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## APPLICATION AND POLICY FOR CARGO INSURANCE

(Rev. Jan. 2017)

NAME & ADDRESS OF ASSURED:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Vessel: \_\_\_\_\_

Type of Cargo: \_\_\_\_\_

Freezer: Yes \_\_\_\_\_ No \_\_\_\_\_

Coverage for the calendar year, 20\_\_\_\_\_.

I, the undersigned, hereby apply for cargo insurance for the above mentioned calendar year's fishing season or, in the event this application is made after commencement of the above mentioned calendar year's fishing season, from the date of acceptance of this application. I am aware that the coverage is only for loss of fish owned by me and caught from the above named vessel, and does not include herring or herring roe. I am enclosing my cheque to cover the insurance premium, based on my *estimated* annual sales to a maximum of \$300,000 per trip, or, if this application is made after commencement of the above mentioned calendar year's fishing season, on my *estimated* sales from the date of this application to the end of the calendar year, at the rate of 0.3% (minimum \$250.00), calculated as follows:

"Estimated" gross annual sales \$ \_\_\_\_\_ X 0.3% = \$ \_\_\_\_\_ (min. \$250).  
(rounded to nearest dollar)

Additional Payee (if any) In The Event Of Loss:

Loss Payee: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ Province: \_\_\_\_\_ Postal Code: \_\_\_\_\_

I have read, understand and agree to the terms and conditions of coverage under the policy.

**\*\* See reverse for Terms and Conditions of coverage \*\***

It is agreed that:

- A copy of this application and policy will be returned to me evidencing payment and coverage. Loss, if any, payable to the Assured and any Additional Loss Payee named above.
- Following the fishing season, the *actual* sales figures vs. the above mentioned *estimated* sales will be submitted to the office of Pacific Coast Fishermen's Mutual Marine Insurance Company (PCFM) to calculate the *actual* premium in order to determine any overpayment to be returned to me, or any underpayment to be paid by me.
- The *actual* premium is not subject to any refund.
- PCFM may confirm my reported figures for *actual* sales if it wishes to do so.
- Cargo loss, if any, is limited to the sum of \$300,000.

Pacific Coast Fishermen's Mutual Marine Insurance Company ("PCFM"), licensed as a mutual marine insurance company under the Financial Institutions Act of British Columbia, discloses that this transaction is between you and PCFM.

We hereby advise you that PCFM receives, collects, uses and shares personal information about you for the purposes of providing and administering both your application and policy of insurance and statutory required reporting. By your agreement signified by your signature below you are consenting to this receipt, collection, use, and sharing of your personal information.

\_\_\_\_\_ Date

\_\_\_\_\_ Signature of Applicant

**For Office Use Only:**

Policy No. \_\_\_\_\_

We hereby agree to cover the above noted with coverage to be effective commencing \_\_\_\_\_, 20\_\_\_\_\_.

Dated at Burnaby, B.C., this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Signature: \_\_\_\_\_ Title: \_\_\_\_\_

on behalf of Pacific Coast Fishermen's Mutual Marine Insurance Company.

1. This insurance is limited to coverage of fish, excluding herring and herring roe, caught from the vessel named in the application for this insurance for which the Assured has hull and machinery coverage with the Mutual in full force and effect, which fish is owned in whole or in part by the Assured and stowed below deck aboard such vessel.

#### RISKS COVERED

2. **Risks Clause.** This insurance covers, except as provided in Clauses 4, 5, 6 and 7 below or elsewhere in this insurance, loss of or damage to the subject-matter insured caused by perils of the sea, fire or explosion, vessel or craft being stranded, grounded, sunk or capsized, collision, contact of vessel with any external object other than water, jettison, earthquake and lightning.

3. **General Average Clause.** This insurance covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice incurred to avoid or in connection with the avoidance of a loss from any cause except those excluded in Clauses 4, 5, 6 and 7 or elsewhere in this insurance.

4. **"Both to Blame Collision Clause".** This insurance is extended to indemnify the Assured against such proportion of liability under the contract of affreightment "Both to Blame Collision" Clause as is in respect of a loss recoverable hereunder. In the event of any claim by shipowners under the said Clause the Assured agrees to notify the Mutual who shall have the right, at its own cost and expense, to defend the Assured against such claim.

