



AUTOMOTIVE RISK MANAGEMENT & INSURANCE SERVICES, INC.
 1919 GRAND CANAL BLVD., SUITE C-7
 STOCKTON, CA 95207
 PHONE (209) 473-8937 • FAX (888) 504-8062
 CA LICENSE NO. OB89379

APPLICATION FOR DEALERS OPEN LOT INSURANCE

Date of Application _____ Proposed Effective Date _____ App No. ___ of ___
 Name of Dealership _____ Years Owned _____
 DBA _____ Dealer Group: _____
 Business is: Corporation Individual Partnership Joint Venture Other
 Mailing Address _____
 City _____ County _____ State _____ Zipcode _____

GENERAL INFORMATION

Majority Owner's Name _____ Phone() _____
 Majority Owner's Birthdate _____ FEIN No: _____
 Majority Owner Active YES NO Years of Experience Managing Dealerships _____
 List all Owners of Dealership (Use Separate Sheet if Necessary)

Name	% Ownership	Active		Name	% Ownership	Active	
		Yes	No			Yes	No
1				4			
2				5			
3				6			

List all other Dealerships under same Majority Ownership for which application is not attached.

Dealership Name	% Ownership	City	State

*If application is not attached, please explain: _____

List and describe all other Subsidiary Operations and Companies _____
 General Manager _____ Phone Number _____
 Name of Person to receive Correspondence and Notices from the Underwriters _____
 Mailing Address _____
 Phone _____ Fax _____ e-mail _____

PRODUCER INFORMATION

Producer _____ Phone _____
 Agency Name _____ Fax _____
 Address _____ e-mail _____
 City _____ State _____ Zipcode _____

ARM APPLICATION FOR DEALERS OPEN LOT COVERAGE

ADDITIONAL INSUREDS, MORTGAGEES AND LOSS PAYEES

INTEREST		NAME AND ADDRESS	INTEREST IN ITEM
	ADDITIONAL INSURED		LOCATION #
	LOSS PAYEE		BUILDING #
	FLOOR PLAN CARRIER		
	OTHER		OTHER
	CERTIFICATE REQUIRED	REFERENCE NUMBER:	
INTEREST		NAME AND ADDRESS	INTEREST IN ITEM
	ADDITIONAL INSURED		LOCATION #
	LOSS PAYEE		BUILDING #
	FLOOR PLAN CARRIER		
	OTHER		OTHER
	CERTIFICATE REQUIRED	REFERENCE NUMBER:	
INTEREST		NAME AND ADDRESS	INTEREST IN ITEM
	ADDITIONAL INSURED		LOCATION #
	LOSS PAYEE		BUILDING #
	FLOOR PLAN CARRIER		
	OTHER		OTHER
	CERTIFICATE REQUIRED	REFERENCE NUMBER:	
INTEREST		NAME AND ADDRESS	INTEREST IN ITEM
	ADDITIONAL INSURED		LOCATION #
	LOSS PAYEE		BUILDING #
	FLOOR PLAN CARRIER		
	OTHER		OTHER
	CERTIFICATE REQUIRED	REFERENCE NUMBER:	

PRIOR DOL CARRIER INFORMATION

	CURRENT TERM	1 ST PRIOR TERM	2 ND PRIOR TERM	3 RD PRIOR TERM
CARRIER				
POLICY NUMBER				
ESTIMATED ANNUAL PREMIUM				

Has your Dealers Open Lot Insurance ever been cancelled or non-renewed? YES NO

If yes, explain: _____

OPERATIONS

Type of franchises: Auto Truck RV Other None

List all dealership franchises:

Franchise	Maximum Unit Value	Franchise	Maximum Unit Value
1	\$	4	\$
2	\$	5	\$
3	\$	6	\$

List other products sold: _____

Is the applicant a wholesale distributor for any products: _____

ARM APPLICATION FOR DEALERS OPEN LOT COVERAGE

Annual Gross Sales New	Annual Gross Sales Used	Annual Gross Sales Other	Total Annual Gross Sales

Describe repair and services provided: _____

—

No of body shop personnel: _____ Hourly rate charged for insurance repairs: \$_____

Are mechanics certified and do they have at least 3 years experience? Yes No

LIST OF ALL EMPLOYEE AND NON EMPLOYEE DRIVERS (Attach additional pages if necessary)

#	Name	DEMO PROVIDED YES OR NO	Date of Birth	Position	Driver's License No	State
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						

ARM APPLICATION FOR DEALERS OPEN LOT COVERAGE

MANAGEMENT PROCEDURAL REQUIREMENTS

Sales staff accompanies prospects on test drives? YES NO

Describe Test Drive Procedures _____

Photo Copy of Customer's License made? YES NO Retained at Dealership during Test Drive? YES NO

Describe Customer Rental or Loaner Procedures _____

Loan or Rental Agreement Used? YES NO IF YES, PLEASE ATTACH. Any Sub-let Work? YES NO

Any public storage of vehicles? YES NO Any drive always in excess of 200 miles? YES NO If Yes, how many?

