Coverage that provides additional limits above underlying primary policies (auto liability, general liability, employers liability) to satisfy higher-limit shipper and broker contract requirements.
General Liability	Coverage for bodily injury and property damage arising from terminal premises and operations not involving the operation of a commercial motor vehicle.

Term	Definition
TRAC Lease	A Terminal Rental Adjustment Clause lease - a financing structure for commercial vehicles where the lessee (carrier) retains economic ownership and is responsible for insuring the asset at lender-required values.
Policy Endorsement	A written amendment or addition to an existing insurance policy that changes the coverage terms, adds or removes insured parties, or modifies coverage conditions.
First Notice of Loss (FNOL)	The initial formal notification of a claim or potential claim to the insurer, triggering the claims handling process.
Subrogation	The legal right of an insurer, after paying a claim on behalf of its insured, to pursue recovery of those amounts from a responsible third party.
Reserve	The amount set aside by the insurer to represent the estimated total cost to resolve an open claim, including anticipated indemnity payments, legal fees, and expenses.
Deductible	The amount the insured is responsible to pay per occurrence before the insurer's coverage obligation begins.
Premium Audit	An insurer's annual review of the policyholder's actual operations, payroll, mileage, or unit count to reconcile estimated premiums paid against actual exposure and calculate any additional or return premium.

4. Required Insurance Coverage Standards

4.1 Coverage Requirements Table

The following table establishes the minimum required insurance coverages for all operations. The BOF Minimum Standard column reflects the company's internal minimum requirements, which may exceed applicable federal and state minimums.

Policy Type	Who Requires It	Federal / State Minimum	FMCSA Filing Required	BOF Minimum Standard
Primary Auto Liability	FMCSA; federal law; all shipper/broker contracts	$750,000 - general freight; $1,000,000 - oil/hazardous substances; $5,000,000 - hazmat/passengers	Yes - BMC-91 / BMC-91X required; filed by insurer on carrier's behalf	$1,000,000 CSL; $2,000,000 where required by shipper contract
Cargo Liability	Shippers; freight brokers; some customer contracts	No federal minimum - subject to Carmack Amendment liability	Optional - BMC-34; required by some shipper contracts	$250,000 per load; higher limits required by specific commodity or customer contracts
Physical Damage	Lenders; lessors; TRAC lease requirements	No federal minimum; lender requires ACV or stated value	None	Actual Cash Value (ACV) or agreed value per lender requirement; all powered units and trailers with lien scheduled

Policy Type	Who Requires It	Federal / State Minimum	FMCSA Filing Required	BOF Minimum Standard
Bobtail / Non-Trucking Liability (NTL)	Carrier requirement for all O/O fleet; lease agreement	No federal minimum; carrier-imposed requirement	None	$1,000,000 CSL; required on all O/O leases before dispatch
Occupational Accident	Carrier requirement for O/O fleet; lease disclosure requirement	No federal minimum; varies by insurer product; 49 CFR Part 376 disclosure required	None - disclosure of non-equivalence to WC required at lease execution	Minimum $500,000 accident medical; $1,000/week disability benefit; $500,000 accidental death; O/O may provide own or accept carrier-offered plan
Workers Compensation	State law - all states of operation for W-2 employees	Statutory minimum per state of employment	None - state filing by insurer	Statutory - all states; Employers Liability: $1,000,000 each accident / $1,000,000 disease policy limit / $1,000,000 disease each employee
General Liability	Shippers requiring terminal/premises coverage; landlords	No federal minimum	None	$1,000,000 per occurrence; $2,000,000 general aggregate
Umbrella / Excess Liability	Shipper contracts; broker contracts requiring higher combined limits	No federal minimum	None	$1,000,000 minimum; up to $5,000,000 as required by contract; must sit over auto liability, general liability, and employers liability

4.2 Coverage Gap Prohibition

No unit under company authority - whether company-operated or owner-operated - may be dispatched or permitted to transport freight if any of the following conditions exist:

? Primary auto liability policy is not in force or the BMC-91 / BMC-91X filing has lapsed

? Cargo liability is suspended, cancelled, or under a coverage exclusion applicable to the freight tendered

? Owner-operator COI for bobtail/NTL coverage has expired or been cancelled

? Physical damage coverage has lapsed on a liened unit

? Any coverage line required by the specific load's shipper or broker contract is not confirmed active

■ Enforcement Note Dispatching any unit in violation of Section 4.2 is a policy violation subject to immediate dispatch hold, investigation, and disciplinary action as described in Section 13 of this policy.

