

PCA Payment Protection Plan

The Payment Protection Plan is designated to allow financial support toward loss of freight payments incurred due to an insolvent or bankrupt member.

Starting March, 2017 all new members are asked to participate in the PCA Payment Protection Plan.

PCA Members who have joined prior to March, 2017 will have an option not to participate, however, each member is strongly encouraged to participate.

The PCA Payment Protection Plan yearly contribution schedule:

1st year: USD \$500.00


2nd year: USD 250.00

Per member/per participating office will be paid into a separate "Trust Fund" for the sole purpose toward supporting the loss of freight payments incurred by a participating member due to an insolvent/bankrupt member.

The PCA Payment Protection Plan only covers financial support toward loss of billed freight charges.

Other charges such as Duties & Taxes or COD collections are not covered.

Furthermore, the PCA Payment Protection Plan does not cover disputed invoices as those shall be referred to the PCA Dispute Resolution Service desk.

All participating Members are clearly identified by a symbol  in the member directory.

The PCA Payment Protection Plan **may pay out a maximum of 80 % of the available money** in the Trust Fund every 1st Quarter of each year, in settlement to protected members with freight debts outstanding from Insolvent or Bankrupt members during the past year with a maximum amount of 20,000 USD per debtor.

The PCA Payment Protection Plan will be managed by a **PCA Trust Advisory Board** from within the participating PCA Member Group.

The PCA Payment Protection Plan will employ the services of a professional collection agency to pursue debt collection from the debtor to recover loss of paid out funds thru legal means.

The annual contribution to the Protection Plan and maximum aggregate amount are subject to change.

Important: Non participating members cannot access the Payment Protection Plan.





Rules governing the Payment Protection Plan (PCA PPP) among participating Members:

- ✓ The PCA PPP will be managed by a **PCA Trust Advisory Board** consisting of 2 Board Members from within the participating PCA Member Group chaired by PCA Management.
- ✓ The PCA PPP is designated to allow financial support against insolvent or bankrupt members. Member companies who has changed ownership thru merger or acquisition remain responsible for its debt and are not covered by this plan.
- ✓ Participating member of this PCA PPP must be in good standing, current on the annual membership fees, payment protection plan and have attended the most recent PCA Global Network Meeting.
- ✓ The PCA PPP **may pay out a maximum of 80 % of the available money** in the Trust Fund every 1st Quarter of each year, starting year 2018.
- ✓ The PCA PPP cover a maximum amount of 20,000 USD per debtor but may not exceed 80 % pay out of the available money in the Trust Fund.
- ✓ Freight billing must presented to the receiving station within 14 days of the date of shipment.
- ✓ The PCA PPP does not provide coverage for shipments with payment terms of more than 30 days.
- ✓ Participating Members must submit a late payment report to the PCA Board no later than 60 days of the date of transaction.
- ✓ The PCA PPP cover's only invoices within a maximum of 60 days before the claim date.
- ✓ Only freight invoices from participating offices will be eligible to this PCA PPP.
- ✓ The PCA PPP is limited to general cargo only. Any other type of cargo is not covered.
- ✓ Any single transaction with an invoiced amounts over USD \$ 10,000 are not covered under this plan.
- ✓ The PCA PPP yearly contribution of USD \$ 500.00 per member, per participating office must be paid within 15 days of invoice date.
- ✓ PCA Management reserves the right to update the above terms at its discretion and at any time.

This document is being signed by the Head Office of my Organization.

Signature

Company name

Participating Office

Name of individual

Date

