

## Used Auto and Motorhome Dealer Application

COLUMBIA INSURANCE COMPANY  
 NATIONAL INDEMNITY COMPANY  
 NATIONAL FIRE & MARINE INSURANCE COMPANY  
 NATIONAL LIABILITY & FIRE INSURANCE COMPANY  
 NATIONAL INDEMNITY COMPANY OF THE SOUTH  
 NATIONAL INDEMNITY COMPANY OF MID-AMERICA

Horner Insurance Services, Inc.  
 5101 Wheelis Drive  
 Suite 214  
 Memphis, TN 38117  
 (901) 684-4570 FAX: (901) 684-4565

Policy Term From: \_\_\_\_\_ To: \_\_\_\_\_

### GENERAL INFORMATION

1. Named Insured Information (please select one):

	Name	"dba" (if applicable)
<input type="checkbox"/>	Corporation _____	
<input type="checkbox"/>	Partnership _____	
<input type="checkbox"/>	Individual _____	
<input type="checkbox"/>	Other _____	

2. Business (physical) address \_\_\_\_\_

3. Mailing address \_\_\_\_\_

4. Website address \_\_\_\_\_

5. Are you the owner of this business location?  Yes  No  
 If no, does owner of premises need to be named as additional insured?  Yes  No  
 If yes, please provide owner's complete name \_\_\_\_\_

6. Description of operation \_\_\_\_\_

7. Type of Operation:

<input type="checkbox"/> Franchised Dealer	<input type="checkbox"/> Repair Shop	<input type="checkbox"/> Wholesale Dealer/Auto Broker
<input type="checkbox"/> Non-Franchised Dealer	<input type="checkbox"/> Automobile Dismantling	<input type="checkbox"/> Other _____
<input type="checkbox"/> Equipment & Implement Dealer		

8. Please check those items below that are part of your dealer operation:

	% of Operation		% of Operation
<input type="checkbox"/> Private Passenger Autos	_____	<input type="checkbox"/> Motor Homes	_____
<input type="checkbox"/> Mobile Homes	_____	<input type="checkbox"/> Buses	_____
<input type="checkbox"/> Motorcycles	_____	<input type="checkbox"/> Antique Auto	_____
<input type="checkbox"/> ATVs, Snowmobiles, Jet Skis	_____	<input type="checkbox"/> Autos Valued Over \$40,000	_____
<input type="checkbox"/> Trucks Over 10,000 GVW	_____	<input type="checkbox"/> Contractor Equipment	_____
<input type="checkbox"/> Tractors	_____	<input type="checkbox"/> Internet Sales of Autos (Incl. EBay)	_____
<input type="checkbox"/> Trailers	_____	<input type="checkbox"/> Internet Sales of Parts/Accessories	_____
<input type="checkbox"/> High Performance/Exotic Car Sales	_____	<input type="checkbox"/> Farm Equipment/Implement Dealer	_____
		<input type="checkbox"/> Other	_____

9. Person to Contact:  
 For inspection (name & phone number) \_\_\_\_\_  
 For accounting records (name & phone number) \_\_\_\_\_

10. Current management has controlled the business since \_\_\_\_\_ (year) and has been in this type of business since \_\_\_\_\_ (year)

11. Is this a new venture?  Yes  No

12. (a) **PREVIOUS 3 YEARS' INSURANCE EXPERIENCE**

Policy Term	Insurance Company Name	Premium	Description of Loss (if any)	Loss Date	Amount Paid

(b) Are you aware of any facts or past incidents, circumstances or situations which could give rise to a claim under the insurance sought in this application?  Yes  No If yes, provide complete details \_\_\_\_\_

13. (a) List major owners/shareholders, management:

Name	Years with Company	% of Ownership

(b) What is estimated net worth of the business? \_\_\_\_\_ (c) Gross receipts last year? \_\_\_\_\_

(d) How many autos did you sell in the past year? \_\_\_\_\_

14. Do you accept autos on consignment?  Yes  No If yes, \_\_\_\_\_% of operation

If yes, is value of consigned autos included in garagekeepers limit?  Yes  No

Please enclose copy of current consignment agreement.