5. FMCSA Insurance Filing Management

5.1 BMC-91 / BMC-91X - Primary Auto Liability Filing

The BMC-91 (or BMC-91X for surplus lines carriers) is the FMCSA filing that certifies the carrier's primary auto liability insurance is in force at or above federally required minimums. The following requirements apply:

- ? The insurer files the BMC-91 / BMC-91X directly with FMCSA on the carrier's behalf; the carrier does not file this form directly
- ? The Director of Operations and Finance must coordinate with the insurance broker to confirm the filing is in place at or before the policy effective date
- ? FMCSA provides a 30-day advance notice upon receipt of a cancellation or non-renewal notice from the insurer; the replacement BMC-91 filing must be confirmed in FMCSA's Licensing and Insurance (L&I) system before the authority suspension effective date
- ? BOF monitors the FMCSA portal for filing status at 45 days, 30 days, and 15 days before each policy renewal date
- ? Confirmation of each active BMC-91 / BMC-91X filing is downloaded from the FMCSA portal and stored in the master insurance file

5.2 Authority Suspension Risk

A lapse in the BMC-91 / BMC-91X filing constitutes a critical compliance failure. If this filing lapses:

- ? FMCSA will suspend the carrier's operating authority; no interstate freight may be legally transported
- ? Every load in transit at the time of suspension is operating without authority, exposing the company to regulatory sanctions and civil liability
- ? Reinstatement requires a new BMC-91 filing confirmed by FMCSA and may require a new operating authority application in some circumstances
- ? The Director of Operations and CFO must be notified immediately upon any indication that the BMC-91 filing is at risk of lapse

> ■ Critical Priority - Authority Protection Preservation of an active BMC-91 / BMC-91X filing is the single highest-priority insurance administration function. No other cost or administrative consideration overrides the obligation to maintain this filing continuously.

5.3 BMC-34 - Cargo Liability Filing

- ? The BMC-34 is an optional federal cargo liability filing; it is not universally required but is mandated by certain shipper and broker contracts
- ? Operations maintains a log of which shipper and broker contracts require a BMC-34 filing
- ? When required, Finance coordinates with the insurance broker to ensure the BMC-34 filing is made and confirmed in the FMCSA system
- ? BMC-34 filing status is reviewed with the same frequency as the BMC-91 filing during the renewal cycle

5.4 Filing Confirmation and Documentation

- ? FMCSA portal screenshots or confirmation records for each active filing are stored in the master insurance file and updated at each renewal
- ? The Director of Operations and Finance are notified immediately upon receipt of any FMCSA filing lapse alert or cancellation notice from the FMCSA system
- ? Filing confirmations are retained per the document retention schedule established in BOF-POL-007

6. Certificate of Insurance (COI) Management

6.1 COI Issuance Process

All requests for Certificates of Insurance must follow the process below:

? Request is initiated by Operations, Finance, or Dispatch - never directly to the broker by field personnel without authorization

? The requesting department submits the required information to Finance or Operations for forwarding to the insurance broker: certificate holder's full legal name and mailing address; required coverage types and limits to appear on the certificate; any additional insured requirements; any waiver of subrogation requirements; specific endorsement or coverage language required by the certificate holder's contract

? Finance or Operations submits the completed request to the insurance broker, specifying the required turnaround (standard: 24 business hours; urgent: same day)

? The completed COI is reviewed by Finance or Operations for accuracy before distribution to the requesting party

? The issued COI is logged in the COI Distribution Log (see Appendix B)

6.2 COI Distribution Tracking

Finance maintains a COI Distribution Log capturing the following for each certificate issued:

? Certificate recipient (broker name, shipper name, lender name, or other party)

? Certificate holder legal name as shown on the COI

? Policy effective date and certificate expiration date

? Coverage types and limits shown on the certificate

? Special requirements: additional insured status, waiver of subrogation, specific limit requirements

? Date issued and issued by (broker contact name)

? Next renewal certificate due date

6.3 Renewal Certificate Distribution

Upon each policy renewal, updated certificates must be re-distributed to all active COI recipients within five (5) business days of the new policy effective date. Finance is responsible for:

? Generating a distribution list from the COI Distribution Log at least 15 days before renewal

? Requesting renewal certificates from the broker upon policy binding confirmation

? Distributing certificates to all recipients and documenting completion in the log

6.4 Additional Insured Management

? An additional insured endorsement on the primary liability and/or cargo policy is required whenever mandated by shipper, broker, or customer contract

? Before issuing any COI naming an additional insured, Finance must verify the endorsement language against the contract requirements

? The specific endorsement form (e.g., CG 20 10, CA 20 48) must match the contract's requirements; blanket additional insured endorsements are acceptable only where the contract explicitly allows them

? All additional insured endorsements are tracked in the COI Distribution Log linked to the corresponding contract file

6.5 Waiver of Subrogation

? A waiver of subrogation endorsement may be required by certain shipper or broker contracts

? Before agreeing to a waiver of subrogation, Finance must confirm with the broker that the insurer will grant the waiver and whether any additional premium applies

? The additional premium associated with any waiver of subrogation is documented in the contract file and invoiced to the requesting party where the contract so provides

? All active waivers of subrogation are documented in the COI Distribution Log and corresponding contract file

6.6 Owner-Operator COI Collection and Tracking

All owner-operators operating under company authority must provide the following insurance documentation before first dispatch and maintain current documentation on file at all times:

? COI evidencing active Bobtail / NTL liability coverage at required limits

? COI evidencing active physical damage coverage if required by the O/O lease agreement

? Evidence of Occupational Accident coverage (company-offered plan enrollment or O/O-provided policy)

Operations maintains the O/O COI tracking log. Dispatch is prohibited from dispatching any O/O whose required COI documentation has expired, been cancelled, or is not on file. O/Os with lapsed coverage are placed in a dispatch hold status until valid coverage documentation is received.