Number of Dealer Plates _____ Describe Control of Dealer Plates _____

Any Dealer Plates loaned to customers or others? _____

DESCRIBE LOT PROTECTION (FENCES, POSTS, CHAINS, ETC)

LOC#	FRONT LOT	REAR (STORAGE) LOT

KEY CONTROL:

LOCATION OF KEYS	DEALERSHIP AUTOS		CUSTOMER AUTOS
	NEW	USED	
DAYTIME			
NIGHTTIME			

Do you use lockboxes? YES NO

If yes, are lockboxes removed at night? YES NO

INVENTORY CONTROL:

How often do you take Inventory? New Autos _____ Used Autos _____

YES NO All units were located during the last audit? Date of last audit? _____

YES NO Factory deliveries are made only during business hours?

YES NO Vehicles are inspected carefully at delivery and discrepancies noted on the receipt?

YES NO Written insurance verification is secured from customers before vehicles are delivered? (a policy requirement).

YES NO Parts or accessories are not cannibalized from inventory audits?

YES NO Is there off site storage and sales? If yes, describe: _____

YES NO Vehicles are sold through brokers.

YES NO Are specialty vehicles held in inventory. If yes, please describe any antique or collector cars, or any cars in excess of \$75,000 and explain what additional precautions, if any, are taken to safeguard (if necessary, attach additional sheet).

ARM APPLICATION FOR DEALERS OPEN LOT COVERAGE

Manufacturer	\$ Value	Location	Security

DEALERSHIP AUTOS:

No of Demos: New _____ Used _____

No of Demos provided to employees under age of 25? _____

NOTE: WE ARE UNABLE TO PROVIDE COVERAGE TO EMPLOYEES and NONEMPLOYEES PROVIDED DEMOS WHO ARE AGE 20 OR UNDER.

Please list all employees and nonemployees provided demos who are age 20 or under (attach additional sheet if necessary).

NAME	EMPLOYEE /NONEMPLOYEE	DATE OF BIRTH	POSITION

Demonstrators are provided to:

	Number of New Vehicles	Number of Used Vehicles
Owners/Managers		
Employees		
Family Members		
Other non-employees		

MVR's are checked on all persons with demo privileges: YES NO

MVR's are checked by whom: _____ dealership _____ liability carrier

Please indicate insured's policy on personal use of Demos by employees (i.e. any Dealer Demo Agreements): _____

If a Demo Agreement is used, please attach.

Users are responsible for demo damage (check all that apply): _____ first \$ _____ of loss

_____ collision damage only _____ only if user is at fault _____ all vehicle loss/damage

No. of Parts Trucks _____ No of Motorcycles _____

No of Courtesy Cars _____ No of Tow Trucks _____

LOSS PREVENTION AND CONTROL:

YES NO Do you have a written Safety Program? YES NO (If yes, submit copy)

YES NO Do you have a designated Safety Director?

YES NO Do you have regularly scheduled Safety Meetings? How often? _____

ARM APPLICATION FOR DEALERS OPEN LOT COVERAGE

COVERAGE REQUIREMENTS						
INVENTORY-CONSIGNED-DEMONSTRATORS-SERVICE VEHICLES-OTHER ROAD VEHICLES						
Vehicle Type	Secured Interest	Comprehensive	Windstorm & Hail	Collision Only	False Pretense	Maximum Values at Risk
NEW						\$
NEW						\$
NEW						\$
USED						\$
USED						\$
CONSIGNED						\$
DEMOS						\$
DEMOS						\$
OTHER ROAD & SERVICE						\$
NON-OWNED						\$
Deductibles Requested: Per Auto: Per Occurrence:		Per Auto: Per Occurrence:	Per Auto: Per Occurrence:	Per Auto: Per Occurrence:	Per Auto: Per Occurrence:	
GARAGEKEEPERS COVERAGE						
COVERAGE		TOTAL LIMIT		DEDUCTIBLE		
Comprehensive- <u>Legal</u> - applies on a legal liability basis ONLY.		\$	Per Auto	\$	Per Auto	
		\$	Per Location	\$	Per Occurrence	
		\$	Per Occurrence			
Collision- <input type="checkbox"/> <u>Legal</u> - applies on a legal liability basis. <input type="checkbox"/> <u>Direct Excess</u> - applies without regard to your or any other insured's legal liability for loss to a covered auto and is excess over any other collectible insurance regardless of whether the other insurance covers your or any other insured's interest or the interest of the covered auto's owner. <input type="checkbox"/> <u>Direct Primary</u> - applies without regard to your or any other insured's legal liability for loss to a covered auto and is primary insurance		\$	Per Auto	\$	Per Auto	
		\$	Per Location	\$	Per Occurrence	
		\$	Per Occurrence			
Repair and Parts Replacement Cost Limits					% Parts	%Labor

