

AMTRUST COURIER & MESSENGER INSURANCE PROGRAM

APPLICATION

APPLICANT INFORMATION

Named Insured _____ Contact Person _____
 Title _____
 dba _____
 Phone _____
 Mailing Address _____ Fax _____
 Cell _____
 Street Address _____ E-Mail _____
 Proposed Effective Date _____

Years in Business _____ (If under 3 years, attach outline of prior ownership and/or management experience)
 Federal Tax ID # _____

Individual Corporation Partnership Other Are you a publicly held corporation? YES NO

DESCRIPTION OF OPERATIONS

TYPE OF WORK		MILEAGE RADIUS	
Route _____ %	0 – 100 miles _____ %	On Demand _____ %	101 – 250 miles _____ %
Other _____ %	251 – 300 miles _____ %	Residential _____ %	Over 300 miles _____ %
Commercial _____ %	Largest City Entered _____		

TYPE OF MESSENGERS

Gross Vehicle Weight	Drivers Using Their Own Vehicles						Bikers			Walkers	
	< 10,000		10,001-26,000		> 26,000		# of Bicycles	# of Mopeds	# of Motor-cycles	Number	
	PART TIME*	FULL TIME	PART TIME*	FULL TIME	PART TIME*	FULL TIME				PART TIME*	FULL TIME
Independent Contractors											
Employee Drivers											

DO YOU HAVE CONTRACTS WITH YOUR INDEPENDENT CONTRACTORS? YES _____ NO _____

* PART TIME is 20 hours or less per week on average or drivers earning 50% or less of average full-time driver.

GROSS ANNUAL REVENUE

Last fiscal year: _____ \$ _____
 Current fiscal year (estimate): _____ \$ _____

OPERATING AUTHORITY

Federal Authority: YES NO Docket Number: _____
 State Authority: YES NO States: _____

CURRENT INSURANCE INFORMATION

COVERAGE	CURRENT CARRIER	PREMIUM	EXPIRATION DATE
General Liability			
Owned Auto			
Hired/Non-Owned Auto			

Please provide copies of the above policies. We can often obtain additional information from policies that is helpful in putting together our quotation/proposal.

IN ADDITION TO THE COMPLETED APPLICATION, WE REQUIRE THE FOLLOWING ITEMS:

- Hard Copy "Loss Runs" for all lines of coverage being quoted for the last four (4) years. (Current year plus three previous). These must be valued within the last 90 days.
- Detailed current vehicle fleet and drivers lists.
- We will need to order current MVR's. Our charge is \$5.00 per driver. Please enclose a check for the total (made out to KIK Insurance). We must have an mvr for all drivers prior to binding coverage.
- Policy declarations page for ALL independent contractors/employees driving their own vehicles on behalf of your company. (These are not required to quote, but will be needed within 30 days of binding Hired/Non-Owned Auto Liability.)
- Copies of customer contracts for review 2 minimum
- Sample of Independent Contractor Agreement.
- Copy of current state(s) certificate of authority (if applicable).
- Mechanical inspection report for all vehicles more than 15 years old

In the following specific coverage sections of the application, many limits will already be filled in. These are automatically included within the standard coverage(s). If you require different limits, please indicate those in the 'requested' column.

The following items aren't mandatory, but we strongly suggest that you send us:

- Copies of any current policies

Ohio Law requires us to notify you of the following: "Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement, is guilty of insurance fraud."

PRIOR CLAIM HISTORY & INFORMATION

We require confirmation of your prior claims history for the past four years (current year and three prior) in one of three ways:

Please choose one of the following, complete, and sign:

1. I will request loss runs from my current / prior insurance company and will forward to Oswald Logistics immediately upon my receipt.
2. I warrant that no fact, circumstance or situation indicating the probability of a claim or action for which coverage may be afforded by the proposed insurance is now known by me other than that which is disclosed below: (Please provide date and type of loss, a brief description of loss, and amount paid by insurance company.)
3. _____ has been in business since _____. For the period beginning _____ to the present, I warrant that we have not filed any claims against our insurance company, nor am I aware of any situations that may result in a claim being filed.

The undersigned person declares that to the best of his/her knowledge and belief, the statement (as chosen above) is true and complete.

(Signature & title)

(Date)

Ohio Law requires us to notify you of the following: "Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement, is guilty of insurance fraud."

CURRENT INSURANCE INFORMATION (cont.)