7. Unit-Level Coverage Tracking

7.1 Unit Addition Workflow

Acquisition of any new unit (company-owned or leased) triggers the Unit Addition Insurance Checklist, which must be completed before the unit enters revenue service:

#	Action Item	Responsible Party	Required Timing
1	Notify Finance and broker of unit acquisition with unit details (VIN, year, make, model, value)	Operations Manager	Same day as acquisition
2	Add unit to primary auto liability policy by endorsement; confirm effective date = acquisition date	Finance / Broker	Before unit operates
3	Add unit to physical damage policy by endorsement; confirm stated value meets lender requirement	Finance / Broker	Before unit operates
4	Notify lender/lessor of physical damage coverage with COI naming lender as loss payee	Finance	Within 5 business days
5	Coordinate IRP apportionment update to include new unit	Operations	Per IRP program deadlines
6	File IRS Form 2290 (Heavy Vehicle Use Tax) if mid-year acquisition	Finance	By end of month following first use

#	Action Item	Responsible Party	Required Timing
7	Obtain and file policy endorsement confirmation; update unit-level coverage tracking record	Finance	Within 5 business days of endorsement
8	Issue updated COI to brokers requiring evidence of specific scheduled units, if applicable	Finance	Within 5 business days

7.2 Unit Deletion Workflow

Sale, trade, total loss settlement, or retirement of any unit triggers the Unit Deletion Insurance Checklist:

#	Action Item	Responsible Party	Required Timing
1	Notify Finance of unit disposition with effective date and disposition type (sale, trade, retirement, total loss)	Operations Manager	Same day as disposition
2	Remove unit from primary auto liability policy by endorsement; confirm effective date = disposition date	Finance / Broker	Within 2 business days
3	Remove unit from physical damage policy by endorsement	Finance / Broker	Within 2 business days
4	Obtain lender payoff confirmation and notify lender of policy removal	Finance	Per lender agreement terms
5	Submit IRP deletion for disposed unit	Operations	Per IRP program requirements
6	Deactivate associated fuel card(s)	Operations / Dispatch	Same day as disposition
7	File endorsement removal confirmation in unit record; update coverage tracking record to reflect inactive status	Finance	Within 5 business days

7.3 Value Updates for Physical Damage

? The insured value of all units on the physical damage schedule is reviewed and updated annually as part of the physical damage renewal process

? Lender ACV or minimum insured value requirements are confirmed with lenders annually and verified against the scheduled values

? The fleet schedule must be accurate within 30 days of any unit addition, deletion, or value change

? Mid-year value adjustments (e.g., following significant repair or improvement) are submitted to the broker for endorsement as they occur

7.4 Unit-Level Coverage Tracking Record

Finance maintains a Unit-Level Coverage Tracking record (see Appendix C) with the following fields for each active unit:

Field	Description
Unit Number	Internal fleet unit identifier
VIN	Full 17-character Vehicle Identification Number
Year / Make / Model	Vehicle description
Coverage Types Active	Primary Liability, Physical Damage, Cargo - check or N/A as applicable
Physical Damage Deductible	Per-occurrence deductible for collision and comprehensive
Lender Name / Payoff Amount	Lienholder and approximate current payoff balance
Policy Effective Date	Date unit was added to the policy
Policy Expiration Date	Current policy expiration date for this unit
Endorsement Number	Policy endorsement number confirming unit addition
Status	Active / Inactive / Disposed / Total Loss

The Unit-Level Coverage Tracking record is reconciled monthly against the fleet roster. Discrepancies are resolved within 5 business days and documented.

8. Policy Renewal Management

8.1 Renewal Calendar and Alert Schedule

Policy Type	Renewal Lead Time for Action	BOF Alert Schedule	Key Pre-Renewal Actions
Primary Auto Liability	60 days before expiration	90 / 60 / 30 days before renewal	Confirm BMC-91 refiling date with broker; update driver list; pull MVRs; submit loss runs to market; confirm endorsement schedule is current
Cargo Liability	45 days before expiration	60 / 30 days before renewal	Confirm commodity coverage matches operations; update per-load limit if needed; review any commodity exclusions; confirm BMC-34 filing status if required
Physical Damage	45 days before expiration	60 / 30 days before renewal	Update scheduled unit values; remove disposed units; add new units; confirm ACV with lenders; review deductible adequacy
Workers Compensation	60 days before expiration	90 / 60 / 30 days before renewal	Confirm payroll class codes with HR; provide updated payroll by class; confirm employee classification (company driver vs. O/O) is accurate; prepare for premium audit closeout