15. Plates Held by Applicant (indicate number held): \_\_\_\_\_ Dealer \_\_\_\_\_ Transporter  
 \_\_\_\_\_ Repairer \_\_\_\_\_ Other

List plate identification numbers assigned by the state \_\_\_\_\_

Are plates attached to owned autos?  Yes  No Describe \_\_\_\_\_

Are plates attached to tow trucks?  Yes  No Describe \_\_\_\_\_

**COVERAGE INFORMATION**

16. Limits of Liability and Coverage(s) Requested (check desired coverage and insert limits)

**I. LIABILITY**

Each Accident

Aggregate (Garage Operations Only)

Bodily Injury & Property Damage Liability \$ \_\_\_\_\_

\$ \_\_\_\_\_

(Property Damage Liability Subject to (Combined Single Limit)

(Maximum Aggregate Limit - 2 Million)

\$100 Deductible Completed Operations)

**List All Locations to be Covered for Bodily Injury and Property Damage Liability**

Location No. 1 Address	Location No. 3 Address
Location No. 2 Address	Location No. 4 Address

**II. MEDICAL PAYMENTS**

Premises Medical Payments (per person) Choose Limit:  \$500  \$750  \$1,000  \$2,000  \$5,000

**III. UNINSURED MOTORIST**

UNINSURED MOTORIST COVERAGE			
Single Limit	Split Limits		Uninsured Motorist Economic Loss Only
	Bodily Injury		
	Per Person	Per Accident	
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No

**IV. GARAGEKEEPERS COVERAGE**

NOTE: In-tow or on hook coverage is excluded from garagekeepers coverage

SPECIFIED PERILS and Collision OR  COMPREHENSIVE and Collision (available on direct primary basis only)

(pick one of the following)

Legal Liability

Direct Primary

GARAGEKEEPERS DEDUCTIBLE:  \$500 deductible per auto  
 \$1,000 deductible per auto  
 \$2,500 deductible per auto  
 \$5,000 deductible per auto

17. List All Business Locations to be Covered for Garagekeepers Coverage

Loc. No.	Garagekeepers Limit	Garagekeepers			
		Average Value Per Auto	Maximum Value Per Auto	Average # of Autos	Maximum # of Autos

V. DEALERS PHYSICAL DAMAGE \*Non-Reporting Form Only, 80% Co-Insurance Clause Applies

- Specified Causes of Loss (select desired deductible)  
 \$500    \$1,000    \$2,500    \$5,000

AND

- Collision (select desired deductible)  
 \$500    \$1,000    \$2,500    \$5,000

List All Business Locations to be Covered for Dealers Physical Damage Coverage

Loc. No.	Dealers Physical Damage Limit	Dealers Physical Damage			
		Average Value Per Auto	Maximum Value Per Auto	Average # of Autos	Maximum # of Autos

- Any loss payees?  Yes    No   If yes, give name and address of loss payee \_\_\_\_\_  
 Is false pretense coverage desired?  Yes    No  
 If yes, select limit:  \$25,000    \$50,000    \$100,000  
 Have you experienced any past losses pertaining to false pretense coverage?  Yes    No  
 If yes, explain \_\_\_\_\_

18. AUTOS USED IN CONNECTION WITH GARAGE OPERATION

- (a) Do you own and operate an automobile transporter, tow truck, tank truck or tank trailer?  Yes    No  
 (b) Do you desire coverage?  Yes    No

(No coverage afforded for specific autos unless autos are scheduled on the policy and assessed premium charge)

Vehicle #	Model Year	Vehicle Make & Model	Vehicle Identification Number	Gross Vehicle Weight (GVW)	Body Type (pickup, sedan, etc.)	Maximum Radius of Operation	Garaging Location (city, state)	Current Vehicle Value	Physical Damage Deductible	Is a plate permanently attached? Y or N
1										
2										
3										

Check desired coverages for scheduled autos and/or plates:

- Liability (must match the garage liability limit)  
 UM Limit (policy level) \$ \_\_\_\_\_  
 Medical Payments Limit (must match the garage medical payments limit)  
 Physical Damage (select type for each unit on which coverage is desired)  
 Unit #1:  Specified Perils/Collision   **OR**    Comprehensive/Collision  
 Unit #2:  Specified Perils/Collision   **OR**    Comprehensive/Collision  
 Unit #3:  Specified Perils/Collision   **OR**    Comprehensive/Collision
- Is in-tow desired? Which units? \_\_\_\_\_  
 In-Tow Limit: \$ \_\_\_\_\_  
 In-Tow Deductible: \$ \_\_\_\_\_

