

Applicant Name: _____

Please provide a thorough description of how your business is conducted, including the following:

1. Are you a licensed auto dealer? Yes No
2. Do you also sell autos to the general public? Yes No
If yes, what percentage of sales? _____ %
3. What sources are autos purchased from? _____

4. List the auctions you attend, including City and State.

Auction	City	State

5. Who are autos sold to? _____
6. Where and how are autos being sold (explain your process)?

7. Where is your business location [e.g. out of an office, out of your residence, at an auction site, and/or in an operations center in another state(s)]? _____
8. Do you take both title & possession of the autos? Yes No
If no, explain: _____
9. Where are vehicles stored? _____
10. Do you sell, display or store autos at a location(s) other than your location, as listed on the application? Yes No
If yes, where are they sold/displayed/stored, and what type of establishment(s) are they?

11. How are vehicles picked up and delivered, and by whom? Break down by percentage:

- a. Owners / Employees* _____ %
- b. Contract Drivers* _____ %
 - Number of contract drivers used: _____
 - Average number of one-way trips each week using contract drivers: _____
 - Is there a contract whereby they must carry their own insurance for your autos while in their care (liability and physical damage), and provide evidence to you? Yes No
 - Are you named as Additional Insured under their insurance coverage? Yes No

- c. Others (e.g. family, friends)* _____%
- d. You arrange transport through a 3rd party transport carrier, e.g. trucking company? _____%
- Is title transferred out of your dealer name prior to shipment, with buyer responsible for insurance on the auto? Yes No
 - Do you obtain Certificates of Insurance confirming motor truck cargo coverage is in place? Yes No
- e. The buyer arranges transport _____%

*For these individuals, advise:

- Minimum age of those allowed to drive _____
 - Do you confirm each person has a valid driver license? Yes No
12. Any operations conducted in New York, or New Jersey, including but not limited to buying or selling at auction in these states? Yes No
13. Do you conduct any other business operations? Yes No
If yes, describe, including business name those operations are under.
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14. Will Dealer autos be used in any other business enterprise, either by you, or by loaning, leasing or renting to others? If yes, provide details. Yes No
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FRAUD WARNINGS

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance 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 that person to criminal and civil penalties (In Oregon, the aforementioned actions may constitute a fraudulent insurance act which may be a crime and may subject the person to penalties). (In New York, the civil penalty is not to exceed five thousand dollars (\$5,000) and the stated value of the claim for each such violation.) **(Not applicable in AL, AR, CA, CO, DC, FL, KS, KY, LA, ME, MD, NJ, NM, NY, OK, OR, PA, PR, RI, TN, VA, WA, WV)**

Applicable in Alabama, Arkansas, District of Columbia, Louisiana, Maryland, New Mexico, Rhode Island, and West Virginia: Any person who knowingly (or willfully in MD) presents a false or fraudulent claim for payment of a loss or benefit or who knowingly (or willfully in MD) presents false information in an application for insurance is guilty of a crime and may be subject to fines or confinement in prison.

Applicable in California: For your protection California law requires the following to appear on this form: Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

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 policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Applicable in Florida and Oklahoma: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony. (In FL, a person is guilty of a felony of the third degree.)

Applicable in Kansas: Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to

contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

Applicable in Kentucky: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance 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.

Applicable in Maine, Tennessee, Virginia and Washington: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

Applicable in Puerto Rico: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances be present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

REPRESENTATIONS

Verus Underwriting Managers, a Berkley Company, is authorized to make any inquiry in connection with this application. Signing this application does not bind Verus Underwriting Managers or the Company to provide or the Applicant to purchase the insurance.

This application, information submitted with this application, and all previous applications and material changes thereto of which Verus Underwriting Managers or the Company receives notice is on file with Verus Underwriting Managers and is considered physically attached to and part of the policy if issued. Verus Underwriting Managers and the Company will have relied upon this application and all such attachments in issuing the policy. If the information in this application or any attachment materially changes between the date this application is signed and the effective date of the policy, the Applicant will promptly notify Verus Underwriting Managers, who may modify or withdraw any outstanding quotation or agreement to bind coverage.

WARRANTY

I/We warrant to Verus Underwriting Managers and the Company, that I/We understand and accept the notice stated above and that the information contained herein is true and that it shall be the basis of the policy and deemed incorporated therein, should Verus Underwriting Managers and the Company evidence its acceptance of this application by issuance of a policy. I/We authorize the release of claim information from any prior insurer to Verus Underwriting Managers or the Company.

It is understood and agreed that prior to the inception date of the policy no applicant knew, nor could have reasonably foreseen, any negligent act, error or omission or breach of professional duty, or personal injury or other circumstances that reasonably might result in a Claim covered by this policy.

Name of Applicant:		
Signature of person authorized to execute on behalf of the applicant:		Date:
Print Name and Title of person authorized to execute on behalf of the applicant:		
Name and address of Broker:		

A copy of this application should be retained for your records.