<u>COVERAGE</u>	<u>LIMITS</u>
Annual General Aggregate	\$ 2,000,000
Each Occurrence	\$ 1,000,000
Products and Completed Operations Aggregate	\$ 1,000,000
Personal and Advertising Injury	\$ 1,000,000
Fire Damage Legal Liability	\$ 100,000
Medical Expense (any one person)	\$ 5,000
Deductible	\$ 1,000

RATING INFORMATION

Warehouse/Terminal Payroll (if any): \$ _____

MISCELLANEOUS UNDERWRITING INFORMATION
EXPLAIN ALL YES RESPONSES

- | | | |
|--|-----|---------------|
| 1. Any other past or present partnerships or joint ventures that should be named?
If YES, list and describe on a separate sheet. | YES | NO |
| 2. Any medical facilities provided? | YES | NO |
| 3. Any operations sold, acquired or discontinued in the last five years? | YES | NO |
| 4. Any watercraft owned, hired or leased? | YES | NO |
| 5. Any aircraft owned, hired or leased? | YES | NO |
| 6. Do you sponsor any athletic teams? | YES | NO |
| 7. Are you a licensed freight broker? | YES | NO |
| 8. Do you deliver household goods/appliances that require entering the home and setting up/installing?
If YES, percentage of this type of work? | YES | NO
_____ % |

Explain any YES answers: _____

UMBRELLA/EXCESS LIABILITY REQUESTED? YES NO Limit? _____
(\$1,000,000 minimum. Higher limits are available.)

BUSINESS AUTO APPLICATION

AUTOMOBILE COVERAGE OPTIONS (Circle Desired Option):

#1 DRIVERS CARRY LIMITS OF LIMITS OF AT LEAST \$500,000 CSL or greater. We must receive copies of Declarations Pages for all drivers evidencing limits within 30 days of binding coverage.

LIABILITY

COVERAGE

LIMITS REQUESTED

Bodily Injury/Property Damage Liability	\$ 1,000,000
* Personal Injury Protection (PIP)	\$
* Additional Personal Injury Protection (PIP)	\$
* Medical Payments	\$
* Uninsured/Underinsured Motorists (UM/UIM)	\$

MISCELLANEOUS UNDERWRITING INFORMATION

EXPLAIN ANY YES RESPONSES

I. VEHICLES (Company Owned Only)

Number of company-owned or long-term leased vehicle: _____ Non-Delivery _____ Delivery

Insured by what carrier: _____

Do you have a written & enforced vehicle maintenance

Program and checklist? Yes No

If No, do you agree to adopt to our suggested program

If coverage is bound? Yes No

Where are the owned auto's garaged after hours?

If the vehicle's are taken home by the employee's what is the posture for others/families to use the company owned vehicles?

BUSINESS AUTO APPLICATION (CONT.)

II. DRIVERS

1. Do drivers wear a company uniform?	YES	NO
2. If drivers are using their own vehicles, how do you monitor the existence of their insurance coverage?		
3. What limits are drivers required to carry when using their own vehicles? (\$500,000csl required for vehicles 10,001 to 26,000 GVW) (\$1,000,000csl required for vehicles over 26,000 GVW)	_____ _____ _____	\$500,000 csl \$1,000,000 csl Other
4. Any drivers under 21 years old? (Not eligible.)	YES	NO
5. Any drivers over 70 years old? (Medical statement may be required.)	YES	NO
6. What is the approximate annual driver turnover?	_____	%
7. Do you carry any cargo that is considered Hazardous Material and requires a placard? (If yes, we will send you a HazMat questionnaire to be completed.)	YES	NO
8. Do you supply drivers to operate customer-owned vehicles? If yes, is there a written agreement in place clearly indicating that the customer's auto insurance is considered primary and/or holding you harmless for any accident involving your driver and the customer's vehicle?	YES YES	NO NO

BUSINESS AUTO APPLICATION (CONT.)

III. DRIVER SELECTION

1. Written Application Required?	YES	NO
2. Interview by Management?	YES	NO
3. Road Test Required?	YES	NO
4. Written Test Required?	YES	NO
5. References Checked?	YES	NO
6. Police Record Checked?	YES	NO
7. Require 2 or more years driving experience in U.S.?	YES	NO
8. MVR's ordered on all prospective drivers?	YES	NO
9. Are above items completed prior to driver being allowed to drive?	YES	NO
	YES	NO
10. Do you have a current driver selection procedure? If No, do you agree To adopt to our suggested if coverage is bound?	YES	NO

IV. SAFETY & COMPLIANCE

We recognize that for many companies, the Owner(s) serve as Safety Coordinator, Trainer, Accident Review, etc.

