



THE ASSOCIATION OF DIVING CONTRACTORS INTERNATIONAL

USL&H, MEL & WORKERS' COMPENSATION INSURANCE
The Program Officially Endorsed by the ADCI

Exclusive Intermediary For ADCI Program:

International Special Risks 50 Salem Street, 3rd Floor, Building B, Lynnfield, MA 01940

APPLICATION

Section I – Producer

- | | |
|---|--|
| 1. <u>Name of Retail Broker/Agency:</u> _____ _____ _____ | 2. <u>Address of Retail Broker/Agency:</u> _____ _____ _____ |
| 3. <u>Individual Contact's Name:</u> _____ _____ | 4. <u>Phone/Fax/E-Mail Address:</u> _____ _____ |

Section II – General Applicant Information

Named Insured and Subsidiaries To Be Covered Hereunder (hereinafter also referred to as "Applicant"):

- | | |
|---|---|
| 1. <u>Named Insured:</u> _____ _____ _____ | 2. <u>Named Insured's Mailing Address:</u> _____ _____ _____ |
| 3. <u>FEIN of Named Insured:</u> _____ _____ _____ | 4. <u>Inspection Audit Contact/Phone Numbers:</u> _____ _____ _____ |
| 5. <u>Requested Effective Date:</u> _____ | 6. <u>Years In Business:</u> _____ |
| 7. <input type="checkbox"/> Partnership <input type="checkbox"/> Subchapter "S" Corp <input type="checkbox"/> Corporation <input type="checkbox"/> Individual <input type="checkbox"/> Other (Describe) : | 8. Do You Have Employees Regularly Working Outside the U.S. and its territories _____ (If Yes, Describe Foreign Operations and Identify Countries/Geographical Areas) _____ _____ |
| 9. <u>Subsidiary Companies To Be Covered (Joint ventures must be specifically named and accepted by underwriters in order for there to be coverage) :</u> _____ | 10. <u>List All States In Which Applicant Currently Conducts Business:</u> _____ _____ |
| 11. <u>Do all Named Insureds have over 50% Common Ownership? Yes <input type="checkbox"/> No <input type="checkbox"/>. If 'No', please explain:</u> _____ | |

13. Do you use employee leasing companies or Professional Employer Organizations (P.E.O.s) or lease employees to or from other entities? Yes No

14. Number of full-time employees: _____; (b) Number of Part Time Employees: _____

15. Average wage for employees in Governing or Primary Class: _____

16. Wage range. High: _____ Low: _____

17. (a) Union Affiliation. Yes: _____ No: _____; (b) Union(s) Represented: _____

18. Tenure in years of senior management (list names): _____

19. Average Tenure in years for other full time employees: _____

20 Attach resumes for all dive supervisors and senior management personnel.

21.(a) Pension Plan: Yes _____ No _____; (b) 401(k): Yes _____ No _____; (c) Paid Vacation Time: Yes _____ No _____; (d) Paid Sick Time: Yes _____ No _____

22. Please Complete the Table Below Concerning Applicant's Existing Workers' Compensation Program:

| Type of Coverage | Carrier/Insurer | Policy No. | Policy Period |
|------------------|-----------------|------------|---------------|
| State Act | | | |
| MEL | | | |
| USL&H | | | |

23 Provide Addresses of All Permanent Physical Locations:

- a. _____
- b. _____
- c. _____

24 a. Is the Applicant Currently a General Member of the ADC? Yes _____ *No _____
 b. Is the Applicant Currently an Associate Member of the ADC? Yes _____ *No _____

25 Requested Endorsements, If Any, (To Be Completed by Broker)

- a. _____
- b. _____
- c. _____
- d. _____
- e. _____
- f. _____

26 Give Percentage For Each, Based on Last Twelve Months of Operations:

- a. Diving From Owned Vessels on Navigable Waters _____%
- b. Diving From Non-owned Vessels on Navigable Waters _____%
- c. Diving From Land or Docks Into Navigable Waters _____%
- d. Diving From Fixed Platforms on Navigable Waters _____%
- e. Diving in Non-Navigable Waters (i.e. Potable Water Tanks, Reservoirs, Sewer Systems, etc.) _____%
- Total _____ 100 _____%

27 Describe as fully as possible the exact nature , type and location of diving operations performed and other Services Offered (Attach a separate sheet of paper if necessary):

28 Attach a summary of your last dozen dive contracts, including description of type of diving and other work performed, exact location (including mile marker if on a river), duration of contract and customer name.