#### EXCLUSIONS

5. **General Exclusions Clause.** In no case shall this insurance cover:

- a) loss, damage or expense attributable to wilful misconduct of the Assured;
- b) ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured;
- c) loss, damage or expense caused by unsuitable or insufficient stowage of the subject-matter insured;
- d) loss, damage or expense caused by mechanical breakdown of the engines or any other equipment of the carrying vessel, including but not limited to freezing equipment and its components;
- e) loss, damage or expense caused by inherent vice or nature of the subject-matter insured;
- f) loss, damage or expense proximately caused by delay, even though the delay be caused by a risk insured against;
- g) loss, damage or expense arising from insolvency or financial default of the owners or operators of the vessel;
- h) deliberate damage to or deliberate destruction of the subject-matter insured or any part thereof by the wrongful act of any person or persons;
- i) loss, damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- j) loss, damage or expense caused directly or indirectly by unavailability of fuel.

6. **Unseaworthiness and Unfitness Exclusion Clause.** In no case shall this insurance cover loss, damage or expense arising from unseaworthiness of the vessel or its unfitness for the safe carriage of the subject-matter insured where the Assured or its servants are privy to such unseaworthiness or unfitness at the time the subject-matter insured is loaded.

7. **Deck Cargo Exclusion Clause.** In no case shall this insurance cover cargo carried on deck.

8. **Ownership of Subject-Matter Insured.** In no case shall this insurance cover cargo which is not owned by the Assured.

9. **War Exclusion Clause.** In no case shall this insurance cover loss, damage or expense caused by:

- a) war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power;
- b) capture, seizure, arrest, restraint or detainment, and the consequences thereof or any attempt thereat;
- c) derelict mines, torpedoes, bombs or other derelict weapons of war.

10. **Strikes Exclusion Clause.** In no case shall this insurance cover loss, damage or expense:

- a) caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions;
- b) resulting from strikes, lock-outs, labour disturbances, riots or civil commotions;
- c) caused by any terrorist or any person acting from a political motive.

#### DURATION, SUSPENSION OR TERMINATION OF COVER

11. Subject to any other limitations contained in this insurance, it attaches after the subject-matter insured is landed aboard the vessel and has been stowed below deck, continues during the ordinary course of transit and terminates upon commencement of discharge from the hold of the vessel to another vessel or to a shore-based facility at the place of intended delivery.

12. This insurance shall terminate at the earlier of 11:59 p.m. on December 31 of the calendar year for which coverage has been placed and the time and date, if any, that the hull and machinery policy on the carrying vessel placed with the Mutual during the calendar year ceases to be in effect due to cancellation, non-payment of premium or otherwise.

13. No coverage is provided under this insurance if on the date of loss of the subject-matter insured no coverage for damage to the carrying vessel would have been provided under the Mutual hull and machinery coverage on the carrying vessel.

#### CLAIMS

14. **Constructive Total Loss Clause.** No claim for constructive total loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter insured to the destination to which it is insured would exceed its value on arrival.

15. **Deductible.** The policy deductible per claim is \$500.00.

#### BENEFIT OF INSURANCE

16. **Not to Inure Clause.** This insurance shall not inure to the benefit of the carrier or other bailee.

#### MINIMIZING LOSSES

17. **Duty of Assured Clause.** It is the duty of the Assured and its servants and agents, in all cases, to take such measures as may be reasonable for the purpose of averting or minimizing a loss and to ensure that all rights against third parties are properly preserved and exercised. The Mutual will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties up to the amount of the insured value of the subject-matter insured.

18. **Waiver Clause.** Measures taken by the Assured or the Mutual with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

#### MAXIMUM LIABILITY

19. The liability of the Mutual for any loss or damage shall not exceed the market value of the lost or damaged cargo at the intended time and place of discharge from the vessel less any unincurred expenses and salvage or \$300,000, whichever is less.

#### INCORPORATION OF MUTUAL BY-LAWS AND MEMBERS' HANDBOOK

20. Notwithstanding any other clauses contained in this insurance, the coverage provided at a time of loss is subject to the then current by-laws of the Mutual and all rules and regulations circulated to its members respecting risks, rates, things covered and all persons and matters dealt with by way of limitation in favour of the Mutual therein, including but not limited to the provisions contained in the Members' Handbook which shall prevail in the event of a conflict with any of the preceding clauses.