

## Hired & Non-Owned Supplemental Application

### Instructions to Applicant

- \* Please complete the application, answering all questions. An incomplete application cannot be processed.
- \* Completion of this application neither binds coverage nor guarantees a policy will be issued.
- \* For the purposes of this application, owned, hired and non-owned autos are as defined below:  
**Owned Autos** are autos that are registered/titled in the name of your business, (or your name if you are a sole proprietor).  
**Please Note - Owned Autos cannot be insured under this program.**

**Hired Autos** are autos you, your business or your employee lease (<60 days), hire, rent, or borrow from another person or business, for the purpose of conducting your business.

**Non-owned Autos** are autos your business does not own, hire, rent or borrow, but are used by employees or independent contractors to conduct your business operations on your behalf.

### Applicant Information

Name Insured: \_\_\_\_\_

Mailing Address: \_\_\_\_\_ Physical Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Audit Contact (if rated off of sales/cost of hire): \_\_\_\_\_

Proposed Policy Terms: \_\_\_\_\_ Years in Business: \_\_\_\_\_

Limits Requested: \_\_\_\_\_ Deductible/SIR: \_\_\_\_\_

Prior Carrier: \_\_\_\_\_ Expiring Premium: \_\_\_\_\_

Insured Website: \_\_\_\_\_ Social Media: \_\_\_\_\_

Description of Operations: \_\_\_\_\_

States of Operation: \_\_\_\_\_ Total Number of Employees: \_\_\_\_\_

### Annual Sales

Upcoming Year	Expiring Year	Previous Year

### Hired Auto Information - Coverage Subject to Audit

Vehicle Type	Annual Number of Autos Rented	Annual Number of Autos Leased	Est. Annual Cost of Hire	Previous Year Cost of Hire	Annual Mileage
Private Passenger Vehicles					
Light Trucks (0-10,000 LBS. GVW)					
Medium Trucks (10,001-20,000 LBS. GVW)					
Heavy Trucks (20,001-45,000 LBS. GVW)					
Truck Tractors (OVER 45,000 GVW)					
<b>Total</b>					

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**Non-Owned Automobile Information**

Daily Use	Less Than 1 Hour	1-2 Hours	2-4 Hours	4 Hours or More	Annual Reimbursed Mileage
Number of employees using their own vehicles for company business					
Number of volunteers using their own vehicles for company business					
Number of independent contractors					

Do you arrange or dispatch loads for others, not including your own hired truckers?  Yes  No

Explanation: \_\_\_\_\_

Annual number of truckers: \_\_\_\_\_ Loads: \_\_\_\_\_

Does the applicant require that employees or independent contractors carry and provide documentation of at least 300,000 combined single limit personal auto liability limits?  Yes  No

**If they are required to carry a limit higher than the minimum, what limit is required?** \_\_\_\_\_

Do you review employees or independent contractors personal auto liability limits?  Yes  No

Do you review MVR's for all principals, employees and volunteers who drive hired/and or non-owned autos while conducting the applicant's business?  Yes  No

**If so, how often are the MVR reviewed?** \_\_\_\_\_

Do employees transport passengers other than employees as part of your business?  Yes  No

Do you lease, hire, rent or borrow any autos from a subsidiary or affiliate?  Yes  No

Does the insured use a mobile app?  Yes  No

**If so, please provide the name of the app:** \_\_\_\_\_

**Loss Information**

Has any claim arising out of the operation of a hired and/or non-owned automobile been made against the applicant within the past five (5) years for which this proposed insurance would apply?  Yes  No

**If yes, please complete the following for losses:**

Date of Occurance	Date Reported	Description of Loss	Amount Incurred	Open/Closed

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The applicant agrees, represents and warrants that the statements and information contained in this application for insurance, including all statements, information and documents accompanying or relating to this application are accurate and complete and no facts have been suppressed, omitted or misstated. Any failure to fully disclose the information requested in this application for insurance, whether by omission or suppression, or any misrepresentation in the statements and information contained in this application, including all statements, information and documents accompanying or relating to this application, renders coverage for any claim(s) null and void and entitles us to rescind the policy from its inception.

Signature of Applicant: \_\_\_\_\_ Title: \_\_\_\_\_

**\*SIGNING THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE COMPANY TO COMPLETE THE INSURANCE.**

Agency: \_\_\_\_\_ Date: \_\_\_\_\_

**FRAUD WARNING**

**NOTICE TO APPLICANTS OF ALL STATES EXCEPT KENTUCKY, LOUISIANA, NEW JERSEY, NEW MEXICO, NEW YORK, OREGON, PENNSYLVANIA, PUERTO RICO, VIRGINIA AND WASHINGTON D.C.:**

Any person who knowingly, and with the intent to defraud any insurance company or other person, files an application for insurance or statement of claim containing any material 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 civil penalties and denial of insurance benefits.

**NOTICE TO KENTUCKY APPLICANTS:**

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.

**NOTICE TO LOUISIANA APPLICANTS:**

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.

**NOTICE TO NEW JERSEY APPLICANTS:**

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

**NOTICE TO NEW MEXICO APPLICANTS:**

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 civil fines and criminal penalties.

**NOTICE TO NEW YORK APPLICANTS:**

Any person who knowingly and with the intent to defraud any insurance company or other 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 shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each provision.

**NOTICE TO OREGON APPLICANTS:**

Any person who knowingly and with intent to defraud or deceive any insurance company or other person who files an application for insurance or a statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto upon which the insurance company or any other person relies may be a crime and may provide grounds for criminal or civil penalties.

**NOTICE TO PENNSYLVANIA APPLICANTS:**

Any person who knowingly and with intent to defraud any insurance company or other person who, files an application for insurance or a 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 such person to criminal and civil penalties.