29 Average Depth of Diving Operations:

Feet or Less: _____%; Between 31 & 80 Feet: _____%; Between 81 & 100 Feet _____%;

Between 100 &130 Feet _____%; Over 130 Feet: _____%

30 Are tenders certified divers? Yes _____ No _____

31 Do Operations Include Any of the Following Exposures:

a. Construction/ Maintenance of Coffe Dams in Navigable Waterways? Yes _____ No _____

b. Support of Offshore Oil & Gas Drilling Operations? Yes _____ No _____

c. Inspection/ Maintenance/ Construction at Nuclear Facilities? Yes _____ No _____

d. Handling, Transportation, Storage or Use of Nitroglycerin, Explosives, Ammunitions, or Ammonium Nitrate?
Yes _____ No _____

32 Provide Information on Applicant's General Liability Coverage:

| Carrier | Policy Term | Limit | Policy No. |
|---------|-------------|-------|------------|
| | | | |

a. Does Applicant's General Liability Policy Include Contractual Liability? Yes _____ No _____ Action Over?
Yes _____ No _____

Section III – Safety & Loss Control

1. Does Applicant Comply with the Current Association of Diving Contractors' Consensus Standards and Have A Formal Written Loss Control Program? Yes No _____

2. Does Applicant Design a Written Safety/ Procedures Policy For Each Job? Yes No _____

3. Name and Phone of Applicant's Loss Control Manager: _____

4. Describe Ongoing Loss Control Activities: _____

5. Describe Hiring Practices: _____

6. Are Physicals and Drug Screenings Performed on All Newly Appointed Employees? Yes _____ No _____

7. Describe Physical and Drug Screening Policies for Existing Employees: _____

8. Does Applicant Have a Formal Return To Modified and/or Light Duty Program? _____ If Yes, Describe: _____

9. Any OSHA violations in the last 5 years: Yes _____ No _____

Section IV – State Act Workers’ Compensation Coverage

1. Workers’ Compensation State Act Classifications and Projected Annual Gross Payrolls for the Next 12 Month Policy Period:
 (Include, if any, all Diving/Tender Payroll on Non- Navigable Waters (e.g. Potable Water Tanks, Reservoirs, Sewer Systems, etc.)

| State(s) | Class Code | Description | Estimated Annual Gross Payroll |
|----------|-------------------------|--------------------------------|--------------------------------|
| | 7394 | All Non-Navigable Water Diving | |
| | 8810 | Clerical | |
| | 8227 | Contractor’s Permanent Yard | |
| | Other (advise if known) | (Provide description) | |
| | | | |
| | | | |

2. Partners & Officers To Be Included/Excluded (For Those Included, Make Sure Payrolls Are Included In 1. Above):

| Name | Title/Relationship | % Ownership | Breakdown Of Duties By %s | Incl./Excl. | Gross Payroll for Those Included |
|------|--------------------|-------------|---------------------------|-------------|----------------------------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

3. a. What is Current Experience Modification? _____
 b. What is the Effective Date of this Modification? _____
 (Attach Copy of Most Current Experience Modification Worksheet)

4. Advise State Act Gross Payroll and Claims History by Policy Per Year in the Spaces Below:

State Act

| Year | Number of Claims | Total Incurred Claims \$ | Total Paid Claims \$ | Total Reserved Claims \$ | Allocated Loss Adjustment Expenses | Payroll \$ |
|------|------------------|--------------------------|----------------------|--------------------------|------------------------------------|------------|
| 1. | | | | | | |
| 2. | | | | | | |
| 3. | | | | | | |
| 4. | | | | | | |
| 5. | | | | | | |

NOTE: Hard copy loss reports along with a recapitulation of losses and historical gross payroll information for the previous five (5) years must be provided prior to the release of a firm quotation. Losses must be valued within the last 3 months.

Explain details of all claims in excess of \$50,000 (provide separate attachment, if necessary).

Section V-United States Longshore & Harbor Workers' Act (USL&H)

1. USL&H Clarifications and Projected Annual Gross Payrolls for the Next 12 Months Policy Period.
 Note: Include All Gross Payroll for Activities performed in or upon Navigable Waters from other than Vessels.
 (i.e. From Fixed Platforms, Land, Docks, etc.)

| State(s) | USL&H Class Code | Description | Estimated Annual Gross Payroll |
|----------|-------------------------|--|--------------------------------|
| | 7394 | Diving from shore, docks/jetties and other fixed platforms | |
| | Other (advise if known) | (Provide description) | |
| | | | |
| | | | |

2. Do corporate officers dive or otherwise work from shore or from fixed objects such as piers on navigable waters?
 Yes No . If " Yes " , all such USL&H payroll must be included in Section V 1. above.

