

# Machine Shop Supplemental Application



AmTrust E&S Insurance Services  
An AmTrust Financial Company

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**Instructions:** All questions must be answered. This application must be signed and dated by an owner, officer or partner. Please read carefully the statements at the end of this application.

## Section I – Applicant Information

Name of Applicant: \_\_\_\_\_  
Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
P.O. Box: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Website Address: \_\_\_\_\_ Years in Business: \_\_\_\_\_  
Description of Operations: \_\_\_\_\_

## Section II – Description of Operations

1. Types of processes performed by Applicant by percentage:

- a. Assemble parts manufactured by others: \_\_\_\_\_ %
- b. Make replacement parts/repair items or equipment: \_\_\_\_\_ %
- c. Manufacture finished parts: \_\_\_\_\_ %
- d. Manufacture parts to customer's specifications: \_\_\_\_\_ %
- e. Manufacture complete product entirely to customer's specifications: \_\_\_\_\_ %
- f. Installation Operations: \_\_\_\_\_ %
- g. Other (Please describe): \_\_\_\_\_ %

2. Please provide the following:

Annual Payroll: \$ \_\_\_\_\_ Annual Receipts: \$ \_\_\_\_\_ Subcontractor Costs: \$ \_\_\_\_\_

3. Percentage of operations performed:

In shop: \_\_\_\_\_ % Off-Site/Mobile: \_\_\_\_\_ % Installation: \_\_\_\_\_ %

Describe off-site operations:

4. Are any of the applicant's products used in any of the following categories?

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> Aerosol containers                    | <input type="checkbox"/> Firearms                        | <input type="checkbox"/> Motor vehicles                 |
| <input type="checkbox"/> Aircraft or aerospace applications    | <input type="checkbox"/> Fire suppression systems        | <input type="checkbox"/> Nuclear power equipment        |
| <input type="checkbox"/> Amusement devices (mechanical)        | <input type="checkbox"/> Gas or oil production equipment | <input type="checkbox"/> Playground equipment           |
| <input type="checkbox"/> Alarm or security equipment           | <input type="checkbox"/> Hydraulics or hoists            | <input type="checkbox"/> Pollution Control              |
| <input type="checkbox"/> Chemical industry equipment           | <input type="checkbox"/> Industrial valves or pumps      | <input type="checkbox"/> Pressure vessels/tanks/boilers |
| <input type="checkbox"/> Construction machinery                | <input type="checkbox"/> Industrial machinery            | <input type="checkbox"/> Railroad equipment             |
| <input type="checkbox"/> Conveyors equipment                   | <input type="checkbox"/> Jacks or lifting devices        | <input type="checkbox"/> Robotics                       |
| <input type="checkbox"/> Cranes                                | <input type="checkbox"/> Ladders or scaffolds            | <input type="checkbox"/> Safety guards or equipment     |
| <input type="checkbox"/> Electric power generation             | <input type="checkbox"/> Logging equipment               | <input type="checkbox"/> Sawmill equipment              |
| <input type="checkbox"/> Elevators/escalators/moving sidewalks | <input type="checkbox"/> Medical equipment               | <input type="checkbox"/> Textile equipment              |
| <input type="checkbox"/> Exercise & fitness equipment          | <input type="checkbox"/> Military equipment              | <input type="checkbox"/> Tree stands                    |
| <input type="checkbox"/> Farm machinery                        | <input type="checkbox"/> Mining machinery                | <input type="checkbox"/> Watercraft, boats or ships     |

If indicated, please describe the product and its use: \_\_\_\_\_

### Section III – Description of Operations

1. Does the applicant specialize in a specific machining process?  Yes  No

**If YES, please describe the process:**

2. Are any products manufactured and/or sold under the applicant's label or trademark?  Yes  No

**If YES, please describe the process:**

3. What percentage of applicant's product is sold in the United States? \_\_\_\_\_ %

4. Does Applicant maintain a foreign liability policy?  Yes  No

5. Do you import any finished products or component parts?  Yes  No

**If YES, please explain:**

6. Does the Applicant perform any heat treating, electroplating or welding operations?  Yes  No

**If YES, describe work conducted:**

7. Does the applicant use Beryllium alloys now (or has at any time in the past)?  Yes  No

**If YES, describe the material used, as well as the products the material is (or was) in, and the number of years they have been (or were) used:**

8. Does applicant perform any design or consulting services?  Yes  No

**If YES, describe work conducted:**

9. Does Applicant have Workers' Compensation coverage in force?  Yes  No

10. Have there been any losses, claims or suits against the applicant in the past five (5) years?  Yes  No

11. Does the Applicant have any knowledge of any pre-existing injury or damage to any person or property that might reasonably be expected to give rise to any future claim or legal action against the person(s) or entity(ies) identified in this application?  Yes  No

**If YES, please explain:**

12. Specify the last five (5) projects worked on with clients/industries that are from the Machine Shop CUSTOMER'S engineered diagrams, blueprints or supplied specifications:

Parts/Products made or worked on		Percent of Total Receipts	Does applicant assemble any of the part/product?	
1.		_____ %	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2.		_____ %	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3.		_____ %	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4.		_____ %	<input type="checkbox"/> Yes	<input type="checkbox"/> No
5.		_____ %	<input type="checkbox"/> Yes	<input type="checkbox"/> No

### Section III – Description of Operations (continued)

13. Specify the last five (5) projects worked on with clients/industries that are from the Machine Shop's OWN engineered diagrams, blueprints or supplied specifications:  Check here if none.

