Part 387

**Section § 387.7: Financial responsibility required.**

## Guidance Q&A

**Question 1: May a large corporation which has many wholly owned subsidiaries have one policy for the parent corporation and maintain the policy and the Form MCS-90 at the corporate headquarters?**

**Guidance:** Generally, the required financial responsibility must be in the exact name of the motor carrier and the proof of that coverage must be maintained at the motor carrier’s principal place of business. A parent corporation may, however, have a single policy of insurance or surety bond covering the parent and its subsidiaries, provided the name of the parent and the name of each subsidiary are listed on the policy or bond. Further, the required proof must have listed thereon the name of the parent and its subsidiaries. A copy of that proof of financial responsibility coverage must be maintained at each motor carrier subsidiary’s principal place of business.