## RATING INFORMATION

19. PROVIDE TOTAL NUMBER OF EMPLOYEES IN EACH OF THE FOLLOWING CATEGORIES:

**CLASS I EMPLOYEES**

Number

Number

**Definitions:**

- |   |  |
|---|--|
| (A) Proprietors, Partners, Executives Active in the Business _____<br>(B) Sales Persons _____<br>(C) General Managers _____<br>(D) Service Managers _____ | (E) Other Employees Whose Principal Duty is Driving Garage Vehicles or Who are Furnished Garage Vehicles _____<br>(F) Other Employees or Operators Whose Duty is Driving Garage Vehicles for Delivery or Drive-Away _____<br>(G) All Other Employees _____ |
|---|--|

**COMPLETE ALL SECTIONS BELOW:**

**Owner & Employee Driver Information**

Loc. No.	Name	*Job Duty or Job Title	Full Time (FT) **Part Time (PT)	Date of Birth	State Where Licensed	Drivers License #	Number of Accidents Last 3 Years	Number of Violations Last 3 Years	Explain

\*Insert letter from above definitions

\*\*Part Time = less than 20 hours per week

**CLASS II EMPLOYEES (NON-EMPLOYEES)**

Number

- |   |       |
|---|-------|
| (1) Any inactive proprietor, inactive executive or inactive partner to whom a covered auto has been furnished.                        | _____ |
| (2) Any active or inactive proprietor's, executive's or partner's household member to whom a covered auto has been furnished.         | _____ |
| (3) List all members of your household who are <u>14 years of age</u> and older regardless of whether licensed or operating vehicles. | _____ |
| (4) Any other persons furnished an auto.  | _____ |

**List All Non-Employees as Defined Above:**

Name	Date of Birth	If Member of Household, Show Relationship	State Where Licensed	Driver License #	Number of Accidents Last 3 Years	Number of Violations Last 3 Years	Explain

**UNDERWRITING INFORMATION**

20. Is the operation in Question 6 your primary operation? If not, explain \_\_\_\_\_ 20.  Yes  No
21. (a) Where do you obtain autos held for sale? \_\_\_\_\_  
(b) How are they delivered? (i.e., by drive-away, tow truck, auto transporter, etc.) \_\_\_\_\_
22. (a) If by drive-away, estimated total number of trips annually \_\_\_\_\_  
(b) Who operates the units that are delivered by drive-away?  
 Full Time Employees  Part Time Employees  Contractors  
(c) Name(s) of drive-away operators \_\_\_\_\_
23. Maximum mileage per drive-away or delivery  0-150 miles  Over 150 miles  
(NOTE: Policy will include radius restriction based on indicated mileage)
24. Do you sell or distribute butane, propane, other liquefied gas under pressure or ammonium nitrate? 24.  Yes  No
25. (a) Do you sell tires?  
\_\_\_\_\_ % of receipts  New tires \_\_\_\_\_ %  Used tires \_\_\_\_\_ %  
(b) Do you recap or retread tires? 25. (a)  Yes  No  
(b)  Yes  No
26. Do you install and/or repair trailer hitches or 5th wheel connections? If yes, \_\_\_\_\_ % of operation 26.  Yes  No
27. Do you hold a salvage dealer license or operate a salvage yard? 27.  Yes  No
28. Do you salvage cars for re-sale? 28.  Yes  No
29. Do you dismantle automobiles for the purpose of re-sale of parts? If yes, \_\_\_\_\_ % of operation 29.  Yes  No
30. Do you weld gas tanks? 30.  Yes  No
31. Do you repossess autos? 31.  Yes  No
32. Do you sell parts? Gross receipts from parts sold but not installed \_\_\_\_\_  
 Used Parts \_\_\_\_\_ %  New Parts \_\_\_\_\_ % 32.  Yes  No
33. Do you have automatic car washes on location? (\$500 deductible applies) 33.  Yes  No
34. (a) Do you spray paint at your business location? 34. (a)  Yes  No  
(b) If yes, do you use a paint booth meeting Underwriters Laboratories (UL) standards? (b)  Yes  No
35. (a) Are customers permitted to test drive autos? 35. (a)  Yes  No  
(b) If yes, are customers accompanied by a salesperson during test drives? (b)  Yes  No  
(c) Are customers allowed test drive autos overnight? (c)  Yes  No
36. (a) Do you loan autos to customers? 36. (a)  Yes  No  
(b) Do you lease autos (including PPTs, trucks, motorcycles, ATVs, etc.)? (b)  Yes  No
37. Do you rent autos to customers while their units are left for service repair? 37.  Yes  No
38. Do you furnish autos to anyone? 38.  Yes  No
39. Do you sponsor any racing events? 39.  Yes  No
40. Do you repair autos (including cars, motorcycles, ATVs) that are used for racing? 40.  Yes  No
41. Do you pick up or deliver customers' autos? 41.  Yes  No
42. **PREMISES**  
Where are the units held for sale stored (in building, open lot, etc.)? \_\_\_\_\_  
If open lot, is lot floodlighted? \_\_\_\_\_ 42.  Yes  No  
Are attendants or night watchmen employed? \_\_\_\_\_  Yes  No  
Is there an alarm system? If yes, what kind? \_\_\_\_\_  Yes  No  
Is lot fenced? \_\_\_\_\_  Yes  No  
If yes, describe (e.g., chained, posts 4 feet apart) \_\_\_\_\_  
Are keys locked when stored after hours? \_\_\_\_\_  Yes  No  
Where are keys kept? Explain \_\_\_\_\_  
Are customers permitted in the service area? \_\_\_\_\_  Yes  No  
How many service bays do you have? \_\_\_\_\_ Any service pits? If so, how many? \_\_\_\_\_  
Do you have fire and smoke alarms? \_\_\_\_\_  Yes  No  
Do you have fire extinguishers? \_\_\_\_\_  Yes  No  
Are firearms kept on premises? \_\_\_\_\_  Yes  No  
Do you occupy all of the premises? \_\_\_\_\_  Yes  No  
Do you lease part of premises to others? If yes, to whom? \_\_\_\_\_  Yes  No  
Is your operation located at your private residence? \_\_\_\_\_  Yes  No  
If yes, do you have homeowners or renters insurance? \_\_\_\_\_  Yes  No