Circle OWNER if this applies to your company

1. Safety Coordinator Appointed?	YES	NO	OWNER
2. Driver Training Provided?	YES	NO	OWNER
3. Are driver accidents reported and reviewed by management?	YES	NO	
4. Do you have regular driver meetings?	YES	NO	

Even if these are informal/sporadic, briefly describe what is done to promote safety:

5. Do you have a formal safety and accident prevention program?	YES	NO
If no, do you agree to adopt our suggested program if coverage is bound?	YES	NO

BUSINESS AUTO APPLICATION (CONT.)

V. MISC.

1. Hours of Operation: _____

2. Employees or Passengers transported? YES NO

3. Name the type of dispatch system used: _____

4. For Rush or On-Demand business:

a. Are conditions such as weather, time of day, distance, road construction, etc. taken into account when dispatching jobs with time constraints? YES NO

b. Do you give time guarantees? YES NO

If YES, what are the consequences of not meeting deadlines? _____

c. Are penalties imposed on drivers for not meeting deadlines? YES NO

If YES, describe: _____

5. Do you do any pick-ups or deliveries to airports? YES NO

a. If YES, do you have a ramp pass? YES NO

b. Do you drive onto the tarmac? YES NO

If YES, provide details: _____

c. If YES, at what airports: _____

BUSINESS AUTO APPLICATION (CONT.)

6. Are trailers utilized by any of your independent contractors or employees driving their own vehicles? YES NO

c. If YES, provide details on how many, what type, where, how often type of cargo, etc.:

7. Please list your five largest types of contracts/customers* and the commodities being delivered:

<u>Type of Contract / Customer *</u>	<u>Commodities Hauled</u>
1. _____	1. _____
2. _____	2. _____
3. _____	3. _____
4. _____	4. _____
5. _____	5. _____

8. Do all drivers participate in a formal driver incentive program? YES NO

If no, would you agree to adopt our suggested program if coverage is bound? YES NO

SAMPLE

DRIVER AGREEMENT ADDENDUM

THIS AGREEMENT, made and entered into this _____ day of, ____20____ by and between (company name), a (state) corporation (herein referred to as (“company”)) and _____ an (employee or independent contractor) (herein referred to as “Courier driver”).

1. That Courier driver, in form satisfactory to Company, will have his/her own transportation and insurance, in the amount of \$_____ (at least \$500,000 recommended).
2. Provide proof of insurance showing Insurance company, policy number, and expiration date, to company prior to Courier driver’s start date.
3. Provide copy of Insurance Declaration page showing policy limits to company within 30 days of Courier driver’s start date.
4. Inform company of any changes to policy, and provide company proof of insurance renewal prior to policy expiration date.
5. That Courier driver will indemnify and hold harmless Company and any customers of Company, from and against any and all liability, by reason of accident, injuries, or negligence of any kind, that may result from the act of Courier driver while making deliveries for or on behalf of Company.
6. The courier driver will name the courier company as additional insured on their commercial auto policy.

IN WITNESS WHEREOF, the parties hereto have placed their hands and seals the day and year first above written.

ATTEST:

_____ Date:
Witness

COURIER DRIVER

By _____ Date:

ATTEST:

_____ Date:
Witness

COMPANY

By _____ Date:
Personnel Manager

NOTE: This is simply an example of how you can bring your IC Agreement in compliance with our program requirements, if we find your agreement lacking insurance and hold harmless clauses.

DRIVER MOTOR VEHICLE REPORTS

An MVR is a record of a driver's past performance and is often a forecast of his/her future performance. Violations and accidents, both on and off the job are to be considered (unless prohibited by state law), as they are a reflection of a driver's complete record and attitude of responsibility while operating a motor vehicle.

A current MVR will be required on all drivers. We will obtain them prior to policy inception, and again within 60-90 days prior to the policy anniversary. As a transportation company, you are also required to run your own MVR's and make sure a current MVR is in every driver's file. We, as an insurance agent/broker, CANNOT provide MVR's to you, per the U.S. Fair Credit Reporting Act (FCRA).

The FCRA was enacted to promote accuracy, fairness and privacy of information contained in reports generated by consumer reporting agencies. The FCRA imposes requirements on the collection and dissemination of information contained in these reports. These requirements apply not only to consumer reporting agencies, but also to users of consumer reports, such as insurance agents and employers. MVR's are recognized by the FCRA as consumer reports.