Policy Type	Renewal Lead Time for Action	BOF Alert Schedule	Key Pre-Renewal Actions
Umbrella / Excess Liability	45 days before expiration	60 / 30 days before renewal	Confirm underlying policy limits unchanged; verify umbrella follows form for all required underlying lines; update schedule of underlying policies
Bobtail / NTL (O/O Fleet)	45 days before expiration	60 / 30 days before renewal	Update O/O roster; remove terminated O/Os; add current O/Os; confirm O/O-provided policies are still active for those not on company plan

8.2 Loss Run Request

? Loss runs (5-year minimum) must be requested from the incumbent insurer no later than 60 days before each renewal date

? Loss runs are submitted to all prospective markets as part of the renewal underwriting submission

? The Director of Operations and Safety Director review loss run reports to identify claim trends, large reserve positions, and improvement opportunities before the renewal submission

8.3 Annual Market Review

? A competitive market review is conducted annually for all major coverage lines (auto liability, cargo, physical damage, workers compensation, umbrella)

? The insurance broker is required to approach a minimum of three (3) qualified markets for each coverage line and provide written proposals

? The incumbent insurer is provided the opportunity to submit a competitive renewal response

? The market review submission is documented per the checklist in Appendix G

? The final selection decision is documented with the basis for selection retained in the master insurance file

8.4 Renewal Authorization

? The Director of Operations and CFO must jointly authorize the premium commitment for any renewal that reflects a premium increase of more than 10% over the expiring premium before binding authority is granted to the broker

? All renewal binding confirmations are received in writing from the broker and filed in the master insurance file

? New policy declarations pages and endorsements are reviewed upon receipt and confirmed against the agreed renewal terms within 15 days of receipt

9. Claims Coordination Procedure

9.1 First Notice of Loss (FNOL)

The complete FNOL procedure - including field reporting requirements, driver obligations, and Safety Department response - is governed by BOF-POL-005, Section 9. This section governs the insurance administration aspects of claims management following FNOL.

■ Cross-Reference Refer to BOF-POL-005 (Claims and Incident Response Policy) for complete FNOL procedure, accident scene protocol, telematics data preservation, and driver reporting obligations.

9.2 Claims Reporting Timelines

Prompt claims reporting is a condition of coverage under all insurance policies. The following timelines are mandatory:

Coverage Line	Required Reporting Timeframe to Insurer	Consequences of Late Reporting
Primary Auto Liability	Immediately upon qualifying accident or incident; same-day notification to broker	Late reporting may jeopardize coverage; insurer may disclaim duty to defend if reporting is unreasonably delayed; personal injury claims must not be delayed under any circumstances
Cargo Liability	Within 15 days of delivery date (Carmack Amendment notice standard); FNOL to insurer within 5 business days of first notice of loss or damage	Failure to provide timely notice to shipper per Carmack may affect subrogation rights; insurer late notice may jeopardize coverage
Physical Damage	Immediately upon damage discovery; adjuster inspection before repair authorization	Delay may affect adjuster access, result in spoliation issues, or allow insurer to dispute extent of pre-existing vs. new damage
Workers Compensation	Within 24 hours of injury per most state statutes; state-specific First Report of Injury filed per state law deadlines	State penalties for late First Report filing; potential exposure for unreasonable claim handling; may affect return-to-work coordination
Umbrella / Excess Liability	Notify excess carrier whenever primary reserve or exposure approaches 50% of primary limit	Excess carrier may disclaim based on late notice if primary limits are eroded without notification

9.3 Evidence Preservation

The complete evidence preservation procedure is set forth in BOF-POL-005, Section 7. The following applies specifically to physical damage claims:

? Repair authorization must not be issued until the insurer's adjuster has completed physical inspection of the damaged unit

? Exception: emergency temporary repairs necessary to prevent further damage (e.g., tarping a damaged roof) may proceed, but all temporary repair costs and conditions must be documented with photographs before temporary repairs are made

? Damaged components and parts must be preserved for insurer inspection and not discarded until the claim is resolved

9.4 Recorded Statement Protocol

? No recorded statement is to be provided to an adverse party's insurer or representative without prior review and authorization by the Director of Operations and Legal counsel

? This requirement applies to all claims with actual or potential exposure exceeding $10,000

? Any recorded statement given by company personnel is documented by date, time, requesting party, and subject matter in the claims register

? All driver statements are coordinated through the Safety Director in consultation with the Director of Operations

9.5 Subrogation Rights Preservation

? Subrogation rights must be preserved in all claims where a responsible third party has been identified or is suspected

? Responsible third parties are identified and documented as part of FNOL (per BOF-POL-005)

? The insurer is notified of subrogation potential at the time of FNOL or as soon as subrogation potential is identified

? No release, settlement, or waiver involving a third party responsible for the loss may be executed without prior written approval from the insurer

