

DEALERS INVENTORY PROTECTION PROGRAM

APPLICATION FOR DEALERS PHYSICAL DAMAGE INSURANCE

DEALERSHIP INFORMATION:

Dealership Corporate Name: _____

DBA: _____

Mailing Address: _____

Phone No.: _____ Fax No.: _____

Dealership Insurance Contact: _____

LOCATIONS TO BE COVERED: List all locations where covered inventory is maintained or stored. A separate Security Checklist must be completed for each location. All lots or parcels which share a common boundary are considered a single location.

	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>
1.	_____	_____	_____	_____
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

SECURED INTERESTS: List all parties to be included as loss payees, showing the nature of each party's interest – i.e., floorplanner, lienholder, lessor, consignor, etc.

	<u>NAME/ADDRESS</u>	<u>INTEREST</u>
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____

If requested, the above interests will be provided with loss payee notification, in which case the Applicant agrees that any claim payments made to them is the same as payment to itself. The Applicant further agrees to authorize these interests to release to insurers any financial data that may be requested in connection with the insurance for which application is made hereunder.

COVERAGE REQUIREMENTS:

Coverage Effective Date: _____ 12:01 a.m.. (Coverage is not in force unless written confirmation is provided by DealerGuard)

Deductible Requested: \$ _____ Per Vehicle, not to exceed

\$ _____ Per Occurrence

COVERAGE REQUIREMENTS:

CHECK [✓] COVERAGE DESIRED

<u>VEHICLE TYPE</u>	<u>SECURED INTEREST</u> (Nos. from above schedule)	<u>COMPREHENSIVE & COLLISION</u>	<u>COLLISION ONLY</u>	<u>TRICK & DEVICE</u>	<u>AVERAGE VALUES AT RISK</u>
New:	_____	[]	[]	[]	\$_____
New:	_____	[]	[]	[]	\$_____
New:	_____	[]	[]	[]	\$_____
Used:	_____	[]	[]	[]	\$_____
Used:	_____	[]	[]	[]	\$_____
Demos:	_____	[]	[]	[]	\$_____
Demos:	_____	[]	[]	[]	\$_____
Other Road:	_____	[]	[]	[]	\$_____
**Non-Owned:	_____	[]	[]	[]	\$_____

**** Include only vehicles which Applicant is contractually required to insure.**

GENERAL:

	<u>MANUFACTURER</u>	<u>% OF INVENTORY</u>
Franchise(s) Held:	_____	_____
	_____	_____
	_____	_____
	_____	_____

Current Ownership dates from: _____

Name of current insurance company: _____

Name of current insurance agency/broker: _____

Has any company cancelled or declined to renew any insurance policy during the last ten years? _____

(If so, please give complete details:) _____

No. of body shop personnel: _____ Hourly labor rate charged for insurance repairs: _____

LOSS EXPERIENCE:

Weather related losses during the last ten years (i.e., windstorm, hail or flood)

<u>Date</u>	<u>Type</u>	<u>No. Units</u>	<u>Amount of Loss</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

All losses during the last three years: (ATTACH INSURANCE COMPANY LOSS RUNS)

MANAGEMENT PROCEDURAL REQUIREMENTS: [✓] Check where applicable

- Sales staff accompanies prospects on test drives
 - Salespersons are instructed not to exit any test vehicle without the key
 - Customer driver's licenses are checked for validity and copied prior to release of keys and/or vehicles (**a policy requirement**)
 - Written insurance verification is secured from customers before vehicles are spot delivered (**also a policy requirement**)
 - Vehicles are sold through brokers
 - Specialty vehicles are held in inventory. Please describe any antique or collector cars, or any valued in excess of \$75,000, and explain what additional precautions, if any, are taken to safeguard same _____
 - Parts or accessories are not cannibalized from inventory units
 - Factory deliveries are made only during business hours
 - Vehicles are inspected carefully at delivery and discrepancies noted on the receipt
 - Off site storage and sales are not normal. Exceptions are: _____
- A formalized loss prevention/safety program has been instituted. If checked, please attach copies of procedure manuals circulated to employees.

INVENTORY CONTROL:

	Frequency of Audit	Performed by Whom	Date of Last Audit
New Car Inventory	_____	_____	_____
Used Car Inventory	_____	_____	_____

- All units were located during **last** audit

DEMONSTRATORS:

Demonstrators are provided to:	No. of Vehicles	
	<u>New</u>	<u>Used</u>
Owners and Managers	_____	_____
Employees	_____	_____
Family Members	_____	_____
Other Non-Employees	_____	_____

- MVR's are checked on all persons with demo privileges.

Checked by whom: dealership liability carrier insurance agent
 How often: _____

- 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

ATTEST:

All statements made herein and on the Dealer Operations Checklist are warranted to be true to the best Of my knowledge and belief; I understand that material misrepresentation may void this coverage.

Date _____ Signed _____ Title _____
(must be officer of dealership)

Producer (if Applicable) _____

MAIL OR FAX COMPLETED APPLICATION TO:

DealerGuardSM
INSURANCE SERVICES

(formerly Stewart Smith Specialty Risks)
26899 Northwestern Hwy., Suite 207
Southfield, MI 48034

Customer Service: 800-999-4906
Claim Service: 800-955-0645
Fax: 248-354-5508