

APPLICATION FOR TRUCK BROKER INSURANCE

I. APPLICATION INFORMATION

Proposed Effective Date: _____

Full Legal Name & DBA if any: _____

Mailing Address: _____ City: _____ State: _____ Zip: _____

Physical Address: _____ City: _____ State: _____ Zip: _____

Phone: _____ Email: _____ Website: www._____

Contact Name: _____ Title: _____ Phone: _____ Email: _____

Years in Business Under Current Authority: _____ DOT #: _____ MC #: _____

(If under 1 year in operation, explain experience in truck brokerage):

Type of Entity: Corporation LLC Sole Proprietorship Other (Specify): _____

Broker Bond Provider: _____ Bond Renewal Date: _____

Are you affiliated with any specific trucking entity(s)? Yes No *(If "Yes," please identify Trucking Operation):*

Name: _____

Physical Address: _____ City: _____ State: _____ Zip: _____

DOT #: _____ MC#: _____

Do you ever broker loads to a trucking company affiliated with your brokerage? Yes No

(If "Yes," what % of revenue was brokered to the affiliated carriers): _____ %

Do you have other affiliated entities involved in Freight Forwarding, Distribution, Manufacturing, or Warehousing? Yes No

(If "Yes," please identify the affiliate(s) below):

Name: _____

Physical Address: _____ City: _____ State: _____ Zip: _____

Phone: _____ Website: www._____ DOT #: _____ MC#: _____

II. EXPOSURE HISTORY & TERRITORY

	<u>Last Year</u>	<u>Current Year</u>	<u>Next Year (Estimated)</u>
\$ Revenue (Total Gross Billed to Shippers)	\$ _____	\$ _____	\$ _____
# of Loads	# _____	# _____	# _____
Territory Served (check applicable)	USA & Canada	Other (Specify): _____	

III. COMMODITIES, CONVEYANCE MODE & OPERATIONAL INFORMATION

Full description of commodities brokered (Be specific. "General Commodities" or "Freight-All-Kinds" are vague and **not acceptable**.)

Do you broker Flatbed Freight?	Yes	No	If "Yes," provide: _____	% of shipments	_____ %
Do you broker Refrigerated Freight?	Yes	No	If "Yes," provide: _____	% of shipments	_____ %
Do you broker any oversize/overweight loads?	Yes	No	If "Yes," provide: _____	% of shipments	_____ %
Percentage of revenue from Truckload shipments (entire load for just one shipper):					_____ %
Percentage of revenue from Less Than Truckload shipments (load combined with loads from other shippers):					_____ %
Do you broker any freight by air, sea, or rail?	Yes	No	If "Yes," provide: _____	% Air	_____ % Sea _____ % Rail

IV. INSURANCE COVERAGE AND LIMITS REQUESTED (Check **All** Coverages Requested.)

<u>Coverage</u>	<u>Limits</u>	<u>Other</u>
A. Third Party Legal Liability Options		
1. Trucker Broker Automobile Legal Liability (TBL)	\$1MM	_____
2. Contingent Truck Broker Legal Liability (CAL)	\$1MM	_____
3. Third Party Liability (TPL)	\$1MM	_____
B. Contingent Cargo Legal Liability		
1. Contingent Cargo Legal Liability (CCG)	\$100K	_____
2. Refrigeration Breakdown Coverage (<i>minimum \$2500 deductible</i>)	\$100K	_____
C. Excess Motor Truck Cargo (over the carrier's MTC insurance)	\$100K	_____
D. Professional Liability / Errors & Omissions	\$100K	_____
E. General Liability	\$1MM	_____
F. Freight Brokers Bond	\$75K	_____
G. Other (describe) _____	\$1MM	_____

V. CURRENT INSURANCE AND CLAIMS HISTORY

1) Please provide details for applicable insurance

	<u>Insurer</u>	<u>Limit</u>	<u>Premium</u>	<u>Rate</u>	<u>X-Date</u>
A. Truck Broker/ Contingent Auto Liability	_____	_____	_____	_____	_____
B. Contingent Cargo	_____	_____	_____	_____	_____
C. Professional Liability/E&O	_____	_____	_____	_____	_____
D. General Liability	_____	_____	_____	_____	_____

