

Tri-Arc Financial Services, Inc.

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Proposed Effective Date of Coverage: _____

General Applicant Information

BusinessName: _____

DBA: _____

Address: _____

City: _____ State: _____

Zip: _____ Phone: _____ Fax: _____

Website: _____ Primary Contact: _____

Title: _____ Email: _____

Type of Business or Organization: _____ FEIN: _____ Years in Business: _____

- Business Structure:
- | | | | |
|--------------------------------------|--|--|---|
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> S Corporation | <input type="checkbox"/> Nonprofit Organization |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Limited Liability Partnership | <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Other |

List any Additional Insured(s) to be added: _____

Please explain all "YES" responses.

1. Is the applicant a subsidiary of another entity or does the applicant have any subsidiaries? Yes No
If yes, please explain: _____

2. Will any of these subsidiaries or entities be included as an "Additional Insured" under the proposed policy(s)? Yes No
If yes, please explain: _____

3. Does the applicant currently have other policies or products through Great American Insurance Group? Yes No
If yes, please explain: _____

4. Has any policy or coverage been declined, cancelled or non-renewed for any reason within the past 3 years? Yes No
If yes, please explain: _____

5. Is the applicant a captive finance company? Yes No
If yes, please explain: _____

Submission Requirements

In addition to the completed, signed and dated application and any supplement(s), the following information needs to be attached in order for a quote to be issued:

- A copy of the applicant's current lease and/or loan agreement.
- A copy of the applicant's credit criteria used in lending decisions.

I hereby declare that all statements made in this application and any attachments are true and to the best of my knowledge correct. I understand that completion of this application does NOT constitute the binding of insurance and that Great American Insurance Company reserves the right to request additional information as may be reasonably necessary.

Applicant's Signature Date

Title Date

Producer's Signature Date

Title Date

Equipment Portfolio Addendum

Desired Coverage, Limits, and Deductibles

- Contingent Liability with Per Occurrence limit of \$ _____ and aggregate limit of \$ _____
- Excess Liability with per Occurrence limit of \$ _____ and aggregate limit of \$ _____

Current & Prior Carrier & Loss Information (past five years)

Please comment below or attach Loss History to Application

Loss History Attached

Policy Period	Carrier	Total Equipment	Limits of Insurance	Annual Premium	# Claims Reported	# of Claims Paid	Total Losses Paid
1. _____							
2. _____							
3. _____							

Please describe the type of losses paid: _____

Equipment Portfolio Description

How is Portfolio to be insured? Open with ongoing originations Closed with no new originations

Source of Lease Origination: Direct Vendor Broker

Is this portfolio an existing book of business purchased from another entity? Yes No

If yes, from what entity was it purchased? _____

Current Number of Customers: _____ Current Number of Equipment: _____ Projected Growth over the next 12 months: _____

Average Number of Leases Added Each Month: _____ Average Number of Accounts Closed Each Month: _____

Minimum Lease Term: _____ Maximum Lease Term: _____

Credit Description

Distribution of Portfolio by Credit Tier: A _____ % B _____ % C _____ % D _____ %

Default or Charge –Off of Portfolio: _____ % Percent of Portfolio Value

_____ % Percent of Outstanding Leases and/or Loans

_____ % Percent of Outstanding Leases and/or Loans Classified as “Skips”

Additional Questions

- What circumstances would cause you to be unwilling to lease equipment to a prospective lessee? _____

- Please comment on why you believe a prospective lessee would choose your company as their equipment leasing sources. _____

_____ Applicant's Initials

Equipment Portfolio Addendum

Additional Questions (*continued*)

3. What types of equipment are leased by your five (5) largest lease clients? _____

4. In what states does the applicant currently originate lease and/or loan agreements? _____

5. Are there additional states in which the applicant plans on originating lease and/or loans agreements in? If so, please list. _____

6. Does the applicant use any type of lease or loan administration system or software? If so, please detail. _____

7. Have you ever been named in a suit related to your ownership of equipment? Yes No
If yes, please explain. _____

8. What is the minimum limit of liability a lessee is required to carry on their leased equipment _____
9. Is insurance verified prior to the customer taking possession of the equipment? Yes No
If yes, what is the process and requirements? _____

10. Do you understand that you **must** keep a certificate of insurance on file from the lessee's insurer? Yes No
11. How does the applicant monitor the customer's compliance with any mandatory lease or loan insurance requirement? _____

12. If this function is outsourced, please provide the name, address and phone number of the tracking vendor. _____

13. If outsourced, how do you measure and monitor their tracking process? _____

14. What percentage of the portfolio is currently in insurance default? _____
15. What is the average insurance default rate over the last year? _____
16. What is the average insurance default rate over the last three years? _____
17. Do you require lessee's insurer to give notice of cancellation or non-renewal? Yes No If yes, how many days? _____
18. Describe the applicant's repossession policy for any lease and/or loan account in payment default? _____

19. Do you handle the repossessions in-house or do you outsource? _____
Please describe your repossession process: _____

_____ Applicant's Initials

Equipment Portfolio Addendum *(continued)*

Additional Questions (continued)

- 20. Do you handle the repossessions in-house or do you outsource? _____
- 21. Describe the applicant's collection and skip tracing standard and methods. _____

