

OPEN CARGO INSURANCE

APPLICATION

The questions contained in this Application are designed to give the Insurance Company sufficient information regarding your business to offer to you an insurance quotation.

It cannot always cover every aspect and it is your duty to disclose all material information to the Insurance Company that may affect the premium or conditions.

If you have insufficient space to answer any questions, please attach a separate sheet.

If you require assistance in completing this Application, Treacy Insurance Brokers Ltd will be pleased to assist you.

Information contained in this Application will be used to obtain insurance quotations on your behalf.

It will be released to Insurance Companies and/or other insurance intermediaries such as insurance agents, insurance brokers or Managing General Agents for the purpose of obtaining on your behalf insurance quotations or to other parties as may be required by law.

Treacy Insurance Brokers Ltd confirms that it will maintain the confidentiality of this information while also complying with its obligations under the B.C. Personal Information Protection Act ("PIPA").

By signing this Application you give Treacy Insurance Brokers Ltd permission to release this Application and the information contained herein to the foregoing parties at this time and at any time in the future unless we receive specific written notification from you not to do so.

For Treacy Insurance Brokers full Privacy Statement refer to :

www.treacyinsurance.com

Insurers are taking a more critical look at the way goods are packed and particularly stowed into containers.

If underwriters deem that goods were insufficiently packed or stowed and that this contributed or caused the damage to the goods, then underwriters are declining to pay such losses on the basis of inevitability of loss rather than the loss being a fortuity.

You should therefore make sure or have your supplier, shipper or forwarder confirm to you in writing that the shipping container is clean and in full order (e.g. : container not tight thereby allowing ingress of water; reefer containers machinery operational with current mechanical inspection; where ventilated container required for safe carriage of cargo that ventilation is in order; container clean so as to avoid contamination from previously carried cargo; LCL - confirmation that container clean and that other cargo being stowed will not cause cross-contamination to your cargo; shipment without sufficient bracing allowing the cargo to shift; stone slab not on A frame and/or without sufficient bracing allowing the cargo to shift; etc).

<u>DESCRIPTION</u>	<u>ESTIMATED</u>			
	<u>IMPORT</u>	<u>EXPORT</u>	<u>ANN VOLUME</u>	<u>LCL (%)</u> <u>FCL(%)</u> <u>BULK (%)</u>
(i) *			\$	
(ii) Temperature Controlled*				
(iii) Fresh Produce*				
(iv) Breakable/ fragile*				
(v) Bulk Commodities*				
(vi) Personal Effects				
- Professionally packed				
- Not professionally packed				
(vii) Motor Vehicles				
- Professionally prepared/stowed				
- Not professionally prepared/stowed				
(viii) Microchips/Computer chips				
(ix) Bullion				
TOTALS :			\$	100% 100% 100%

* For Insurers to be able to determine insuring conditions, rates, deductibles and exposures, it is a requirement that you describe in detail all goods including the specific packing, # of cartons, tins etc per pallet, if polywrapped, # pallets per container, # loose bags per container and trans-shipment points.

Temperature controlled shipments : Are Ryan Recorders used ? Yes No . **Insurers will "warrant " that Ryan Recorders are used on these shipments.**

3. DESTINATIONS

Indicate percentage (%) by destination of shipments insured in the previous twelve (12) months.

Also, the major geographic zones and countries that goods are exported to or imported from Canada.

International movements not involving shipments into/out of Canada should be identified separately.

Imports (%)			Exports (%)		
<u>Marine</u>	<u>Air</u>	<u>Inland</u>	<u>Marine</u>	<u>Air</u>	<u>Inland</u>

ASIA / PACIFIC

- a. China-direct
- b. China-via Hong Kong
- c. Hong Kong
- d. Taiwan
- e. Japan
- f. India, Bangladesh, Pakistan
- g. Australia, New Zealand
- h. Balance of Asia/Pacific

EUROPE

- i. Europe-West
- j. Europe-East (Romania, Bulgaria, Poland)
- k. Ex Yugoslavia
- l. Russia
- m. Ukraine
- n. Other ex Soviet Republics

AMERICA'S

- o. Mexico
- p. Central America
- q. South America
- r. United States
- s. West Indies

AFRICA

- t. Republic of South Africa
- u. Balance of southern Africa
- v. East Africa
- w. North Africa
- x. WestAfrica

SOLELY WITHIN CANADA

4. CROSS VOYAGES

A cross voyage is a shipment that does not enter or leave Canada at any time. Examples of such shipments are – Japan via Antwerp to Germany; USA to Japan; China to Thailand.

Please indicate the percentage of your total volume involved in cross voyages % and the main cross voyage routes.

5. CLAIMS RECORD

A five (5) year detailed claims record is required which should show the individual losses with the following information.

If you are unsure of your full claims record then this information can be obtained from your current Insurer by requesting same from your present insurance broker.