2) Has any insurer cancelled, non-renewed, or declined any similar insurance for you in the past 5 years? Yes No

3) For all coverages requested, have you had any covered or non-covered losses in the last 5 years?
(If "Yes," please use a separate sheet and provide full details of all losses.) Yes No

Please attach **5 years of loss runs** for the coverages requested. (*This is **required** if you have had prior coverage.*)

VI. RISK MANAGEMENT AND BEST PRACTICES

A. Do you require a written broker carrier agreement with all carriers before they are able to haul for you without exception? If "Yes," please provide copy of the agreement.	Yes	No
B. Does your broker carrier agreement require the carrier to haul under their own authority?	Yes	No
C. Does your broker carrier agreement mandate no double brokering is allowed?	Yes	No
D. Does your broker carrier agreement require full indemnification from the carrier for loss irrespective of whether there is insurance in place to pay that loss?	Yes	No
E. Does your broker carrier agreement require the carrier to have the bill of lading in the carrier's name as required by DOT and not in the broker's name, and do you reject any carrier that lists your brokerage on the bill of lading?	Yes	No
F. Do you or your dispatchers use only authorized or pre-qualified motor carriers?	Yes	No
G. Do you keep and annually update a file or electronic file for each motor carrier utilized that contains a copy of:		
1. The motor carrier's operating authority?	Yes	No
2. The broker carrier agreement?	Yes	No
3. A certificate of insurance for all coverages per the broker carrier agreement?	Yes	No
H. Do you reject carriers with an insurer with less than an "A-rating" from AM Best?	Yes	No

VII. COVERAGE SECTIONS (Complete this section for only those coverages requested in Section IV.)

A. Truck Broker Liability/Contingent Auto Liability/Third-Party Liability

If requesting TBL, please provide a carrier list with MC#s in an Excel spreadsheet.

- | | | |
|---|-----|----|
| 1. Do you use Interstate Carriers?
<i>(If "Yes," answer the following questions a. – c.)</i> | Yes | No |
| a. Do you review DOT carrier safety ratings and only load carriers which have "Satisfactory" (or "Unrated") ratings and reject carriers with "Conditional" or "Unsatisfactory" ratings? | Yes | No |
| b. Do you reject carriers with more than 1 "BASIC Alert"? | Yes | No |
| c. Do you reject carriers with auto liability limits less than \$1,000,000? | Yes | No |
| 2. Do you use Intrastate Carriers? | Yes | No |
| 3. Do any carriers work exclusively for the insured? | Yes | No |
| 4. Do you broker Hazardous Materials? <i>(If "Yes," answer the following questions a. & b.)</i> | Yes | No |
| a. Do you require your carriers which haul hazardous materials to have the required \$1,000,000 or \$5,000,000 of limits in their commercial auto liability insurance? | Yes | No |
| b. Do you verify adequate limits for "Hazard Commodities" and "CA 9948" by certificate of insurance? | Yes | No |
| 5. Do you use carrier risk management software like SAFERWATCH?
<i>(If "Yes," name of software.)</i> _____ | Yes | No |
| 6. Does your load confirmation sheet confirm that you do not authorize any FMCSA violations (e.g. hours of service violations, etc.)? | Yes | No |
| 7. Do you fine carriers for any reason? | Yes | No |

B. Contingent Cargo

Do you arrange shipments of any of the following: Yes No

(If "Yes," provide the estimated annual number of loads and revenue)