**MUST BE SIGNED BY THE APPLICANT PERSONALLY**

No coverage is bound until the Company advises the Applicant or its representative that a policy will be issued and then only as of the policy effective date and in accordance with all policy terms. The Applicant acknowledges that the **Applicant's Representative named below is acting as Applicant's agent and not on behalf of the Company. The Applicant's Representative has no authority to bind coverage, may not accept any funds for the Company, and may not modify or interpret the terms of the policy.**

The Applicant agrees that the foregoing statements and answers are true and correct. The Applicant requests the Company to rely on its statements and answers in issuing any policy or subsequent renewal. The Applicant agrees that if its statements and answers are materially false, the Company may rescind any policy or subsequent renewal it may issue.

If any jurisdiction in which the Applicant intends to operate or the Federal Highway Administration requires a special endorsement to be attached to the policy which increases the Company's liability, the Applicant agrees to reimburse the Company in accordance with the terms of that endorsement.

The Applicant agrees that any inspection of autos, vehicles, equipment, premises, operations, or inspection of any other matter relating to insurance that may be provided by the Company, is made for the use and benefit of the Company only, and is not to be relied upon by the Applicant or any other party in any respect.

The Applicant understands that an inquiry may be made into the character, finances, driving records, and other personal and business background information the Company deems necessary in determining whether to bind or maintain coverage. Upon written request, additional information will be provided to the Applicant regarding any investigation.

The Applicant represents that she/he has completed all relevant sections of this Application prior to execution and that the Applicant has personally signed below (or if Applicant is a Corporation, a corporate officer has signed below).

Will premium be financed?  Yes  No If yes, with whom \_\_\_\_\_

**ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.**

\_\_\_\_\_  
Witness Applicant's Signature Date

**TO BE COMPLETED BY APPLICANT'S REPRESENTATIVE**

Is this direct business to your office? \_\_\_\_\_ If not, explain \_\_\_\_\_

Is this new business to your office? \_\_\_\_\_ If not, how long have you had the account? \_\_\_\_\_

How long have you known applicant? \_\_\_\_\_

**REQUEST TO COMPANY GENERAL AGENT:**

Please quote  Please bind at earliest possible date and issue policy

Please issue policy effective \_\_\_\_\_ Coverage was bound by \_\_\_\_\_  
(Time and Date Bound by General Agent) (Name of Person in Company General Agency's Office Binding Coverage)

\_\_\_\_\_  
Applicant's Representative's Name and Address Phone No.