LEBOEUF, LAMB, LEIBY & MACRAE

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DIRECT DIAL

WESTERN U.S.:

LOS ANGELES, CA SALT LAKE CITY, UT SAN FRANCISCO, CA

JACKSONVILLE, FL

October 16, 1990

Mr. Wayne Schooling Director of Safety California Cartage Company 1600 East Hill Street, Building 2 P.O. Box 92829 Long Beach, CA 90809-2829

Re: Ex Parte MC-5, Sub. 11

Dear Mr. Schooling:

My colleague, Lauren McFeeley, has brought to my attention your comments in the captioned ICC proceeding. We share your concerns over fraudulent insurance activities and acknowledge that regulatory requirements must properly balance market capacity and solvency concerns. Enclosed please find a copy of the comments we filed with the Commission. After reviewing our comments, I wonder whether you might be in a position to support a proposal which would restrict motor cargo placements to either licensed insurers or surplus lines insurers which are on the NAIIO list of approved surplus lines insurers.

Sincerely yours,

William C. Marcoux

Enclosure

LEBOEUF, LAMB, LEIBY & MACRAE

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LOS ANGELES, CA SALT LAKE CITY, UT SAN FRANCISCO, CA

SOUTHERN U.S.:

JACKSONVILLE, FL RALEIGH, NC

April 9, 1991

Mr. Wayne E. Schooling Safety Director California Cartage Company Inc. 1600 East Hill Street, Bldg. 2 P.O. Box 92829 Long Beach, California 90809-2829

Re: Lloyd's of London

Dear Mr. Schooling:

This firm serves as United States General Counsel to Underwriters at Lloyd's, London. This will acknowledge receipt of your April 1, 1991 letter and enclosures addressed to Mr. Dean Hansell of our Los Angeles office. We have forwarded these materials to Lloyd's for attention. Lloyd's will respond to your inquiry direct shortly.

If you have any questions, please do not hesitate to contact us.

Very truly yours,

edal Assistant

Your reference: Our reference: ADV/GMS/djw/8229.1 Extension 5613 fax: 071-623 8236

25 April 1991

Mr W B Schooling
Safety Director
California Cartage Company
1600 East Hill Street, Bldg 2
PO Box 92829
Long Beach
California 90809-2829
United States of America

Telephone 071 623 7100. Facsimile 071 626 2389. Telex 987321 LLOYDS G



One Lime Street, London EC3M 7HA

Dear Mr Schooling

The firm of LeBoeuf, Lamb, Leiby & MacRae, General Counsel in the United States to underwriters at Lloyd's, London, have referred your letter dated April 1, 1991 to this office for reply.

I attach a letter from Lloyd's broker Brown Shipley which I trust answers the questions raised in your letter. However, if I can be of any further assistance please do not hesitate to contact me.

Yours sincerely

G M Shepherd Advisory Officer

Advisory Department

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BROWN SHIPLEY INSURANCE BROKERS LIMITED INTERNATIONAL INSURANCE BROKERS

4 HERON QUAY, LONDON E14 IJR

K. & R. Transportation, Inc., P.O. Box 92829, Long Beach, California U.S.A.

Our Ref: PJG/CG

22nd April 1991

Dear Sirs.

Re:

Policy No: 5650701G

In response to your enquiry addressed to Lloyd's, I enclose coverage details issued by us on 26th October 1990, regarding the above named insured.

The coverage was placed by us as Lloyd's Brokers, with certain Lloyd's Underwriters for the period twelve months at 23rd October 1990, for a policy limit of \$75,000 any one loss, subject to the Broad Form Policy Wording, and exclusions, a copy of which may be obtained from Instate Coastal Insurance Services, Inc., 101 South Kraemer Boulevard, Suite 120, Placentia, California.

The policy has been endorsed by addendum Nos. 2 and 4, copies of which are also enclosed.

Please note that the certificate and endorsements that you sent to Lloyd's are incorrect in several respects. I would particularly draw your attention to the fact that our coverage does not provide unidentified trailer interchange coverage. Our policy period is twelve months at 23rd October 1990, the effective date for the addition of K. & R. Inc., and K. & R. Transportation, Inc., is 4th April 1991, which would be issued on the evidence of insurance form specimen enclosed. We will contact the Californian Broker requesting him to issue amended documents reflecting the above points.

Yours faithfully, BROWN SHIPLEY INSURANCE BROKERS LIMITED.

P.J.GOLDING

Encs.