? Finance tracks subrogation recovery amounts in the claims register

9.6 Reserve Management

? Open claim reserves are reviewed quarterly by Finance and the Safety Director

? Claims with reserves of $50,000 or more are reviewed with the assigned insurer adjuster for adequacy on a quarterly basis

? Reserve reductions and increases are documented in the claims register with the basis for the change noted

? Large reserve positions are reported to the CFO and Director of Operations quarterly as part of financial reporting

9.7 Claims Register

The Safety Director maintains a Claims Register (see Appendix E) tracking all open and closed claims with the following information:

Field	Description
Claim Number	Insurer-assigned claim number
Date of Loss	Date incident occurred
Claim Description	Brief summary of the incident and nature of loss
Coverage Line	Auto Liability, Cargo, Physical Damage, WC, etc.
Insurer	Insurance company handling the claim
Assigned Adjuster	Adjuster name and contact information
Current Reserve	Insurer's current total reserve amount
Deductible Amount	Company's deductible obligation for this claim
Subrogation Potential	Yes / No / Recovered (with amount)
Claim Status	Open / Closed / In Litigation / Settled
Resolution Amount	Final total paid (indemnity + expense) at close
Notes	Recorded statement dates, litigation status, key developments

10. Workers Compensation and Occupational Accident

10.1 Company Driver Workers Compensation

Workers compensation coverage is required by state law for all W-2 employees, including all company drivers. The following procedures apply:

? Injury Reporting: All work-related injuries must be reported to the direct supervisor within 24 hours of occurrence or awareness; supervisor escalates to HR within the same reporting period

- ? First Report of Injury: HR files the state-required First Report of Injury form within the timeframe required by the applicable state's statute
- ? Medical Authorization: HR coordinates with the WC insurer to direct injured employees to approved medical providers; unauthorized treatment outside the insurer's provider network may not be covered
- ? Return-to-Work: HR and Operations coordinate with the insurer on modified duty and return-to-work programs to facilitate early, safe return to employment
- ? Premium Classification: HR maintains accurate payroll records by workers compensation class code and provides these records to Finance for premium audit cooperation

10.2 Owner-Operator Occupational Accident - Disclosure Requirement

■ Regulatory Disclosure Obligation - 49 CFR Part 376 Federal law requires that motor carriers provide written disclosure to each owner-operator at lease execution that any Occupational Accident insurance coverage offered or required under the lease is NOT workers compensation insurance and does NOT provide equivalent protections under any state workers compensation law. This disclosure must be signed by the O/O and retained in the Driver Qualification File (DQF).

- ? HR ensures the O/O Occupational Accident Disclosure Form (Appendix F) is reviewed, signed, and retained in the DQF before lease execution
- ? The disclosure must explicitly state: the coverage type, the coverage limits, what is and is not covered, and that the coverage does not constitute workers compensation
- ? Enrollment in any company-offered Occupational Accident plan is documented in the DQF
- ? O/Os providing their own Occupational Accident coverage must provide evidence of coverage before first dispatch

10.3 Premium Audit Cooperation

- ? The WC insurer conducts an annual premium audit at or after policy expiration to reconcile actual exposure against estimated premiums
- ? Finance provides all requested payroll records by class code promptly upon the insurer's audit request (standard response: within 10 business days)
- ? HR confirms driver classification (W-2 company driver vs. independent owner-operator) for the audit period; misclassification of workers is a material audit risk
- ? Audit adjustments (additional premium or return premium) are reviewed by the CFO and documented in Finance records
- ? Any disputed audit findings are escalated to the Director of Operations and CFO before acceptance

11. Insurance Vendor Management

11.1 Insurance Broker Requirements

The company's insurance broker must meet the following minimum qualifications to serve as the primary insurance producer:

- ? Licensed as an insurance producer in the company's state of domicile and all states of primary operation
- ? Carries Errors & Omissions (E&O) professional liability insurance with minimum limits of $1,000,000 per occurrence
- ? Demonstrates active specialization in commercial trucking and motor carrier insurance
- ? Has established, documented access to a minimum of five (5) trucking specialty insurance markets
- ? Participates in an annual service review conducted by the Director of Operations and CFO

? A documented service agreement or broker of record letter is in place and current

11.2 Broker Change Procedure

If the company elects to change insurance brokers or markets, the following transition process is required:

? A minimum of 90 days' advance notice of intent to change brokers is provided wherever feasible to allow orderly transition

? Binding authority is formally transferred to the incoming broker; the departing broker's binding authority is revoked in writing

? All open claims files, active policy documents, and COI distribution logs are transferred to the incoming broker or retained by Finance

? The company's contact directory - including all insurer adjuster contacts, FMCSA filing contacts, and certificate holder lists - is updated within 5 business days of the broker change

? FMCSA filing continuity is specifically confirmed with both the departing and incoming broker as the highest-priority transition item

11.3 Market Access

? The broker must demonstrate and confirm active access to trucking specialty insurance markets, including admitted and excess/surplus lines carriers, on an annual basis

? Annual confirmation of markets approached and markets that declined to quote is provided to Finance as part of the annual market review documentation