3. Advise USL&H Gross Payroll and Claims History by Policy Year in the Spaces Below:

USL&H

| Year | Number of Claims | Total Incurred Claims \$ | Total Paid Claims \$ | Total Reserved Claims \$ | Allocated Loss Adjustment Expenses | Payroll \$ |
|------|------------------|--------------------------|----------------------|--------------------------|------------------------------------|------------|
| 1. | | | | | | |
| 2. | | | | | | |
| 3. | | | | | | |
| 4. | | | | | | |
| 5. | | | | | | |

NOTE: Hard copy loss reports along with a recapitulation of losses and historical gross payroll information for the previous five (5) years must be provided prior to the release of a firm quotation. Losses must be valued within the last 3 months.

Explain details of all claims in excess of \$50,000 (provide separate attachment, if necessary).

Section VI – Maritime Employers Liability (MEL – Jones Act)

(A) DEFINITIONS

For the purposes of this insurance, Jones Act insurance coverage may be provided to three separate categories of employees as defined below -

(I) Divers, dive tenders, and dive supervisors: Defined as professional commercial divers qualified to ADC standards, while diving from or acting as dive tenders or dive supervisors on owned or non – owned vessels in navigable waters. This includes the same divers, dive tenders, and dive supervisors while navigating or on board vessels going to and from dive sites. **For the purposes of this insurance “navigable waters” are defined as waters forming a continuous highway for interstate or international commerce.**

(II) Dedicated crew: Defined as full – time professionally qualified (captain, engineer, deckhand, cook etc.) vessel crewmembers whose sole job function is to navigate or assist in the navigation of owned or bareboat chartered vessels, and who do NOT also work as divers, dive tenders, or dive supervisors.

(III) Incidental crew: Defined as employees who do NOT work as divers, dive tenders or dive supervisors and whose main job function is NOT that of full-time professionally qualified crewmembers, but who will on a part – time and occasional basis navigate or be on board owned or bareboat chartered vessels for purposes related to their main job function. Examples could include surveyors, engineers, construction workers, and executive managers.

(B) GENERAL INFORMATION

1. a. Are Employees Transported to Work Sites by Vessels? Yes _____ No _____
 b. If yes, are vessels owned by Applicant? Yes _____ No _____
 c. By Aircraft/Helicopter? Yes _____ No _____
2. Does Applicant Own, Bareboat Charter or Operate Vessels/Watercraft? Yes _____ No _____
 If Yes, complete the Schedule of Vessels attached.
3. Are Applicant’s Employees Assigned To A Specific Fleet of Owned Vessels? Yes _____ No _____
 Non-owned? Yes _____ No _____
4. If question 1 above has been answered affirmatively, do you carry Protection and Indemnity (P&I) insurance ? Yes _____ No _____
 If Yes , please advise: _____
 a. P & I Carrier _____
 b. Policy Term _____
 c. Limit of Liability _____
 d. Deductible _____
 e. Does P & I policy include coverage for masters & members of the crew? Yes _____ No _____
 f. Is coverage for divers, dive tenders, or dive supervisors included under your P&I Policy? Yes _____ No _____

(C) JONES ACT PAYROLL BREAKDOWN:

If coverage is required, please provide information by filling in the spaces below. Refer to the Definitions above.

| Period | Divers/Tenders/Supervisors | | Dedicated Crew | Incidental Crew: |
|-------------------------------------|--|----------------------|-----------------------------|-----------------------------|
| Next 12 months Policy Period | Part-time no. of employees: Full-time no. of employees: | Payroll: Payroll: | Number of Crew: Payroll: | Number of Crew: Payroll: |
| Expiring 12 months Policy Period | Part-time no. of employees: Full-time no. of employees: | Payroll: Payroll: | Number of Crew: Payroll: | Number of Crew: Payroll: |

(D) JONES ACT PAYROLL AND CLAIMS HISTORY: Advise TOTAL (Divers & tenders, Dedicated crew and Incidental crew as defined above COMBINED) Jones Act Gross Payroll and Claims History by Policy Year in the Spaces Below:

MEL(Jones Act)

| Year | Number of Claims | Total Incurred Claims \$ | Total Paid Claims \$ | Total Reserved Claims \$ | Allocated Loss Adjustment Expenses | Payroll \$ |
|------|------------------|--------------------------|----------------------|--------------------------|------------------------------------|------------|
| 1. | | | | | | |
| 2. | | | | | | |
| 3. | | | | | | |
| 4. | | | | | | |
| 5. | | | | | | |

NOTE: Hard copy loss reports along with a recapitulation of losses and historical gross payroll information for the previous five (5) years must be provided prior to the release of a firm quotation. Losses must be valued within the last 3 months.

Explain details of all claims in excess of \$50,000 (provide separate attachment if necessary):

(E) SCHEDULE OF OWNED AND BAREBOAT CHARTERED VESSELS : Complete details below:

Vessel Name Type Manufacturer/Model Year Built GRT Length Horsepower Navigating area (a) part- (b)full-time* Maximum no.crew

* (a) Attach /summarize professional qualifications and experience and position (captain , deckhand , etc) of each employee

(b) If roving crew are assigned as needed over all vessels , what is total number of such roving crew?