	#Loads	% Rev.		# Loads	% Rev
Acetylene or Acids	_____	_____ %	Live Poultry	_____	_____ %
Alcoholic Beverages	_____	_____ %	Livestock	_____	_____ %
Ammunition	_____	_____ %	Mobile Homes	_____	_____ %
Boats	_____	_____ %	Motor Vehicles	_____	_____ %
Clothing	_____	_____ %	Narcotics	_____	_____ %
Copper	_____	_____ %	Oriental Rugs	_____	_____ %
Cotton	_____	_____ %	Pharmaceuticals	_____	_____ %
Electronics	_____	_____ %	Portable Buildings	_____	_____ %
Explosives	_____	_____ %	Precious Metals	_____	_____ %
Fresh Seafood	_____	_____ %	Swinging Beef	_____	_____ %
Furs	_____	_____ %	Tires	_____	_____ %
Ivory or Jade Goods	_____	_____ %	Tobacco	_____	_____ %
Jewelry	_____	_____ %	Watches	_____	_____ %
Liquid Petroleum Products	_____	_____ %			

For any commodity not found above, please list in Section III.

- | | | |
|---|-----|-------|
| 1. What minimum cargo limit do you require from all truckers used? | \$ | _____ |
| 2. Does your contract require insurance without exclusion for unattended or unlocked vehicles? | Yes | No |
| 3. Does your contract require carriers to have broad-form/all-risk cargo insurance? | Yes | No |
| 4. Do you arrange shipments of refrigerated products?
<i>(If "Yes," answer the following questions a. – b.)</i> | Yes | No |
| a. Do you confirm that carriers have refrigeration units on a regular service contract? | Yes | No |
| b. Do you require that carriers have refrigeration breakdown insurance coverage? | Yes | No |
| 5. Do you arrange shipments of cargo hauled on flatbed trailers?
<i>(If "Yes," answer the following questions a. & b.)</i> | Yes | No |
| a. Do you require that carriers tarp all loads if required by shipper? | Yes | No |
| b. Do you require that carriers have wetness, dampness insurance coverage if required by shipper? | Yes | No |

C. Excess Motor Truck Cargo

1. Description of commodities being hauled requiring excess: _____
2. Value of commodities being hauled requiring excess: Average: \$ _____ Maximum: \$ _____
3. Estimated Revenue from these commodity shipments: \$ _____
4. Do you keep a written record of shipments and values of these commodities? Yes No

D. Professional Liability

1. Have any governmental or regulatory proceedings or fines been made against you? Yes No
2. Do you broker the commodities of coal, chemicals, LPG, explosives, flammables, medical, toxic, or hazardous materials? Yes No

E. General Liability

1. Square footage of your operations: _____ sq. ft.
2. Do you own the property where you conduct business? Yes No
3. Do you share the location with another entity? Yes No
(If "Yes," explain and advise other entity's GL insurer.) _____
4. Do you broker loads to or from job sites? Yes No
5. Do you broker out of your home? Yes No

F. Freight Broker Bond

1. Do you factor your receivables? Yes No
2. Have you ever declared bankruptcy? Yes No
3. Have you ever been party to a lawsuit? Yes No
4. Net Worth: \$ _____
5. Ownership Information:
Name: _____
Residential Address: _____
Social Security Number: _____
6. Are there multiple owners (more than 5% ownership)? Yes No
(If "Yes," provide information on a separate sheet of paper, including name, address, social security number, and percentage of ownership.)

Fair Credit Report Act Notice: PERSONAL INFORMATION ABOUT THE APPLICANT, INCLUDING INFORMATION FROM A CREDIT OR OTHER INVESTIGATIVE REPORT, MAY BE COLLECTED FROM PERSONS OTHER THAN THE APPLICANT IN CONNECTION WITH THIS APPLICATION FOR INSURANCE AND SUBSEQUENT AMENDMENTS AND RENEWALS. SUCH INFORMATION AS WELL AS OTHER PERSONAL AND PRIVILEGED INFORMATION COLLECTED BY THE INSURER OR THE INSURER'S AGENTS MAY IN CERTAIN CIRCUMSTANCES BE DISCLOSED TO THIRD PARTIES WITHOUT THE APPLICANT'S AUTHORIZATION. CREDIT SCORING INFORMATION MAY BE USED TO HELP DETERMINE EITHER THE APPLICANT'S ELIGIBILITY FOR INSURANCE OR THE PREMIUM THE APPLICANT WILL BE CHARGED. THE INSURER MAY USE A THIRD PARTY IN CONNECTION WITH THE DEVELOPMENT OF THE APPLICANT'S SCORE. THE APPLICANT HAS THE RIGHT TO REVIEW THE APPLICANT'S PERSONAL INFORMATION IN THE INSURER'S FILE AND CAN REQUEST CORRECTION OF ANY INACCURACIES. A MORE DETAILED DESCRIPTION OF THE APPLICANT'S RIGHTS AND THE INSURER'S PRACTICES REGARDING SUCH INFORMATION IS AVAILABLE UPON REQUEST. CONTACT THE APPLICANT'S AGENT OR BROKER FOR INSTRUCTIONS ON HOW TO SUBMIT A REQUEST TO THE INSURER.

