

## RLI – Supplemental Questionnaire – New Business Cannabis-Related Contractor-Courier

**For RLI to be able to competitively price and underwrite this account we will need the following information.**

First Named Insured: \_\_\_\_\_ Today's Date: \_\_\_\_\_

DOT ("MC" No.): \_\_\_\_\_

Do you own or control any other subsidiary or are you affiliated with any other entity? .....  Yes  No  N/A  
If yes, provide list. \_\_\_\_\_

Number of years the entity has been under the current management? \_\_\_\_\_ Total Years In Business \_\_\_\_\_

What was the average number of owned vehicles (do not include trailers) over the last 4 years?

Year	# of Vehicles	Total Insured Physical Damage Values of Fleet	Physical Damage Deductible
Current Year	_____	_____	_____
1 <sup>st</sup> Prior Year	_____	_____	_____
2 <sup>nd</sup> Prior Year	_____	_____	_____
3 <sup>rd</sup> Prior Year	_____	_____	_____

**Fleet Safety:**

Name and title of individual responsible for the Fleet Safety Program: \_\_\_\_\_

Is there a formal, written Fleet Safety Program? (Include copy if available) .....  Yes  No  N/A

**Does The Fleet Safety Program Include The Following?**

1. Do all drivers participate in defensive driver training at hire? .....  Yes  No  N/A
2. Do all drivers participate in refresher defensive driver training at least annually? .....  Yes  No  N/A
3. Is there a policy on personal use of company vehicles by employees? .....  Yes  No  N/A
4. Are family members allowed to use the private passenger vehicles? .....  Yes  No  N/A
5. What is the current driver turnover percentage? \_\_\_\_\_ %
6. Are the vehicles equipped with an on-board monitoring system? (Automated Event Records (AER), Cameras, GPS, Telematics) .....  Yes  No  N/A
  - a. Brand name of system(s) and type (camera or GPS): \_\_\_\_\_
  - b. Percentage of fleet installed with the system: \_\_\_\_\_

**Vehicle Use:**

1. States operated in: \_\_\_\_\_
2. Largest cities: \_\_\_\_\_
3. Average trip distance: \_\_\_\_\_
  - a. \_\_\_\_\_ % <50 miles
  - b. \_\_\_\_\_ % 51-200 miles normal max
4. \_\_\_\_\_ % of residential delivery exposure: \_\_\_\_\_ % of routed work
5. Do any vehicles have altered equipment or permanently attached equipment? .....  Yes  No  N/A  
If yes, please provide details. \_\_\_\_\_

**Hired And Non-Owned Automobile:**

Driver Class	Total # of each driver class	% that drives their own vehicle incidentally or never for work purposes	% that drives their own vehicle occasionally for work purposes	% that drives their own vehicle daily or regularly for work purposes	Total Percentage (Should equal 100%)
Employees					
Volunteers					
Independent Contractors/Sub-contractors					

1. Do you have any agreements in place that would require you to provide any hired or non-owned auto coverage on a primary and/or non-contributory basis?  Yes  No  N/A  
If yes, please provide details and provide copies of these agreements: \_\_\_\_\_
2. Do you use hired, rented, or non-owned autos to haul cannabis?  Yes  No  N/A
3. Total amount expensed in the previous fiscal period, as reported to the IRS, for mileage reimbursement: \_\_\_\_\_
4. What is the projected mileage reimbursement for the upcoming year? \_\_\_\_\_
5. What is the annual cost of hire for the current year? \_\_\_\_\_
6. What is the projected cost of hire for the upcoming year? \_\_\_\_\_
7. Does the company require all employees or independent contractors who use their own vehicles for company business to carry personal auto insurance?  Yes  No  N/A  
What limits are required? \_\_\_\_\_
8. For those employees or independent contractors who use their own vehicles for company business, does the company obtain either certificates of insurance or a copy of the declarations page from the employees?  Yes  No  N/A  
Who maintains these records? \_\_\_\_\_
9. How many vehicles (cars, trucks or tractors) are hired, rented, or borrowed each year?
  - a. Short-term lease # (less than 6 months): \_\_\_\_\_
  - b. Short-term rental # (includes airport rentals): \_\_\_\_\_
10. Other than airport rentals, for what purpose are the hired/borrowed vehicles used? \_\_\_\_\_
11. Other than airport rentals, what is the average length of time these vehicles are hired/borrowed? \_\_\_\_\_
12. What is the total estimated cost for all rental vehicles during the most recent fiscal period? \_\_\_\_\_
  - a. Does the insured require their employees to purchase the rental agency insurance?  Yes  No  N/A
  - b. Does the insured provide corporate credit cards that include rental car insurance?  Yes  No  N/A