? The company reserves the right to request that the broker approach specific markets identified through industry channels or peer carrier referrals

12. Roles and Responsibilities

Role / Position	Primary Responsibilities Under This Policy
Director of Operations / CFO (Policy Owners)	Overall ownership and enforcement of this policy Joint authorization of renewals with premium increases >10% Coverage gap decision authority Authorization for recorded statements on claims >$10,000 Approval of broker changes and binding authority Annual policy review and version approval FMCSA filing status oversight at 45/30/15 day intervals
Finance / Accounting	Premium payment processing and payment schedule management COI issuance coordination and Distribution Log maintenance Unit-Level Coverage Tracking record maintenance and monthly reconciliation Claims reserve tracking and quarterly reserve review Premium audit cooperation and payroll records provision Renewal market submission coordination with broker Policy declarations and endorsement review upon receipt
Operations Manager	Unit addition and deletion notification to Finance (same day) O/O COI collection oversight and dispatch hold enforcement Claims notification escalation to Safety and Finance O/O lease coverage disclosure coordination with HR Coordination of driver list updates for auto liability renewal

Role / Position	Primary Responsibilities Under This Policy
Safety Director	FNOL initiation and management for all accident and cargo claims Evidence preservation coordination per BOF-POL-005 Recorded statement oversight and documentation Claims Register maintenance and quarterly reserve review participation Subrogation opportunity identification and insurer notification Loss run analysis and safety improvement planning from claims trends Driver MVR coordination for auto liability renewal
Human Resources (HR)	WC injury reporting, First Report of Injury filing, and return-to-work coordination O/O Occupational Accident Disclosure execution and DQF filing Employee class code management for WC premium audit Driver classification confirmation (W-2 vs. O/O) for WC audit Payroll records by class code provided to Finance for audit purposes
Dispatch	Confirming O/O COI currency in fleet management system before each dispatch Enforcing dispatch holds for O/Os with lapsed or missing COI documentation Noting and escalating coverage flags from fleet system to Operations Manager Escalating any driver report of unit-level incident immediately to Safety Director

13. Non-Compliance and Enforcement

The following actions constitute policy violations and are subject to the enforcement actions described below:

Violation	Immediate Action	Investigation / Disciplinary Action
Dispatching any unit without confirmed active coverage	Immediate dispatch hold on the unit; unit recalled if in transit; Director of Operations notified within 1 hour	Internal investigation; disciplinary action up to and including termination for willful dispatch of uncovered unit; insurer notification if coverage question arises
Failure to report a qualifying claim within required timeframe	Immediate escalation to Director of Operations and Finance; claim reported to insurer immediately upon discovery of delay; potential coverage implications disclosed to CFO	Investigation to determine whether delay was willful or systemic; disciplinary action for responsible personnel; documentation of circumstances for insurer
Dispatching an O/O without current COI on file	O/O placed on immediate dispatch hold; Operations Manager notified; O/O must provide valid COI before dispatch hold is lifted	Pattern violations result in formal O/O lease review; internal personnel responsible for repeated dispatch of uncovered O/Os subject to disciplinary action
Providing recorded statement to adverse party without authorization	Immediate notification to Director of Operations, Safety Director, and insurer; statement content documented in claims register	Investigation; disciplinary action; legal counsel notified; insurer advised of statement for claims management purposes
Failure to notify Finance of unit addition or deletion same-day	Operations Manager notified; insurance endorsement requested retroactively to correct effective date	Counseling for first occurrence; formal disciplinary action for repeat violations

14. Policy Review and Amendment

14.1 Scheduled Annual Review

This policy is subject to a formal annual review, to be completed no later than 60 days before the anniversary of the effective date (i.e., by May 21 of each year for a July 20 effective date). The review is conducted by the Director of Operations and CFO with input from Safety, HR, Finance, and Operations.

14.2 Trigger Reviews

In addition to the scheduled annual review, this policy is subject to immediate review upon the occurrence of any of the following trigger events:

? Any coverage lapse or FMCSA filing gap

? A significant claim (reserve of $100,000 or greater)

? Insurer non-renewal or material coverage change

? Change in regulatory requirements (federal or state)

? Expansion of operations into new states or commodity types

? Acquisition of a new business entity or fleet

? Change in insurance broker or primary insurer

14.3 Version Control and Distribution

? All amendments are documented with a revised version number, effective date, description of changes, and approval signature

? The prior version is archived per the retention schedule in BOF-POL-007

? The updated policy is distributed to all department heads within 5 business days of approval

? Affected personnel are notified of material changes; training is conducted where required by the nature of the change

? This policy supersedes all prior insurance management procedures, memoranda, and informal practices

Appendices

Appendix A - Insurance Coverage Requirements Summary (Quick Reference)

One-page reference for Operations, Dispatch, and Finance personnel. For complete requirements, refer to Section 4 of this policy.