Parts/Products made or worked on		Percent of Total Receipts	Does applicant assemble any of the part/product?	
1.		_____ %	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2.		_____ %	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3.		_____ %	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4.		_____ %	<input type="checkbox"/> Yes	<input type="checkbox"/> No
5.		_____ %	<input type="checkbox"/> Yes	<input type="checkbox"/> No

### Section IV – Loss Prevention & Quality Control

#### Design Procedures:

1. Which of the following describe your product design operations and procedures?
- Work to customer's specifications       Products designed by licensed/degreed engineers
- CAD is used for all design work       Designs are evaluated for safety and product life
- Products are designed to industry standards (ANSI, MIL, TS 16949)

#### Quality Control:

2. Please list all ISO or similar quality certifications: \_\_\_\_\_
3. Does the Applicant maintain formal, written quality control and testing procedures?  Yes  No  
**If YES, how long are quality control records kept?** \_\_\_\_\_
4. Are samples kept of products involved in your quality control procedures?  Yes  No  
**If YES, how long are samples retained?** \_\_\_\_\_
5. How does the applicant test his/her product(s): (Check all that apply.)
- Designated QC personnel       Independent test laboratory       Applicant's customer
- Government Agency       Other: \_\_\_\_\_
6. Can the Applicant's products be identified from those of competitors?  Yes  No
- a. Are complete inventory records of shipments and/or deliveries to consignees maintained?  Yes  No
- b. Can the date of manufacture of each product be identified by the factory number stamp?  Yes  No
- c. Are serial and/or batch numbers shown on the finished product and on shipment invoices?  Yes  No
7. Does the Applicant use any warning labels on finished products?  Yes  No  
**If YES, are they reviewed by legal counsel?**  Yes  No
8. Does the applicant have procedural controls in place for a customer's acceptance of custom-made products?  Yes  No
9. Have any products been discontinued during the past five (5) years?  Yes  No
10. Has the Applicant ever recalled or considered recalling any known or suspected defective products?  Yes  No
11. Has any product been self-insured, uninsured or excluded from previous coverage?  Yes  No  
**If YES to questions 9, 10 or 11 please attach details.**

#### Hold Harmless Agreements:

12. Does the Applicant use a standard client contract, outlining the responsibilities of the applicant?  Yes  No
13. Does Applicant agree to hold any third party harmless?  Yes  No
14. Does Applicant assume, by contract or verbally, responsibility for any injury or damage that may occur?  Yes  No
15. Do supplier's qualifications include provisions to indemnify you if their products or services are defective?  Yes  No
16. Do supplier's qualifications include provisions to make you an additional insured on their insurance policy?  Yes  No

**Section IV – Loss Prevention & Quality Control (continued)**

**Subcontractors:**

17. Does the Applicant subcontract any portion of their operations?  Yes  No

**Describe any subcontracted operations:**

18. Does the Applicant require contracts with all subcontractors?  Yes  No

a. How long are subcontractor contracts kept on file? \_\_\_\_\_

b. Are subcontractors required to defend, indemnify and hold the applicant harmless?  Yes  No

c. Are subcontractors required to name the applicant as an additional insured?  Yes  No

d. What limits are subcontractors required to secure and maintain?

## Fraud Warning

**Any person who, with intent to defraud or knowing that (s)he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.**

**ALABAMA, ARKANSAS, LOUISIANA, MARYLAND, NEW JERSEY, NEW MEXICO and VIRGINIA:** 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. In Alabama, Arkansas, Louisiana and Maryland, that person may be subject to fines, imprisonment or both. In New Mexico, that person may be subject to civil fines and criminal penalties. In Virginia, penalties may include imprisonment, fines & denial of insurance benefits.

**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, KENTUCKY and PENNSYLVANIA:** 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 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. In District of Columbia, penalties include imprisonment and/or fines. In addition, the Insurer may deny insurance benefits if the Applicant provides false information materially related to a claim. In Pennsylvania, the person may also be subject to criminal and civil penalties.

**FLORIDA and OKLAHOMA:** Any person who knowingly and with intent to injure, defraud or deceive the Insurer, files a statement of claim or an Application containing any false, incomplete or misleading information is guilty of a felony. In Florida it is a felony to the third degree.

**KANSAS:** An act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an Insurer, purported Insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for personal or commercial insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto is considered a crime.

**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 denial of insurance benefits.

**NEW YORK:** 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 shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation

**OHIO:** Any person who, with intent to defraud or knowing that he is facilitating a fraud against the Insurer, submits an Application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

**OREGON:** 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 may be guilty of a crime and may be subject to fines and confinement in prison.

**TENNESSEE and WASHINGTON:** 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 and/or denial of insurance benefits.

## Representation Statement

I hereby apply for a policy of insurance as set forth in the application and I declare that all information contained in this application is correct and complete to the best of my knowledge and belief. I understand that any policy which may be issued by the company will be issued on the basis of and reliance upon my statements in this application. I agree that such policy shall be null and void if such information is false, or misleading, or would materially affect acceptance of the risk by the company.

The signing of this application does not bind the undersigned to purchase the insurance and accepting this application does not bind the Insurer to complete the insurance or to issue any particular policy. If a policy is issued, it is understood and agreed that the Insurer relied upon this application in issuing each such policy and any endorsements thereto. The undersigned further agrees that if the statements in this application change before the effective date of any proposed policy, which would render this application inaccurate or incomplete, notice of such change, will be reported in writing to the Insurer immediately.

The Application must be signed and dated by a Principal, Partner, Managing Member or Senior Officer of the Applicant. Electronically reproduced signatures will be treated as original.

### Applicant:

Print Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

**I hereby declare that all the information contained in this application is correct and complete to the best of my knowledge and belief, that the application was complete and personally signed by the applicant and that a completed copy hereto has been given to the applicant.**

Name of Producing Agency: \_\_\_\_\_

Signature of Producing Agent: \_\_\_\_\_ Date: \_\_\_\_\_

**SIGNING THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE COMPANY**