Fraud Warning: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS THE PERSON TO CRIMINAL AND [NY: SUBSTANTIAL] CIVIL PENALTIES. (NOT APPLICABLE IN CO, DC, FL, HI, MA, NE, OH, OK, OR, VT OR WA) (INSURANCE BENEFITS MAY ALSO BE DENIED IN LA, ME, TN, AND VA).

(Continued on next page--STATE FRAUD STATEMENTS)

STATE FRAUD STATEMENTS – THIS NOTICE IS PART OF YOUR APPLICATION

APPLICABLE IN COLORADO

IT IS UNLAWFUL TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES, DENIAL OF INSURANCE AND CIVIL DAMAGES. ANY INSURANCE COMPANY OR AGENT OF AN INSURANCE COMPANY WHO KNOWINGLY PROVIDES FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO A POLICY HOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICY HOLDER OR CLAIMANT WITH REGARD TO A SETTLEMENT OF AWARD PAYABLE FROM INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AGENCIES.

APPLICABLE IN FLORIDA

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR ANY APPLICATION CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

APPLICABLE IN MASSACHUSETTS, NEBRASKA, OREGON AND VERMONT

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, MAY BE COMMITTING A FRAUDULENT INSURANCE ACT, WHICH MAY BE A CRIME AND MAY SUBJECT THE PERSON TO CRIMINAL AND CIVIL PENALTIES.

APPLICABLE IN OHIO

ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE/SHE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTION STATEMENT IS GUILTY OF INSURANCE FRAUD.

APPLICABLE IN OKLAHOMA

WARNING: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE AN INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY.

APPLICABLE IN WASHINGTON

IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DERAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES, AND DENIAL OF INSURANCE BENEFITS.

THIS APPLICATION CANNOT BE PROCESSED UNLESS SIGNED BY AN AUTHORIZED OFFICER OF THE APPLICANT ORGANIZATION

Warranty

The Applicant hereby applies to the Company for a policy of insurance as set forth in this application on the basis of statements contained here. Applicant agrees that such policy shall be null and void if such information is materially false or misleading so that the Company would have rejected the risk, prior to inception. Applicant understands that an inquiry may be made which will provide applicable information concerning character, general reputation, financial stability and other pertinent financial data, personal characteristics, mode of living or other background information the Company deems necessary in order to determine whether the Company will accept or reject applicant for coverage. The undersigned authorizes the release of claim information from any prior insurer to the underwriting manager, Company and/or affiliates thereof. Upon written request, additional information as to the nature and scope, if one is made, will be provided.

The undersigned authorized officer of the Applicant declares that the statements set forth herein are true. The undersigned authorized officer agrees that if the information supplied on this application changes between the date of this application and the effective date of the insurance, he/she (undersigned) will, in order for the information to be accurate on the effective date of the insurance, immediately notify the Company of such changes, and the Company may withdraw or modify any outstanding quotations and/or authorizations or agreements to bind the insurance.

The Applicant understands this application is a request for quotation and no information provided herein shall be construed by either party as creating a binding contract for insurance, but it is agreed that this application shall be the basis of the contract should a policy be issued, and it will be attached to and become part of the policy. All written statements and materials furnished to the Company in conjunction with this application are hereby incorporated by reference into this application and made a part hereof.

Name of Applicant (Please print)

Title

Signature of Applicant

Date