As a rule of thumb, this information should be supplied annually to you by your insurance brokers so as to inform you of export claims (which could have been settled overseas and of which you may not be aware) and import /domestic claims which you would already have a record of but which could have been reduced due recoveries from carriers etc.

(i)	(ii)	(iii)	(iv)	(v)	(vi)
DATE	DESCRIBE LOSS GOODS	SEA, AIR INLAND	IMPORT, EXPORT OR WITHIN CANADA	AMOUNT CLAIMED	AMOUNT PAID

Example of loss details required :

05/01/07	Container Marble Slabs overboard during storm	Sea	Import from Italy	\$100,000	Outstanding
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6. YOUR CURRENT POLICY

Please advise if your present policy contains any of the following :

- (i) Deductible : Yes No If yes, what is the amount? \$
- (ii) Franchise : Yes No If yes, what is the amount? \$
- (iii) Specifically excluded goods, countries or coverage. Please advise :
- (iv) Current rate (s) :

7. INSURANCE REQUIREMENTS

(i) **Maximum Limit required :**

Marine	Air	Truck	Rail	Parcel	Post
\$ any one vessel	\$ any one aircraft	\$ any one truck	\$ any one railcar	\$ any one parcel	\$ any one parcel

(ii) Do you require the policy to provide long term storage ? **Yes** **No**

If Yes, please advise :

(a) type of cargo

(b) full description of storage premises including construction, security, fire protection. A copy of a recent location report would be preferred ;

(c) maximum storage period required # days

(d) Maximum Limit \$ Average Limit \$

(iii) **Basis of Valuation :** Cost, Insurance and Freight plus 10%

Does the above meets your requirements ? Yes No

If no, please advise the Basis of Valuation you require :

(iv) Is Rejection Insurance required ? **Yes** ____ **No** ____ . **If Yes**, please advise the following :

Commodity :

Destination :

Details of ALL claims during the past 5 years :

8. LARGE VOLUME CLIENTS

Do you have any special clients where you will require special insuring conditions and rates?
Yes _____ No _____ If yes, please advise for each :

Clients Name :

Goods or commodities being shipped and describe packing :

Destinations _____ Transshipment required : Yes No If Yes, where ?

Estimated Annual Volume : \$

Amount per shipment : Marine.\$ Air.\$ Truck.\$ Rail.\$ Parcel Post.\$

Shipping Method : FCL LCL BREAKBULK BULK

Claims: Details of any claims involving the above client and goods over the past five (5) years. Refer to question #4 for the required information.

9. HAVE YOU EVER HAD A PREVIOUS CARGO POLICY CANCELLED ?

Yes _____ No _____ . If Yes, please explain :

10. PRESENT INSURANCE

It is helpful to us in determining the insurance coverage you require to receive a copy of your present insurance policy. This combined with the other information contained in this Application enables us to precisely tailor the insurance programme.

If you do not wish to submit a copy of your present Policy, then we require the following minimum information :

Current Insurer :

Does your Policy contain a deductible or a franchise ? **Yes _____ No _____ .**

If Yes the deductible is Cdn / US \$

Does the Policy contain specific exclusions or limitations ? Examples :

- chinawares / tiles excluding breakage;
- steel excluding rust, oxidation and discolouration;
- frozen or chilled shipments warranted Ryan Recorders used at all times;

- frozen food shipments insured on Institute Frozen Food Clauses (24 hour breakdown)
- Specific warranties and/or exclusions on car or truck shipments (e.g. no coverage while driven under own power except during load/unload into the container; non-containerized shipments warranted shipped under-deck etc)
- Special warranties and/or conditions for personal effects shipments (e.g. warranted professionally packed etc)

11. OPEN POLICY TERM

To cover all shipments on and after (DD MONTH YEAR)

12. SIGNATURE. The undersigned :

- being authorized by and acting on behalf of the applicant and all persons or concerns seeking insurance, has read and understands this application and declares that all statements set forth herein are true, complete and accurate;
- further declares and represents that any event or occurrence taking place prior to the effective date of the policy applied for, which may render inaccurate, untrue or incomplete any statement made herein WILL BE IMMEDIATELY REPORTED IN WRITING TO THE INSURER;
- acknowledges and agrees that the submission and accuracy of the information on this application and the Insurers receipt of such written report, prior to the inception of the policy applied for, is a condition precedent to coverage.

The signing of this application does not bind the undersigned to purchase insurance nor does review by the Insurance Company to issue a policy and the Insurance Company reserves its right to offer limits, deductibles or franchises other than those shown herein.

It is agreed that this Application shall be the basis of the contract of insurance should a policy be issued and it shall become part of said policy.

Signature :

Position :

Printed :

Date :

13. INSURANCE BROKER

TREACY INSURANCE BROKERS LTD

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We thank you for this opportunity to be of service to you.