(c) Are any vessels ever used for purposes not directly related to diving ? Yes _____ No _____

If Yes, please explain: _____

(F) Do you do any salvage work ? Yes _____ No _____ (see attached Salvage Addendum)

If Yes, please explain: _____

(G) Are owned and /or operated vessels used for purposes other than dive support? Yes _____ No _____

(see attached Crew Addendum)

If Yes, please explain: _____

Section VII – Additional Documentation Required Prior to Obtaining A Quote

1. Most Recent Twelve Month Financials Including Balance Sheet and Income & Expense Statement (Can Be Unaudited)
2. Company Brochure and/or Website Address and/or Written Narrative of Services Provided
3. Copy of Complete Safety Manual
4. Most Recent Experience Mod Calculation Sheet
5. Five Years Hard Copy Loss Runs , Valued Within The Last Three Months
6. List names and addresses of all Additional Insureds/ Alternate Employers requiring certificates, with written contract
7. List names, addresses and applicable contract payroll for all customers requiring Waiver of Subrogation, under written contract plus type and location of work for each contract separately
8. Attach full copy of hull and P&I policy (if any)

Section VIII – Conditions of Insurance

The undersigned officer of the Applicant, being authorized to execute this Application on behalf of the Applicant, and having made due inquiry (including but not limited to inquiry of the legal department and the risk management department of the Applicant) represents that the above statements and facts are true and that no material facts have been suppressed or misstated. Completion of this form does not obligate insurers to quote or bind coverage, but it is agreed that this form and all written statements or materials furnished to insurers with this application are hereby incorporated by reference into this application and shall be the basis of the contract should a policy be issued, and will be attached to and form part of the policies to be issued. It is understood that the Applicant is under a continuing obligation to immediately notify insurers of any material alteration to the nature, extent or size of the Applicant's operation as described herein and that the Applicant may be charged additional premium upon the Underwriter's acceptance of any additional exposures and/or increased risk.

Producer's Signature/ Date

Applicant's Signature/ Date

ADC's Exclusive Intermediary for the Program

**STEVE MACQUARRIE
PRESIDENT
INTERNATIONAL SPECIAL RISKS
50 Salem Street, 3rd Floor, Building B
Lynnfield, MA 01940
TEL: 781.295.0270
FAX: 781.295.7833
WEBSITE: www.isr-insurance.com**

***If you have not officially been accepted as a member of the ADC at the time coverage is bound, your membership application must have been submitted. If for any reason your membership request is rejected or you do not maintain your existing ADC membership in good standing, your Workers Compensation Coverage will be cancelled.**

ADC PROGRAM – M.E.L. APPLICATION FORM –CREW ADDENDUM

1. Describe in detail the non-dive support uses of owned and/or operated vessels on navigable waters (e.g. hydrographic survey, ROV operation, pollution response and cleanup , salvage*, carrying personnel and/or supplies to non-dive job sites etc.) :

2. Note below the number of days per year you use owned and/or operated vessels on navigable waters for purposes other than dive support, and applicable annual Jones Act payroll for such work:

(i) On average : days ; \$ Jones Act payroll.

(ii) Maximum : days; \$ Jones Act payroll.

3. Do any employees who are NOT divers, dive tenders or dive supervisors use owned and/or operated vessels on navigable waters? Yes _____ No _____

If “Yes”:

(i) How many such employees?

(ii) Describe the other job duties of such employees when not operating vessels (e.g. sales , management , general construction , crane operator , scientist , ROV pilot , mechanic , welder etc.):

* See separate addendum for salvage contracts

* See separate Addendum

ADC PROGRAM – M.E.L. APPLICATION FORM –SALVAGE ADDENDUM

1. Have you done any salvage work involving diving from vessels in the past 12 months?
Yes _____ No _____

2. Do you have or do you anticipate any salvage work involving diving from vessels in the next 12 months? Yes
_____ No _____

If you answered “Yes” to either question above, on a separate piece of paper please advise full details of each past or future anticipated salvage contract, including the following details for each contract:

- The dates salvage work began and ended
- The type and size (dimensions in feet or weight in pounds or gross registered tons) of the vessel/object salvaged
- The exact location of the salvage contract (e.g. 3 miles offshore southeast of Miami, Florida)
- Method of salvage (derrick crane barge, liftbags)
- Depth of diving operations
- Nature of diving (e.g. visual inspection only, securing slings around vessel/object, welding plates over holes in hull etc.)
- Any cutting or welding? Describe purpose if so.
- Any cutting or welding near fuel or flammable product tanks?
- Any gas-freeing done, by yourself or others