Coverage	Who It Covers	BOF Minimum Limit	FMCSA Filing	Required Before Dispatch?
Primary Auto Liability	All company and O/O units on dispatch	$1,000,000 CSL	BMC-91 / 91X - Yes	Yes - Always
Cargo Liability	All freight under company bill of lading	$250,000 per load	BMC-34 - Conditional	Yes - Always
Physical Damage	Company-owned and liened units	ACV or stated value per lender	No	Yes - for liened units
Bobtail / NTL	Owner-operators - off dispatch	$1,000,000 CSL	No	Yes - O/O units
Occupational Accident	Owner-operators (not WC equivalent)	$500,000 med / $1,000/wk disability	No	Yes - with signed disclosure

Coverage	Who It Covers	BOF Minimum Limit	FMCSA Filing	Required Before Dispatch?
Workers Compensation	All W-2 company drivers and employees	Statutory per state	No (state filing by insurer)	Yes - before first payroll
General Liability	Terminal/premises operations	$1M per occurrence / $2M aggregate	No	Yes - premises operations
Umbrella / Excess	All underlying lines, per contract requirements	$1M minimum; up to $5M per contract	No	Per shipper/broker contract

Appendix B - COI Distribution Log Template

Maintained by Finance. Updated upon each certificate issuance and at each policy renewal.

Log #	Certificate Holder Name	Recipient Type	Coverage Lines on COI	Additional Insured?	Waiver of Subrogation?	Policy Eff. Date	COI Exp. Date	Date Issued	Issued By (Broker)	Next Renewal COI Due	Notes
001	[Certificate Holder Legal Name]	Freight Broker / Shipper / Lender / Other	Auto Liability; Cargo; GL; Umbrella	Yes / No	Yes / No	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY	[Broker Contact]	MM/DD/YYYY	[Special endorsement notes]
002											

Appendix C - Unit-Level Coverage Tracking Spreadsheet Template

Maintained by Finance. Reconciled monthly against fleet roster. All fields required for active units.

Unit #	VIN	Year / Make / Model	Auto Liability Active?	Physical Damage Active?	PD Deductible	Insured Value	Lender Name	Approx. Payoff	Policy Eff. Date	Policy Exp. Date	Endorsement #	Status
[Unit ID]	[17-char VIN]	[YYYY / Make / Model]	Yes / No	Yes / No / N/A	$[amount]	$[amount]	[Lender Name]	$[amount]	MM/DD/YYYY	MM/DD/YYYY	[Endorsement #]	Active / Inactive / Disposed

Appendix D - Policy Renewal Checklist by Coverage Line

To be completed by Finance for each coverage line at each renewal cycle. File completed checklist in master insurance file.

Checklist Item	Coverage Line(s)	Lead Time	Responsible	Completed Date	Initials
Request 5-year loss runs from incumbent insurer	All lines	60 days prior	Finance		

Checklist Item	Coverage Line(s)	Lead Time	Responsible	Completed Date	Initials
Review loss runs with Safety Director and Director of Operations	All lines	55 days prior	Finance / Safety		
Update driver list and pull current MVRs	Auto Liability	60 days prior	Safety / HR		
Reconcile fleet schedule - confirm all active units, remove disposed units, confirm values	Auto Liability / Physical Damage	60 days prior	Finance / Operations		
Update payroll by class code for WC renewal submission	Workers Compensation	60 days prior	HR / Finance		
Update O/O roster for Bobtail/NTL renewal	Bobtail / NTL	45 days prior	Operations		
Confirm commodity coverage matches current freight operations	Cargo	45 days prior	Operations		
Confirm underlying policy limits unchanged for umbrella renewal	Umbrella / Excess	45 days prior	Finance		
Submit underwriting application and loss runs to markets	All lines	45 days prior	Finance / Broker		
Review and compare market proposals	All lines	30 days prior	Finance / Director of Ops / CFO		
Obtain authorization for renewals with >10% premium increase	All lines	30 days prior	Director of Ops / CFO		
Authorize binding; confirm BMC-91 refiling effective date	Auto Liability / All	15 days prior	Finance / Broker		
Confirm BMC-91 filing in FMCSA portal	Auto Liability	Policy eff. date	Finance		

Checklist Item	Coverage Line(s)	Lead Time	Responsible	Completed Date	Initials
Distribute renewal COIs to all active certificate holders	All lines	Within 5 bus. days of eff.	Finance		
File declarations and endorsements in master insurance file	All lines	Within 15 days of receipt	Finance		

Appendix E - Claims Register Template

Maintained by the Safety Director. Reviewed quarterly with Finance. All open claims must be current. Closed claims retained per BOF-POL-007.

Claim #	Date of Loss	Description	Coverage Line	Insurer	Adjuster / Contact	Reserve	Deductible	Subrogation?	Status	Resolution Amt.	Notes
[Insurer Claim #]	MM/DD/YYYY	[Brief description]	Auto / Cargo / PD / WC / Other	[Insurer Name]	[Name / Phone / Email]	$[current reserve]	$[amount]	Yes / No / Recovered	Open / Closed / Litigation / Settled	$[if closed]	[Key dates, recorded statements, litigation notes]

Appendix F - Owner-Operator Occupational Accident Disclosure Form Template

Required by 49 CFR Part 376. Must be executed at lease inception. Original retained in Driver Qualification File (DQF).

