

# G7 NETWORKS CLAIM PROCEDURE

G7N operates and manages the G7N Financial Protection Plan in accordance to the rules and process of the financial protection system and online resolution center accessible within the member's area of each associated network sites.

## 1. Purpose Of G7N Financial Protection Plan:

The purpose of the G7N FPS 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 general cargo between G7N member companies, within the guidelines of this plan.

The plan does NOT cover the cost of the goods that are the subject of the movement under any circumstance. G7N management administers G7N FPS Plan. It is a benefit for all enrolled offices of member companies of the G7 Networks. An "enrolled office" is an office, headquarters or branch office of a member company of G7 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 G7N FPS Plan for those specific shipments. An "enrolled office" is listed on the webpage of each member company on G7 Networks website membership directory specific to each network.

Offices of member companies for which no membership fee has been remitted, and are not listed on the G7 Networks website membership directory are NOT enrolled for any purpose(s) regarding G7N member benefits.

## 2. Compensation Limitation:

*(Please see G7 Networks Financial Protection Plan)*

## 3. G7N Claims Procedures:

**a.** Claims to G7N FPS Protection 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 below and in the FPS Protection Plan). Claims must be submitted AFTER the 90th day but before the 151st day from the date of the invoice(s).

**b.** Claims must be submitted via the online 'Resolution Center' and submitted in writing via email to [members@g7networks.com](mailto:members@g7networks.com). Claims must be received by G7N within the time frame indicated in para 3, sub para (a.) above.

- c.** A claimant must disclose to G7N all other networks to which their company or any of its enrolled branches hold membership. If the claimant does not provide this information, or if G7N determines the information provided is incorrect or incomplete, the claim will be rejected.
- d.** 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.
- e.** G7N FPS Protection Plan Team will acknowledge claim upon receipt and will conduct a preliminary investigation, after which a preliminary determination will be reached: If it is determined that a dispute exists, both parties will be notified and the G7N FPS Protection Plan file suspended pending resolution of the dispute.
- f.** ALL disputes MUST be filed within ONE YEAR of the cargo movement. Disputes over one year old will be closed with no action taken other than notification to the parties of the closure.
- g.** 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.
- h.** G7N and its affiliates will NOT process any disputes involving non-enrolled offices.
- i.** When submitting a claim, the reporting member must complete the official “G7 FPS Protection Plan Claim form” and email to [members@g7networks.com](mailto:members@g7networks.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 G7N FPS Protection Plan Team as the G7N Management will be required to review entire file before approving.
- j.** 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.
- k.** If the G7N management approves the claim, then G7N reserves the right to terminate membership of the party against whom the claim is paid and notify all other members of the action.
- l.** G7N reserves the right to offset claim amounts against monies due by the claimant to G7N, other G7N member companies, and any subsidiary company of G7N.
- m.** The G7N FPS Protection 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 any cost associated with the destruction of cargo.
- 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.
- 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:**

G7N management will oversee the G7N Financial Protection 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 G7N management or the G7N board should not be construed as having any legal bearing on the collection process.

#### **6. Termination Of Protection:**

G7N and its affiliates reserve the right to terminate financial protection for future transactions for any given member company with notice at any time. Protection under the G7N Financial Protection Plan will terminate upon email notification to the members and/or removal of the member company from the G7N website and roster, or upon the non-renewal of membership.