

NOBEL

INSURANCE SERVICES

August 31, 2009

J. Christopher Ronay
President
Institute of Makers of Explosives
1120 Nineteenth Street, NW, Suite 310
Washington, DC 20036

Re: Multipurpose Bulk Trucks

Dear Mr. Ronay:

Nobel Insurance Services has been a leading insurance carrier for the commercial explosives industry in the U.S. for over 30 years, starting as Nobel Insurance Company and now as part of Lancer Insurance Company. Nobel currently writes well over 50% of the commercial explosives auto units found in the traditional insurance market.

As an insurance company we review the transportation risk on individual account characteristics such as drivers, management controls, training, maintenance, vehicle type as well as our historical loss experience. The multipurpose bulk trucks (MBT) with their ability to separate the various components until arrival on a blast site has proven to be safe form of transit as borne out with our loss history. Nobel Insurance has never had a MBT explode during transit. Although one might believe that the greatest concern is an explosion while traveling on public roads, this has not been the case for Nobel Insurance.

Our losses are driven from the same common loss factors that all business auto insurance carriers encounter. A concern if MBTs were to be eliminated or restricted would be the increased number of vehicles needed to transport materials to the blast site. The prior 30 years with Nobel Insurance has shown MBTs to be a safe means for transporting hazardous materials.

Sincerely,



Trudy Payne
Vice President