- 22. Does the applicant perform any maintenance or repairs on the equipment to be insured? Yes No
If yes, please describe your servicing program: _____

- 23. Does the applicant manufacture, assemble, install or modify any of the equipment to be insured? Yes No
- 24. Is the applicant the vendor or the distributor of any of the equipment to be insured? Yes No
- 25. Does the applicant provide safety training or perform any safety inspections on equipment to be insured? Yes No
- 26. Does the applicant permit subleasing or lease assumptions? Yes No
- 27. Does the applicant rent/lease equipment for less than 12-months? Yes No
- 28. Does the applicant lease or rent cranes? Yes No
- 29. Do you understand the lease agreement must require policy limits of at least \$1,000,000 Combined Single Limit (CSL) for bodily injury and property damage? Yes No

Program Exclusions

- Do you understand that the following items, in addition to other exclusions, are not covered by our contingent liability policies?**
- 1. Equipment leased for less than one year. Yes No
 - 2. Leases originated or located outside the U.S. and Canada Yes No
 - 3. Pollution Yes No
 - 4. Environmental Exposure Yes No
 - 5. Equipment use or operation involves Explosive or Hazardous Material. Yes No
 - 6. Underground Equipment Yes No
 - 7. Aircraft, watercraft, and equipment used in mining, lumbering or oil and gas exploration. Yes No

Supplement – Electronic Data File

In addition to this application, an Electronic Data File is required.

Electronic Data File of Equipment Portfolio Attached

At minimum, this data file should list for each leased piece of leased equipment: the lease number; lessee's name; lessee's state; contract inception date; contract maturity date; equipment description; the year, make, and model of the equipment, state the equipment is principally located in; and original lease amount.

- 1. Does the attached electronic data file include your entire equipment portfolio including any affiliates/subsidiaries who you want to be an additional named insured? Yes No
If no, please explain: _____

_____ Applicant's Initials

Crane Equipment Addendum *(completed only if your portfolio includes cranes)*

Please complete this addendum if your portfolio includes any Cranes that exceed a 130 ton lifting capacity and/or boom exceeds 60 foot boom height.

Desired Coverage, Limits, and Deductibles

Contingent Liability with aggregate limit of \$ _____ and aggregate limit of \$ _____

Excess Liability with the per Accident limit of \$ _____ and aggregate limit of \$ _____

Crane Portfolio Description

1. Total Number of Cranes in Portfolios: _____ Projected Growth of Cranes over the next 12-months: _____

2. Number of Lessees that represent the total number of Cranes: _____

3. Minimum Lease Term: _____ Maximum Lease Term: _____

4. What limits of primary liability do you require the lessee to provide on each of the Cranes? _____

5. What are the types of cranes in your portfolio (i.e. telescopic road-ready cranes, lattice boom crawler cranes, tower crane, etc.?)

6. Do you require that your lessees to only operate the lessees with proper training and licenses as required by state(s) in which it is located?

7. What is the lift capacity and boom height for each crane?

8. Do you allow your lessees to add boom extenders to their leased cranes? Yes No

Distribution of Portfolio by Credit Tier:	A _____ %	B _____ %	C _____ %	D _____ %
Default or Charge-Off of Portfolio:	_____ %	Percent of Portfolio Value		
	_____ %	Percent of Outstanding Leases and/or Loans		
	_____ %	Percent of Outstanding Leases and/or Loans Classified as "Skips"		

Program Exclusions

Do you understand that the following items, in addition to other exclusions, are not covered by our contingent liability policies in addition to the ones listed on the Equipment Addendum?

1. Use of Crane on public road Yes No

2. Crane that has public access Yes No

3. Crane used in tandem or mutli-lifts Yes No

_____ Applicant's Initials

Crane Equipment Addendum *(continued)*

Supplement – Electronic Data File

In addition to this application, the Supplemental Equipment Portfolio Data File should contain your cranes.

Electronic Data File of Equipment Portfolio contains your cranes.

At minimum, this data file should list for each leased piece of leased equipment: the lease number; lessee's name; lessee's state; contract inception date; contract maturity date; equipment description; the year, make, and model of the equipment, state the equipment is principally located in; lifting capacity; boom height; and original lease amount.

1. Does the attached electronic data file include all cranes to be insured? Yes No

If no, please explain:

_____ Applicant's Initials

Fraud Notices

NOTICE TO APPLICANTS: "ANY PERSON WHO KNOWINGLY AND WITH 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 MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES."

FRAUD NOTICES – FOR APPLICANTS OF THE FOLLOWING STATES:

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

ALASKA: A PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE AN INSURANCE COMPANY FILES A CLAIM CONTAINING FALSE, INCOMPLETE OR MISLEADING INFORMATION MAY BE PROSECUTED UNDER STATE LAW.

ARKANSAS: 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.

ARIZONA: FOR YOUR PROTECTION ARIZONA LAW REQUIRES THE FOLLOWING STATEMENT TO APPEAR ON THIS FORM. ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

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.

DISTRICT OF COLUMBIA: 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.

FLORIDA: 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 OF THE THIRD DEGREE.

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.

LOUISIANA: 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.

MAINE: 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.

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

MINNESOTA: ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE/SHE IS FACILITATING A FRAUD AGAINST ANY INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

NEW JERSEY: ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

