



MCS INSURANCE

Insights

What is Inland Marine Insurance?

Without prior knowledge of 'Inland Marine' insurance, you might think this is boating insurance or something along those lines. Ironically, it's not. Marine insurance is a type of property coverage that has a long history behind it. Marine insurance came into existence in the early days of shipping when merchants relied on bodies of water such as oceans, rivers, and canals as their main routes of transportation.

Don't let the term "inland marine" confuse you. As opposed to "marine insurance," which covers products when transported over water, inland marine insurance covers products, materials and equipment when transported over land - e.g., via truck or train - or while temporarily warehoused by a third party. Collisions and cargo theft are the two most frequent causes of inland marine losses.

(Source: Cunnington & Associates Inc.)

As the twentieth century unfolded, and with it, a whole new system of transportation: planes, trains, and automobiles the demand for insurance to protect goods in transit over land came into existence. This is where inland marine insurance was born.

Inland marine is one of the most varied types of Property & Casualty insurance with many unique and unusual exposures. It is a form of property insurance, but the distinction between property and marine coverage can be very confusing.

As a rule, property coverage is designed to cover stationary property, property that predominately remains at a "scheduled" premises, and property not considered "unique." Inland marine coverage is intended for property that may be moving from location to location, property off premises at new locations, temporary locations, or work locations, and/or subject to "unique" causes of loss that traditional property policies do not cover. The four major types of inland marine coverages written today are:

- Property being transported
- Buildings under construction (builders' risk)
- Computer equipment and data
- Contractors' equipment

Please contact us if you have further questions about this type of coverage

Mark Ostrowski, President and Principle Agent

100 Commerce Drive
Milroy, PA 17063

Phone: 717-363-4020
Fax: 717-248-6602
mark.ostrowski@mcs.bank
www.mcs.bank