**Cannabis-Related Business Questions:**

1. Is cannabis legalized in the state that the insureds business operates?  Yes  No  N/A
2. Does the insured conduct business with entities that are properly licensed to sell cannabis?  Yes  No  N/A
3. Does the insured employ anyone with a felony or drug related criminal conviction?  Yes  No  N/A
4. Does the insureds activities trigger any of the Cole Memorandum criteria for federal prosecution?  Yes  No  N/A

**Cole Memorandum Criteria Listed Below:**

The US Department of Justice in two memoranda issued in 2013 and 2014 and authored by Deputy Attorney General James Cole (the "Cole memoranda") provided guidance on enforcement of the CSA and money laundering statutes. The Cole Memoranda provided that the federal government largely relied on state and local laws to address marijuana activity through the enforcement of their own narcotics laws. The federal government, on the other hand, would focus its enforcement efforts on the following priorities:

1. Preventing the distribution of cannabis to minors;
2. Preventing revenue from the sale of cannabis from going to criminal enterprises, gangs, and cartels;
3. Preventing the diversion of cannabis from states where it is legal under state law in some form to other states;
4. Preventing state-authorized cannabis activity from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity;
5. Preventing violence and the use of firearms in the cultivation and distribution of cannabis;
6. Preventing drugged driving;
7. Preventing the growing of cannabis on public lands;
8. Preventing cannabis possession or use of federal property.

The Applicant hereby applies to the Company for a policy of insurance as set forth in this application on the basis of statements contained herein. Applicant agrees that such policy shall be null and void if such information is materially false or misleading so that the Company would have rejected the risk prior to inception. Applicant understands that an inquiry may be made which will provide applicable information concerning character, general reputation, financial stability and other pertinent financial data, personal characteristics, mode of living or other background information the company deems necessary in order to determine whether the Company will accept or reject Applicant for coverage. Upon written request, additional information as to the nature and scope of the inquiry, if one is made, will be provided. The Applicant understands this application is a request for quotation and no information provided herein shall be construed by either party as creating a binding contract for insurance.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ at \_\_\_\_\_

By \_\_\_\_\_ For \_\_\_\_\_  
Name Title  
(If Named Insured is other than an individual)

(If a partnership or corporation, signatory must be empowered by articles of Incorporation, et al, to bind insurance agreements.)

**ALABAMA, ARKANSAS, DISTRICT OF COLUMBIA, LOUISIANA, MARYLAND, RHODE ISLAND, WEST VIRGINIA**

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.

**CALIFORNIA**

For your protection, California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

**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.

**FLORIDA, OKLAHOMA**

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. (Florida only)

**KENTUCKY, PENNSYLVANIA**

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.

**MAINE, TENNESSEE, VIRGINIA, 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 (Maine only) include imprisonment, fines or a denial of insurance benefits.

**NEW JERSEY, NEW MEXICO**

Any person who knowingly files a statement of claim containing any false or misleading information is subject to criminal and civil penalties.

**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 an insurer, submits an application or files a false claim containing a false or deceptive statement is guilty of insurance fraud.

**OREGON**

Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material facts may be violating state law.

**UTAH**

Any person who knowingly presents false or fraudulent underwriting information, files or causes to be filed a false or fraudulent claim for disability compensation or medical benefits, or submits a false or fraudulent report or billing for health care fees or other professional services is guilty of a crime and may be subject to fines and confinement in state prison.