

Lexington Insurance Company
TRUCK BROKER APPLICATION

Required attachments: (1) Narrative summary of business operations
(2) Copy of Brokerage Agreement

Section I: Applicant Background Information

- A. Applicant Name: _____
B. Mailing Address: _____
C. Website Address: _____

Section II: Business Overview Information

- A. Number of years the applicant has been in the brokerage business under current name? ____.
If less than 3 years, describe previous experience, if any:

- B. List the three most common types of commodities brokered and associated brokerage revenue:
- | Commodity Brokered | Brokered Revenue |
|--------------------|------------------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
- C. Do you broker any hazmat (i.e. red label) cargo? () Yes, () No
If yes, what percent of your total brokerage revenue is derived from brokering of hazmat cargo?
_____ %
- D. List previous truck brokerage operation losses (indicate \$0 if none)
- 2004: _____
2005: _____
2006: _____
2007: _____
- E. Does the applicant have FMCSA authority to operate as a broker? () Yes, () No. If Yes, what is the Applicant's FMCSA MC number? _____
- F. Is the applicant a member of The Transportation Intermediaries Association (TIA)? () Yes, () No
- G. Limit of Insurance Requested: () \$1M, () \$2M, () \$3M, () \$4M, () \$5M
- Effective Date: _____

Section III: Due- Diligence Underwriting Information

Does the applicant keep a current file for EVERY motor carrier that contains the following information (current means that the applicant keeps the data current with the most recently published FMCSA information or updates the file once a year):

- A. the motor carrier's FMCSA SAFER safety rating () Yes, () No
- B. the motor carrier's FMCSA operating authority () Yes, () No
- C. the motor carrier's FMCSA insurance filings, such as the BMC-91 X () Yes, () No
- D. the motor carrier's FMCSA Safety SEA value () Yes, () No
- E. the motor carrier's FMCSA ISS-D Inspection Value () Yes, () No
- F. the motor carrier agreement saying the motor carrier's name will appear on Bill of Lading, **not** the truck broker's name () Yes, () No

Explain any "No" answers above:

- G. Does the applicant require a written brokerage agreement with all carriers? () Yes, ()/No

If No, explain: _____

- H. Does the applicant require all motor carriers to have been in business under their current name for at least 3 years () Yes, () No?

- I. Does applicant require all motor carriers to have "satisfactory" DOT ratings? () Yes, () No

If No, explain: _____

- J. Does the applicant require all motor carriers to have primary auto insurance with an insurer that is A.M.Best & Co rated A- or better? () Yes, () No?

If No, explain what requirement is placed on the motor carrier's primary automobile insurance:

- K. Does the applicant require all motor carriers to carry at least \$1M of auto liability insurance? () Yes () No?

If No, explain: _____

- L. Does the applicant confirm that the SAFER ISS-D value of their motor carriers is <75 at least once a year? () Yes, () No.

If No, explain: _____

- M. Does applicant require all motor carriers to show proof of auto liability insurance by providing a current certificate of insurance? () Yes, () No

If No, explain: _____

Section IV: Truck Brokerage Agreement Information

Does the applicant use a broker agreement that states:

- a) Carriage is undertaken under the motor carrier’s own FMCSA authority_ () Yes, () No?
- b) “Double-brokering” is prohibited () Yes, () No?

Explain any “NO” responses

Section V: Miscellaneous

- A. Does the applicant confirm that the motor carrier is listed on the Bill of Lading and rate quotes sheets/dispatch records as the “carrier” () Yes, () No
- B. Does the applicant mandate routes or timeframes for any motor carrier () Yes, () No
- C. Does the applicant’s rate sheet include language that states that delivery and pick-up dates and hours will not require the motor carrier to violate hours of service regulations and that routing instructions, if any, are for informational purposes only () Yes, () No.
- D. Are the applicant’s dispatchers only authorized and instructed to use pre-qualified motor carriers () Yes, () No.
- E. Does the applicant keep records of the prequalification process for motor carriers that were **rejected** along with the reasons why? () Yes, () No

Section VII: Revenue Information

Total Gross Truck Broker Revenue for Policy Year going Forward: _____

Give 3-year historical truck broker revenues:

First prior year revenue: _____

Second prior year revenue: _____

Authorized Applicant Signature

Title, Date