NOTICE TO OWNER-OPERATOR: OCCUPATIONAL ACCIDENT INSURANCE DISCLOSURE

■ IMPORTANT - READ CAREFULLY BEFORE SIGNING Occupational Accident insurance coverage is NOT workers compensation insurance. It does not provide the same protections, benefits, or legal rights afforded to employees under any state workers compensation law. You are not an employee of the carrier for purposes of workers compensation coverage.

As required by 49 CFR Part 376 (Lease and Interchange of Vehicles), the carrier is required to disclose the following information regarding occupational accident coverage offered or required under the lease agreement between the parties:

Disclosure Item	Details
Coverage Type	Occupational Accident Insurance (NOT Workers Compensation)
Insurer / Plan	[Insurer Name and Policy Number]
Accident Medical Benefit	Up to $[amount] per occurrence for covered injuries requiring medical treatment
Disability Benefit	$[amount] per week for covered temporary total disability; benefit begins after [X]-day elimination period
Accidental Death and Dismemberment	Up to $[amount] for covered accidental death; up to $[amount] for covered dismemberment

Disclosure Item	Details
Coverage Exclusions	Illness and disease not resulting from a covered accident; pre-existing conditions; non-occupational injuries; incidents occurring off-dispatch as defined in the policy
This coverage IS NOT	Workers compensation; it does not provide the statutory benefits, legal presumptions, exclusive remedy provisions, or rehabilitation benefits of workers compensation law
Your Right to Obtain WC	You may independently seek workers compensation coverage if you qualify as an employer under state law; carrier strongly recommends consulting legal counsel regarding your coverage options

Owner-Operator Acknowledgment:

I, the undersigned Owner-Operator, acknowledge that I have read and understand the above disclosure. I understand that the occupational accident coverage described herein is NOT workers compensation insurance and does not provide the same protections. I understand my right to seek independent legal advice regarding my coverage options.

Owner-Operator Signature	Date
Owner-Operator Printed Name	O/O DOT / MC # (if applicable)
Carrier Representative Signature / Title	Carrier Representative Signature / Title

Appendix G - Annual Market Review Submission Checklist

Completed by Finance in coordination with the insurance broker. Filed in master insurance file as part of each annual renewal cycle documentation.

#	Submission Item	Coverage Line(s)	Included?	Notes
1	Completed ACORD Commercial Insurance Application	All lines	Yes / No	
2	5-year loss runs - current and signed by insurer	All lines	Yes / No	
3	Current fleet schedule (unit number, VIN, year, make, model, value)	Auto / PD	Yes / No	
4	Current driver list with hire dates and CDL class	Auto Liability	Yes / No	
5	3-year MVR summary by driver	Auto Liability	Yes / No	
6	Commodity description and revenue miles by commodity type	Auto / Cargo	Yes / No	
7	Payroll by workers compensation class code	Workers Comp	Yes / No	

#	Submission Item	Coverage Line(s)	Included?	Notes
8	Number of company drivers vs. owner-operators	WC / Occ. Acc.	Yes / No	
9	Safety program description (ELD compliance, drug/alcohol program, training records)	All lines	Yes / No	
10	FMCSA SMS scores (current Compliance, Safety, Accountability percentiles)	Auto Liability	Yes / No	
11	Description of operations (lanes, radius, terminal locations)	All lines	Yes / No	
12	Gross revenue and miles traveled (prior 3 years)	All lines	Yes / No	
13	Schedule of underlying policies for umbrella submission	Umbrella	Yes / No	
14	List of markets approached by broker and results (quoted / declined / pending)	All lines	Yes / No	
15	Written market comparison with incumbent renewal terms	All lines	Yes / No	

Policy Authorization and Approval

This policy has been reviewed, authorized, and approved by the undersigned in accordance with the company's policy governance requirements.

Role	Name (Print)	Signature	Date
Policy Owner - Director of Operations			
Policy Owner - Chief Financial Officer			
Approved By - Chief Operating Officer			

Version History

Version	Effective Date	Description of Changes	Approved By
1.0	July 20, 2026	Initial policy issuance - Insurance Management and COI Control Policy established for commercial trucking and logistics operations under company FMCSA authority.	Chief Operating Officer

Policy No.: BOF-POL-011	Insurance Management and COI Control Policy	Version 1.0 | Effective: July 20, 2026
Classification: Internal - Controlled Document | Owner: Director of Operations / CFO | Review Cycle: Annual | Next Review Due: July 20, 2027	Classification: Internal - Controlled Document | Owner: Director of Operations / CFO | Review Cycle: Annual | Next Review Due: July 20, 2027	Classification: Internal - Controlled Document | Owner: Director of Operations / CFO | Review Cycle: Annual | Next Review Due: July 20, 2027