ARM APPLICATION FOR DEALERS OPEN LOT COVERAGE

SECURITY CHECKLIST

Complete for each location:

Location Number _____

Dealership name: _____

Location address: _____

Nature of business conducted at this location: _____

Local police number: _____

Distance to nearest inland river/waterway: _____ distance to coastline: _____

Maximum values at risk at this location: \$ _____ any one vehicle

\$ _____ all vehicles

YES NO

___ ___ Guard dog(s)

___ ___ Camera surveillance covering all lots

___ ___ Vehicle anti-theft systems (i.e., "lojack", window etching, sirens, etc., -describe)

___ ___ Security guard (describe type and hours) _____

___ ___ Exterior lights remain on all night

___ ___ Exterior lights eliminate dark shadows

___ ___ Location not situated in a 100 year flood plain (as designated by the U.S. Army Corps of Engineers or Emergency Management Agency)

___ ___ Damage will not result from runoff or melting snow or ice

___ ___ Perimeter fencing/barriers are equipped with central station alarm protecting all vehicles

___ ___ All storage areas at this location are secured in such a way that vehicles cannot be removed from premises during non-business hours without causing property destruction to perimeter fences, posts, chains, barricades and/or gates (if this item is not checked, please explain why exit of vehicles cannot be prevented (i.e. lack of fencing, gates, zoning restrictions, etc.).

___ ___ Public cannot access keys to inventoried vehicles

___ ___ Only designated individuals are authorized to dispense keys (please give names/positions of persons/positions of persons who have been assigned responsibility for keys: _____

___ ___ Logs maintained to track key use

___ ___ Keys are not left in unattended vehicles

___ ___ Unattended vehicles are locked during non-business hours

___ ___ Automated key machines are used to dispense all keys. Manufacturer: _____

___ ___ Keys are secured after hours. Where: _____

___ ___ Keys are cut from codes, but only after identifying requester

___ ___ Removable key codes are stored with warranty documents

___ ___ Lockboxes (affixed to vehicles) are used for key storage (if lockboxes are used, please provide details, i.e. manufacturer(s), on what vehicles, during what hours, etc.)

SIGNATURE PAGE

FRAUD WARNING

THE APPLICANT, AGENT AND/OR BROKER REPRESENTS THAT THE ABOVE STATEMENTS AND FACTS INCLUDING ANY ATTACHMENTS, ARE TRUE AND THAT NO MATERIAL FACTS HAVE BEEN SUPPRESSED OR MISSTATED. COMPLETION OF THIS APPLICATION DOES NOT BIND COVERAGE OR COMMIT THE COMPANY TO POLICY ISSUANCE. 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.

OWNER/AUTHORIZED OFFICER SIGNATURE

I HEREBY AUTHORIZE AUTOMOTIVE RISK MANAGEMENT & INSURANCE SERVICES, INC. TO OBTAIN A LOSS HISTORY FROM MY CURRENT AND PRIOR INSURANCE CARRIER(S) AND TO SECURE CREDIT, MOTOR VEHICLE, AND LOSS CONTROL REPORTS AS NEEDED.

THE PRODUCER INDICATED ON PAGE ONE IS THE AGENT OF RECORD FOR INSURANCE MATTERS AS THEY PERTAIN TO AMERICAN RELIABLE INSURANCE COMPANY DEALERSHIP INSURANCE PROGRAMS.

THE INFORMATION CONTAINED IN THIS APPLICATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE. SIGNING THE APPLICATION DOES NOT BIND THE UNDERWRITER TO OFFER NOR THE APPLICANT TO ACCEPT INSURANCE, BUT IT IS AGREED THAT THIS APPLICATION SHALL BE THE BASIS OF THE INSURANCE WILL BE ATTACHED AND MADE PART OF THE POLICY SHOULD THE POLICY BE ISSUED.

Signature of Owner or Authorized Officer

Date _____

PRODUCER SIGNATURE

FORWARD THIS ORIGINAL APPLICATION WITH THE FOLLOWING MANDATORY INFORMATION:

- CARRIER LOSS RUNS – CURRENT YEAR AND 3 PRIOR YEARS MINIMUM (5 YEARS PREFERRED)
- PRODUCER NARRATIVE
- COPY OF DEMO AGREEMENT
- FINANCIAL STATEMENTS

I PERSONALLY RECOMMEND THIS DEALERSHIP FOR COVERAGE. THIS DEALERSHIP IS HANDLED BY ME PERSONALLY AND NO OTHER PRODUCER IS INVOLVED UNLESS SO INDICATED AS A SUB-PRODUCER.

Producer and Authorized Representative

Date

Sub-Producer Name _____

Address _____