



GMI Insurance
Lease & Loan Division
P.O. Box 701
Valley Forge, PA 19482
Phone: (800) 722-3229
Fax: (610) 933-4993
www.gmi-insurance.com

GMI
Equipment Lease
INSURANCE PROGRAM

CONTINGENT COVERAGES AVAILABLE FOR EQUIPMENT LESSORS

LESSORS CONTINGENT LIABILITY

Lessors Contingent Liability insurance protects the Lessor's interest if, for reasons beyond their control or knowledge, the insurance provided by the lessee is not the insurance required by the lease agreement or is not present.

LESSOR ONLY EXCESS LIABILITY

Owner Only Excess Liability policy protects the Lessor, not only under the circumstance of a contingent liability claim, but also extends coverage in the circumstance that the lessee's insurance is present, but is not sufficient to handle a catastrophic incident.

Guidelines/Program Qualifications

* Most equipment eligible for coverage; however the company reserves the right to exclude coverage on large building cranes and medical equipment. Account premium is subject to a minimum of \$25,000.
Program available in all states nationwide.



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EQUIPMENT LEASE CONTINGENT I N S U R A N C E P R O G R A M A P P L I C A T I O N

Underwriting Information - The following information is required to determine your premiums properly. Please complete and return to GMI.

Insured: _____

Address: _____

Phone: _____ **Fax:** _____ **Email:** _____

Contact: _____ **FEIN:** _____

1. Do you currently have Equipment Contingent coverage? If yes, please provide the name of your current insurance company and expiration date. _____
2. Have there been any insured or uninsured contingent losses? Please give details; i.e. claim against the lessor because the lessee had no insurance or inadequate coverage at the time of loss. _____ Attach separate sheet if necessary.
3. What is the term of lease? Minimum _____ months Maximum _____ months.
4. Do you understand that vehicles leased for less than one year are not covered by Contingent Insurance? _____
5. Do you require lessee's insurer to give notice of cancellation or non-renewal? _____ How many days? _____
6. Do you understand that your lease agreement must require the lessee to provide primary liability and physical damage coverages and include your interest as an insured? _____
7. Do you verify insurance prior to the lessee taking possession of the equipment? Please explain the process and follow-up procedure. _____
8. Do you understand that it is your responsibility to maintain in your file a certificate of insurance from the lessee's insurer? _____
9. Please explain how you monitor the lessee's compliance with the lease agreement's minimum insurance requirements. _____
10. Please explain your repossession policy when any lessee fails to provide and maintain the insurance required by the lease agreement. _____
11. Do you use the services of an independent insurance tracker? If so, which company? _____
12. Do you use any type of lease administration system or software? _____ Please detail. _____
13. How many different lease customers do you have? _____
14. Where are the leases originated? _____ Direct _____ Vendor _____ Broker _____ Private Label
15. Do you perform any maintenance or repairs on the equipment to be insured? _____
16. Do you manufacture, assemble, install, or modify any of the equipment (or components) to be insured? _____
17. Do you provide any safety training or perform any safety inspections on the equipment? _____

18. What % of your lessees are rated: _____ % A credit _____ % B credit _____ % C credit _____ % D credit

19. What percent of your lease portfolio is currently in insurance default? _____

20. In what states are your current equipment leases originated? _____

21. In what additional states do you plan to expand into, or increase emphasis in? _____

22. Current # of active leases _____ # of new leases/year _____ # of lease terminations/year _____

<u>Equipment Type</u>	<u># of leased units</u>	<u>Average Value (each)</u>	<u>Total Value</u>	<u>Annual Income</u>
Agricultural				
Computer				
Construction/Contractor				
Garage				
Manufacturing/Printing				
Medical & Dental				
Office				
Recreational				
Retail/Restaurant				
Telecommunications				
Transportation				
Other _____				

Additional Comments or Remarks _____

The following information must be included for a quote to be issued:

- A detailed list of all current equipment leases to be insured (must include lessee name/address, lease effec/exp date, description of equipment, value of equipment at inception, and amount financed).
- A complete copy (**front and back**) of your Equipment lease agreement.
- Loss History for a minimum of 3 years (must include # reported, # paid, total dollar paid, and type of loss paid).
- A copy of your credit criteria used in leasing decisions.

By signing below I warrant that all answers to questions are true and correct to the best of my knowledge and belief; and shall constitute the basis of the policy should one be issued. I understand the signing of this application does not bind me or the Insurance Company to the insurance, and that additional information may be requested by GMI.

Named Insured Signature: _____ **Date:** _____

Producer: _____ Contact: _____

Address: _____

Phone: _____ Fax: _____ Email: _____