



*(Provisions subject to change without notices)*

**1. PURPOSE OF AFFINITY ASSURANCE PLAN:**

The purpose of the Affinity Assurance Plan is to provide compensation for monies lost due to non-payment of specific charges for the handling of transactions as it relates to the **movement** of freight between AFFINITY member companies. **The plan does NOT cover the cost of the goods that are the subject of the movement under any circumstance.** GLOBAL AFFINITY ALLIANCE management administers Affinity Assurance Plan. It is a benefit for **all enrolled offices** of member companies of the GLOBAL AFFINITY ALLIANCE. An “enrolled office” is an office, headquarters or branch office of a member company of GLOBAL AFFINITY ALLIANCE that has applied for and been accepted for membership and is current on payment of the required membership fees for each and every office “enrolled.” Companies with non-enrolled offices in the vicinity of places of origin, or final destination of shipment (s) are NOT covered by Affinity Assurance Plan for those specific shipments. An “enrolled office” is listed on the webpage of each member company on GAA website membership directory.

An example of listing is as below:

<b>Global Affinity Alliance Financial Protection Program *</b>
The following offices of this member are enrolled:
<b>United States of America</b> [Atlanta, GA] [Charlotte, NC] [Miami, FL]
<b>* Only these offices are covered and protected under this program. *</b>

Offices of member companies for which **no** membership fee has been remitted, and are not listed on the GAA website membership directory are **NOT** enrolled for any purpose(s) regarding GAA member benefits.

**2. COMPENSATION LIMITATION:**

The amount of compensation is limited to **market norms up to US\$50,000.00** per participating company from losses caused by one participating company **when both companies belong to the same network (i.e. GAA member to GAA member).**

- a. **When both companies involved belong to a same secondary network not affiliated with a network of the Lognet group (i.e. both are members of ABC Network), Global Affinity Assurance coverage is reduced by 50% of the total claim payable, whether that secondary network has any financial protection or not.**
- b. This amount is an aggregate amount that includes any other insurance(s), or financial protection plans by other networks.
- c. A claimant company has an AFFIRMATIVE duty to mitigate its damages in all cases. Failure to mitigate damages will reduce or eliminate compensation from the plan. Global Affinity Alliance has the absolute right to offset the claimed amount against any amount the claimant owes to the debtor company.
- d. We will also hold other networks responsible for up to their maximum limit of coverage, and consequently reduce compensation from Global Affinity Alliance Assurance Plan accordingly.
- e. If a claimant has coverage for losses via membership in another network or otherwise, they must inform Global Affinity Alliance Assurance Plan and identify that coverage.
- f. Only member offices enrolled and listed on Global Affinity Alliance website at the time of the transaction are covered under the Global Affinity Alliance Assurance Plan.
- g. The maximum to be paid in all claims in any twelve-month period shall not exceed US \$1,000,000.00. Thereafter, claims will be paid in the order in which they are received.
- h. All debts/claims approved for payment must be assigned to Global Affinity Alliance **prior to payment.** Claims for losses **must** be filed within the term of the claimant’s membership in Global Affinity Alliance.

### 3. CLAIMS PROCEDURES:

a. Claims to Affinity Assurance Plan **must be filed within 150 days of the date of the unpaid invoice (s) and during the coverage period.** No claims will be accepted for invoice (s) dated LESS than 90 days old, or more than 150 days from the date of the invoice (s). (See Exclusions at para m). Claims must be submitted AFTER the 90<sup>th</sup> day but before the 151<sup>st</sup> day from the *date of the invoice (s)*.

b. Claims must be submitted in writing via email to [gm@wcaworld.com](mailto:gm@wcaworld.com). Claims must be received by GAA within the time frame indicated in para 3, subpara (a.) above.

c. Any payments received by a claimant from a debtor company after the filing of a claim must be applied towards the claim, beginning with the oldest invoice (s) protected by the claim.

d. AFFINITY ASSURANCE PLAN will acknowledge claim upon receipt and will conduct a preliminary investigation, after which a preliminary determination will be reached:

1. If it is determined that a dispute exists, both parties will be notified and the AFFINITY ASSURANCE PLAN file suspended pending resolution of the dispute.