**NOTICE TO PUERTO RICO APPLICANTS:**

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 by 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.

**NOTICE TO VIRGINIA APPLICANTS:**

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

**NOTICE TO WASHINGTON D.C. APPLICANTS:**

Warning: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

**IMPORTANT NOTICE:** failure to report any claim made against you during your current policy term, or facts, circumstances, or events, which may give rise to a claim against you to your current insurance company before expiration of your current policy term may create a lack of coverage.

Completion of this form does not bind coverage. Applicant's acceptance of company's quotation is required prior to binding coverage and policy issuance. It is agreed that this form shall be the basis of the contract should a policy be issued, and it will be attached to the policy.

**This applicant declares that the information contained in this supplemental application is true and that no material facts have been suppressed or misstated. The applicant understands and acknowledges that the information contained in the application is deemed material and that any policy issued by the company is done so in reliance upon the truth of the applicant's representations. This application understands that incorrect information could void coverage.**

\_\_\_\_\_  
Initials of Applicant for Acknowledgement

\_\_\_\_\_  
Date

Hired & Non-Owned Supplemental Application (continued)

**Hired and Non-Owned Coverage Agreement**

This coverage requires mutual cooperation between agent/broker and client. In order for us to obtain the best coverage and pricing available, we need your commitment to control losses. The following are mandatory requirements. You must review and acknowledge your understanding and acceptance by signing in the designated signature space below.

1. You must have wording in your driver agreement mandating that the drivers carry their own auto liability insurance. The agreement must also contain a "Hold harmless/indemnification" clause in favor of the company.

A. It is **required** that all drivers carry at least \$250,000/\$500,000 split limit or \$300,000 combined single limit on a commercial auto policy. At the very least your driver contract should state something to the effect that "You should consult with an insurance professional to determine the amount and type of insurance best suited for your needs". Your rates will be lower if drivers carry the recommended limits.

B. Drivers with trucks must be required to carry minimum limits of commercial auto insurance as follows:

- Gross vehicle weight of 10,001 to 20,000 must carry **\$500,000 combined single limit or higher**
- Gross vehicle weight of 20,001 to 45,000 must carry **\$500,000 combined single limit or higher**
- Gross vehicle weight over 45,000 must carry **\$1,000,000 combined single limit**

Note: Please be careful when reviewing Independent Contractors Automobile Insurance Declarations Pages for those driving larger trucks (over 10,000 lbs GVW). Non-trucking or bob-tail liability is not acceptable. If you discover any of these you must immediately suspend that drivers activity and not reinstate until they produce evidence of full primary liability coverage.

2. You must obtain a motor vehicle report (mvr) on each driver prior to their beginning work.

3. You must not specifically make a charge to the driver for "Auto insurance" as your insurance does not protect the driver - it is liability protection for your company for auto incidents involving drivers' vehicles.

4. You must have an acceptable system in place to track drivers' primary auto insurance. You must collect and update auto insurance policy declaration pages for all drivers who use their own vehicles on behalf of your company if drivers are required to carry auto insurance limits greater than state financial responsibility limits. Please describe in detail below the system you use to track drivers' primary auto insurance.

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These requirements must be maintained throughout your involvement in our program. Non-compliance with any requirement will result in higher rates or termination from the program.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

Hired & Non-Owned Supplemental Application (continued)

**Short-Term Rental Vehicle Supplement & Agreement**

Short-term vehicle rentals are defined as autos rented for less than 6 months, including those you keep indefinitely under renewing short-term agreements, are best insured as owned/ leased vehicles.

**It is extremely important that you understand the choices for insuring rented vehicles.** If there are any questions, please contact us for clarification. Please be sure to share this information with others in your company who may be involved with rental vehicles.

Rolling rentals are usually best insured under your own business auto insurance at rates comparable to owned/leased vehicles. **For other short-term rentals, rates are higher, and we require that you purchase the insurance offered by most major rental companies,** including a \$1,000,000 liability limit and physical damage coverage. Our reasoning is as follows:

- A) Losses on rentals tend to be high and claims won't affect your insurability or premiums
- B) Claims are handled by the rental company's insurance carrier
- C) Costs for replacement vehicles and repairs are the responsibility of the rental company

We maintain our position on this require rentals to have primary coverage from the rental company.

Do you utilize short term rentals?  Yes  No

Will you purchase insurance from the rental company on all rented vehicles?  Yes  No

What rental company(s) do you use? \_\_\_\_\_

If you want us to arrange insurance for rental vehicles, **you must complete the table below** based on estimated rental activity for your upcoming annual policy term. Premium will be charged at policy inception. If the utilization of short-term rentals is significant, you may be asked to report rental activity monthly or quarterly. Coverage is auditable and additional premiums may be charged if actual rentals exceed your estimates.

If you indicate that you are not utilizing short term rentals and a certificate of insurance for a rental company is requested, we will first contact you for more information and your carrier will make a premium charge, so anticipate a delay in having the certificate issued. Also, underwriters may choose to exclude coverage for rentals. If so, this will be noted in our proposal and your policy forms.

Vehicle Type	Total # of Vehicles Rented Annually	Average # of Days Each Vehicle is Rented	Most Recent 6 Month Rental Cost
Private Passenger Vehicles			
Under 10,000 GVW			
Trucks 10,001 - 20,000 GVW			
Trucks 20,001 - 26,000 GVW			
Trucks 26,001 - 45,000 GVW			
Trailers (28' - 53')			

**WE REQUIRE THE SIGNATURE OF A PRINCIPAL OR AUTHORIZED REPRESENTATIVE ACKNOWLEDGING YOUR UNDERSTANDING**

\_\_\_\_\_  
 Authorized Signature

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Printed Name

\_\_\_\_\_  
 Title