

ERRORS & OMISSIONS and CARGO LEGAL LIABILITY INSURANCE

APPLICATION

IMPORTANT NOTES :

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.

This Application must be signed and dated by an Officer, Partner or Owner of the company applying for the coverage.

Please provide a copy of :

- Your Corporate Brochure;*
- Your most recent Annual /Financial Report;*
- Your Standard Trading Terms or Terms & Conditions of Service;*
- Sample Invoice (front & back);*
- Any other documents or contracts addressing, increasing or extending your liability and/or damages in the event of a claim and/or lawsuit.*

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 mentioned 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

1. APPLICANT INFORMATION

Please include all subsidiaries / divisions which are to be insured under the Policy.

INSURED

Full Name :

Address :

Telephone # : ()

Fax # : ()

E-mail address :

Web Site Address :

Other Offices (name cities) :

Principals : Name :

Title :

Years Experience :

Employee's

Canada

USA

Elsewhere

Full time

Part time

Years Applicant Company has been in operation ?

2. LOSS PREVENTION :

Do you employ designated safety officer(s) ?

Yes

No

If Yes, who ?

Do you have a loss prevention programme in effect ?

Yes

No

If Yes, what training and education do you require for employees ?

3. QUALITY CONTROL :

Does your Company currently hold or, is in the process of certification by a recognized quality management organization (e.g. ISO 2000/9000) ?

Yes

No

If Yes, please specify :

4. PRINCIPLE BUSINESS ACTIVITIES :

A. Circle your current business activities & also describe your projected future business plans :

- Custom Broker
- Ocean Freightforwarder : IMPORT EXPORT
- Ocean Consolidator (NVOCC)
- Air Cargo Agent (IATA/CNS)
- Air Freightforwarder (Consolidator)
- Domestic Freightforwarder : CANADA USA MEXICO
- Freightbroker
- Shippers Agent
- Property Broker
- Warehousemen / Storer
- Consolidator
- Packer
- Other Business (describe)

Warning :

- i. The inclusion of "other business" activity does not grant coverage to that activity;*
- ii. It is a requirement of the Policy that the Freightforwarders / Freightbrokers maintain on file at all times current evidence of :*
 - a. the carriers cargo liability insurance showing the name of the carrier, the Policy #, the Policy period, the limit of liability, the insurance coverage and the name/address of the insurance company and that the freightbroker has contacted and confirmed with the Insurance Company shown on such evidence of insurance that in fact the policy is in force &*
 - b. evidence of relevant statutory filings with the regulatory bodies in the USA, Canada & Mexico, as applicable.*

Failure to so do will void coverage with respect to shipments arranged with a carrier where the foregoing is not complied with.

B. Are you members of any provincial, national or international organizations ?

NO YES . If YES, please name the organizations/associations :

CIFFA CSCB Other (name)

C. Do you use CIFFA Standard Trading Conditions ? NO YES

D. Approximate #'s (during previous 12 month period) of :

- (i) Customs Entries**
- (ii) Import Freightforwarding movements (if not acting as a Customs Broker)**
- (iii) Shipments Handled (Export)**
- (iv) Shipments Handled (Domestic)**
- (v) Approx. percentage of revenues from activity as an Air Cargo Agent or Freightforwarder**

5. TRADING AREA (% of Traffic)

Canada

Continental USA including Alaska

Hawaii

Mexico

Central America

Caribbean

South America

Western Europe

Eastern Europe (ex Russia)

Russia

Commonwealth of Independent States (C.I.S.) / ex Soviet Union

China direct

China via Hong Kong

Hong Kong

Taiwan

Japan

Other Far East

India

Pakistan

Other East Asia

Australasia

- Republic of South Africa**
- Other southern Africa**
- West Africa ex Congo & Ivory Coast**
- Congo**
- Ivory Coast**
- East Africa ex Somalia & Eritrea**
- Somalia**
- Eritrea**
- Other Africa**

- Middle East ex Israel & Turkey, Iraq & Iran**
- Israel**
- Turkey**
- Iraq**
- Iran**

Total : 100%

PERCENTAGE MOVED :

As a principle (e.g. NVOCC)	%	As an Agent	%	Co-Load with others	%
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6. TRAFFIC :

SEA : Percentage moved is : **Containerized** % **Breakbulk** % **Bulk** %

Do you consolidate containers ?	NO	YES
Do you issue your own House B/L ?	NO	YES (attach a copy)
Do you transship cargo ?	NO	YES
Does your B/L show transshipment port	NO	YES
Is your B/L ?	door to door	port to port
Does carrier issue B/L to you ?	door to door	port to port

AIR :

Do you issue your own House Airwaybill ?	NO	YES (attach a copy)
Are you an IATA Agent ?	NO	YES

ROAD/RAIL :

Trading Area : Canada % USA % Mexico%
C. America% S. America%

What percentage do you haul yourself ? %

Do you issue a B/L ? NO YES (attach a copy)

Percentage (%) hauled with a declared value ? %

Do you annually check your sub-contractors Cargo Liability Insurance ?