A permissible purpose is required by all users in order to obtain a consumer report. The type of permissible purpose is a significant factor in determining the specific obligations imposed on the user. Notably, the FCRA distinguishes consumer reports obtained for insurance related purposes from those obtained for employment related purposes, with the latter being subject to more stringent requirements.

In accordance with the FCRA, the insurance industry may obtain limited consumer report information for purposes solely related to underwriting and pricing of insurance. The insurance industry will continue to obtain MVR's on your driver for the sole purpose of determining their insurability under our commercial auto insurance program.

Due to restrictions imposed by the FCRA, the insurance industry CANNOT provide a copy of the MVR to you or even discuss the specific contents of it with you. Any discussion with you on MVR's must be limited to whether a driver's record meets the underwriting standards of our commercial auto insurance program – basically, does he/she "make the cut."

You, as the Insured, have a responsibility of developing your own driver requirements (employees and/or independent contractors). Understand, however, that your standards must be at least as stringent as the insurance carrier(s) – otherwise, you may not be insurable. Of course, regardless of what insurance carriers may impose as standards, if you don't impose reasonable standards, and regularly (at least annually) update MVR's, insured or not, you run the substantial risk of not being very defensible, if one of your drivers is involved in an accident, and may, in fact, put yourself in the position of being assessed significant "punitive damages" (often not covered by insurance at all).

The requirements used by the underwriters of our commercial auto program are listed below over a three (3) year period. However, 2 or more at fault accidents or major violations or any combination of 3 or more in 12 months are the maximum and that driver will need to be excluded.

SPEEDING – Two (2) or more speeds at more than 25 mph over the posted speed limit	Max of 2 in a 36 month time period
MOVING VIOLATIONS OTHER (but not falling in the "major" violation category below)	Max of 4 in a 36 month time period
AT-FAULT ACCIDENTS (Any accident where the driver has been sighted or where points have been assigned will be considered at-fault. All others are not-at-fault, you must prove that the accident was not-at-fault with a police report etc. or it will be counted as at-fault)	Max of 3 or more at fault accidents or any combination of moving violations and/or accidents totaling (4) or more
MAJOR VIOLATIONS (see next page)	UNACCEPTABLE

DRIVER MOTOR VEHICLE REPORTS (cont.)

Some subjective consideration will be applied as well. For example, if there is an excessive amount of “not at fault” accidents, the driver may not be approved.

MAJOR VIOLATIONS include, but are not limited to:

1. Driving while intoxicated (DWI)/Driving Under the influence (DUI)
2. Reckless Driving
3. Driving under a suspended/revoked driver’s license
4. Negligent, homicide, manslaughter or assault arising out of the operation of a motor vehicle.
5. Felony conviction aggravated assault involving a motor vehicle
6. Using a motor vehicle for the commission of a felony
7. A conviction for driving with a suspended or revoked license.
8. Nine or more points, or five or more moving violations

Again, any information we discuss with you, based on an MVR, is solely for the purpose of determining insurability. UNDER NO CIRCUMSTANCES SHOULD THAT INFORMATION BE USED FOR EMPLOYMENT PURPOSES. To the extent that employment is in any way contingent upon an MVR, you are encouraged to comply with the specific requirements imposed by the FCRA – relative to employment purposes. You may wish to consult with an attorney experienced in “Employment Practices” law in order to develop a compliance policy.

You can obtain a complete copy of the FCRA off the Federal Trade Commission’s website – <http://www.ftc.gov>.

In terms of setting up to run your own MVR’s, following are several service providers (we use Insurance Information Exchange).

Insurance Information Exchange
3001 Earl Rudder Fwy, S
College Station, TX 77845
Phone 800-299-7099
Fax 409-696-2497
www.iix.com

DAC Services
4110 S. 100th E Ave.
Tulsa, OK 74146
Phone 800-331-9175
Fax 918-664-9074
www.dacservices.com

Agency Records, Inc./Rapid
Information Services
Box 310175
Newington, CT 06131-0175
Phone 800-777-6655
Fax 860-666-4247
www.agencyrecords.com

By signing below, you are acknowledging that you:

- Have completed the application with information that is true and accurate within the scope of your knowledge, and
- Understand to a reasonable degree the coverages we're being asked to quote and have inquired about other coverages/exposures – outlined and have elected not to seek specific coverage.

Please understand that we will only be able to offer you a quotation when all applicable sections of the application are completed and signed, and any additional requested items are received.

By (print name): _____ **Date:** _____

Applicant Signature: _____

Title: _____

Agent Signature _____ **Date:** _____