2. For the purposes of this procedure, a "dispute" will be defined as a situation in which a debt is unpaid for cause, and not simply due to lack of message acknowledgement or financial difficulties.

e. When submitting a claim, the reporting member must complete the official "Affinity Assurance Plan Claim Form" and email to [gm@wcaworld.com](mailto:gm@wcaworld.com). Along with the claim form, all supporting documents such as invoices, statement of account, master and house shipping documents (MAWB, HAWB, MB/L, HB/L), delivery receipts, communications, etc. **must** be supplied to AFFINITY ASSURANCE PLAN as the GAA Management will be required to review entire file before approving.

**f. During a claims investigation, if it is determined that a party to the claim knowingly presented, or caused to be presented a false claim, or knowingly made, used, or caused to be made or used, a false record, document or statement material to the claim, then such claim will be CLOSED and no payment will be forthcoming.**

g. If the GAA management approves the claim, then GAA reserves the right to terminate membership of the party against whom the claim is paid and notify all other members of the action.

h. GAA reserves the right to offset claim amounts against monies due by the claimant to WCA, All World Shipping, Intuitive Logistic Resources, WIN, World Logistics Media, other GAA member companies, and any subsidiary company of GAA.

i. The Affinity Assurance Plan is allowed 60 days from the original filing date of the claim to investigate the claim and attempt to effect closure of the claim between the parties involved. This 60 day period shall be exclusive of time spent in the mediation or arbitration process.

### 4. EXCLUSIONS:

The following transactions and losses are specifically excluded from coverage under the plan:

a. Payment for the cost of the cargo, lost or damaged cargo, or cargo containers, or lost or damaged cargo containers.

b. Losses resulting from the failure to obtain a properly endorsed original bill of lading or from the failure to obtain a proper bank release of cargo.

c. Payment for losses that are otherwise covered by Errors and Omissions Insurance, or any other insurance coverage.

d. Losses suffered by non-members or the clients of a member.

- e. Losses resulting from currency exchange fluctuations.
- f. Any loss resulting from any measure or decision of national, regional or local authorities in any country that result in confiscation or seizure of merchandise.
- g. Losses resulting from any political event, economic difficulty or legislative measure that prevent or delay the transfer of payments, or involving sanctioned countries.
- h. Losses resulting from war, rebellion, hostilities, riot, civil commotion and natural disasters.
- i. Subsequent losses after a claim is filed resulting from continuation of business between a member company filing the claim and the member company identified as debtor in the claim, during the pendency of the claim.
- j. Losses resulting from demurrage, storage, detention charges, fines, penalties, duties, taxes, or similar levies.
- k. Coverage for any losses wherein either or both members either knowingly or should have known that the movement, contents, or other aspects of the transaction were illegal or otherwise circumscribed by either the importing or exporting countries laws.
- l. Legal fees or services.
- m. Any claims filed wherein the invoice (s) are less than 90 days, and/or more than 150 days from the date of the invoice (s).
- n. Losses for shipments invoiced more than 30 days after the departure of shipment when Claimant Company is Origin Agent. Losses for shipments invoiced more than 30 days after arrival of the shipment when Claimant Company is Destination Agent.
- o. Transactions between branches of the same company, between companies sharing common owners or wherein a company involved is a progeny of the other company.
- p. Any transactions with a Suspended and/or Terminated member after the date of such suspension or termination.
- q. Interest and/or late payment fees.
- r. Losses caused by the intervening acts of third parties, such as fraud, false documentation, or other criminal or tortious acts.
- s. Shipments or movements to/from or through sanctioned countries.
- t. Losses caused by the extension of credit for chartering fees, or caused by the use of part or full charters.

## **5. CONTROLLING AUTHORITY**

GAA management will oversee the Affinity Assurance Plan. In case of claim rejection, the member company will remain free to pursue any other means of collection at its disposal, and the decision of the GAA management or the GAA board should not be construed as having any legal bearing on the collection process.

## **6. TERMINATION OF PROTECTION:**

**GAA reserves the right to terminate Affinity Assurance protection for future transactions for any given member company with notice at any time.** Protection under the Affinity Assurance Plan will terminate upon email notification to the members and/or removal of the member company from the GAA website and roster, or upon the non-renewal of membership.