NO YES

EQUIPMENT : Do you own or lease ?

Trucks	NO	YES
Containers	NO	YES
Trailers	NO	YES
Swapbodies	NO	YES
Other conveyances (describe)	NO	YES

If the answer is YES please attach a schedule of the equipment by type showing the replacement value of each unit, year manufactured and any identifying #'s (Vin, Serial etc).

Do you require a quotation to insure the owned / leased equipment ? NO YES

WAREHOUSING (not sub-contracted) What service do you provide ?

- Consolidation
- Deconsolidation

- Long term storage
- Refrigerated Storage
- Open (outside) storage

- Hold stocks for 3rd parties or act as a distribution location
- Local collection/delivery
- Number of warehouses ? Total square metres ?
- Construction, Security and Fire Protection details for each location ?

Please Attach copy of Conditions Used - National Warehousing Conditions

- NFA
- Other

7. SPECIAL CARGOES (# shipments annually) :

- Project
- Reefer
- Bulk
- Tank Containers
- Alcoholic beverages (beer, wine, spirits and similar)
- Tobacco Products (Cigarettes, cigars and similar)
- Perishable Cargo (fish, meat, vegetables, flowers plants and similar)
- Electronic Equipment
- Household Goods / Personal Effects
- Vehicles
- Other (specify)

8. VOLUMES (TEU's & Tonnes/Gross Receipts (GR))

- a. Please answer all areas of this question
- b. Please note that GROSS RECEIPTS are Total Billings less Duties & Taxes
- c. Please list annual fees or revenues generated from the following operations if not included in your total Gross Receipts as required in b. above :

Customs Brokering : \$

Warehousing : \$

	<u>Current Year</u>			<u>Next Year</u>		
	TEU's	Tonnes	Gross Receipts	TEU's	Tonnes	Gross Receipts
Sea						
River						
Air						
Road						
Rail						
Warehousing						
TOTAL :						

9. MAXIMUM VALUES :

Please estimate the maximum value at risk for the following :

- General Cargo via : Ocean \$ Air \$ Road or rail \$
- Household Goods or personal effects
- Liquor, beer, wine or other alcoholic beverages
- Cigarettes and/or other Tobacco products
- Temperature Controlled Goods
- Computer Chips and/or Microchips
- Electronics (TV's, CD players, DVD players, stereo equipment etc)
- Computers

10. CLAIMS RECORD :

Give the total amounts of all claims made against you (whether insured or not). Pending claims should reflect the amount for which you expect to be liable (not the amount claimed), e.g. the amount to which you can limit your liability under your trading conditions. Please attach details of any paid or pending large claims.

YEAR	PAID CLAIMS		PENDING CLAIMS	
	Number	Amount (net of deductible)	Number	Amount (net of deductible)
2006				
2007				
2008				
2009				
Current Year				

11. OTHER UNDERWRITING INFORMATION :

- Name of Current or Previous Insurer (s) :
- Current Policy #
- Current Policy Expiry Date :
- Current Policy Limits of Liability : Cargo Legal Liability \$
Errors & Omissions \$
- Current Policy Deductible for : Cargo Legal Liability \$
Errors & Omissions \$
- Have you ever had any previous policy cancelled or renewal declined? NO YES

If YES, please attach an explanation on a separate page, which shall become part of this Application.

- Do you carry any General Liability Insurance either as a separate policy or as part of a package ?
NO YES UNSURE

- If you are a consolidator issuing your own bill of lading, do you carry Cargo Legal Liability ?

NO

YES

UNSURE

- Policy term required (if cover granted by the Insurer and accepted by the Applicant) :

12 months @

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.

The undersigned 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.

The undersigned 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 or deductibles 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

Suite 212 - 2571 Shaughnessy Street,
Port Coquitlam, B.C. V3C 3G3

Telephone # 604.945.5747

Fax # 604.945.4204

e-mail : mark.wilson@treacyinsurance.com

Website : www.treacyinsurance.com

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