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PROFESSIONAL PROGRAM INSURANCE BROKERAGE
Division of SPG Insurance Solutions, LLC

PYROTECHNIC INSURANCE APPLICATION

SECTION I: GENERAL INFORMATION

1. Applicant Name: _____ Phone Number: _____
2. Primary Legal Business Entity including DBA: _____
3. List all additional business entities used for pyrotechnic operations including all DBAs: _____

Use a separate sheet if needed

4. Business Operated as: ☐ LLC ☐ Corporation ☐ Partnership ☐ Individual
5. Year company was established: _____ Years of experience: _____
6. Are you a member of the following: ☐ APA ☐ PGI ☐ NFA ☐ Other: _____
7. Email Address: _____ Website / Social Media: _____
8. Mailing Address: _____
   City: _____ State: _____ Zip Code: _____
9. List all states you may operate in: _____
10. Do you operate in the state of Illinois, Michigan, and/or New York? ☐ Yes ☐ No
11. Business Address (1): _____
    City: _____ State: _____ Zip Code: _____
12. Business Address (2): _____
    City: _____ State: _____ Zip Code: _____
13. Business Address (3): _____
    City: _____ State: _____ Zip Code: _____
14. Do you store products on behalf of others? ☐ Yes ☐ No
    a. If Yes, list business entities you provide storage for: _____
15. If you store your product at any location not already listed above, list those addresses below:

(Please note: If materials are not in your care, custody and / or control, we will not cover liability)

    Location Address (1): _____
    City: _____ State: _____ Zip Code: _____
    Location Address (2): _____
    City: _____ State: _____ Zip Code: _____
    Location Address (3): _____
    City: _____ State: _____ Zip Code: _____
16. Do any of these storage locations require a license from the ATF or other local licensing entity, for storage? ☐ Yes ☐ No
    a. If No, explain: _____
    b. If Yes, is this location registered under your license? ☐ Yes ☐ No
       i. If No, provide name of licensed entity: _____
17. Have any of your operations changed in the last year? (Renewal Clients Only) ☐ Yes ☐ No
    a. If Yes, please explain: _____
18. For new clients only, do you currently have insurance coverage? ☐ Yes ☐ No

Insurer	***Policy #***	***Limits***	***Premium***	***Exp. Date***

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SECTION II: GENERAL OPERATIONS

1. General Liability Limit Desired? (i.e. Product Sales + Premises Liability)
   ☐ $1M/$2M ☐ $2M/$2M ☐ $3M/$3M ☐ $4M/$4M ☐ $5M/$5M ☐ $10M/$10M ☐ Other: _____
2. If higher than $1M/$2M selected, is this limit contractually required? ☐ Yes ☐ No
   a. If Yes, list entity(ies) requiring: _____
3. Describe the nature of your business / operations? _____
4. Do you own or operate any other business, even ones not involved in pyrotechnics? ☐ Yes ☐ No
   a. If Yes, provide details: _____
5. Are you licensed as necessary for all work operations? ☐ Yes ☐ No
6. List all business and regulatory license numbers (such as business, ATF, DOT etc.) as well as States / Organizations who issued:

Licensee Name	License Number	State Issuing	Organization Issuing

Attach a separate sheet if more space is needed

7. Are you in compliance with all city, county, state, federal ordinances / laws / regulations / statutes? ☐ Yes ☐ No
   a. If Not, explain why: _____
8. Do you obtain permits for all displays and / or sales as required by law? ☐ Yes ☐ No ☐ N/A
   a. If N/A or No, please explain: _____
9. Do you have any employees listed on your ATF license? ☐ Yes ☐ No ☐ N/A
   a. If No, confirm that all employees, independent contractors, and volunteers are supervised at all times during operations by the licensed person. ☐ Yes ☐ No
   b. Name(s) of responsible person(s) with the ATF? _____
   c. Name(s) of Employee Possessor(s): _____
10. Is there a formal safety program in place for all employees, independent contractors, volunteers and any people working with your business? ☐ Yes ☐ No
    a. If Yes, how often are they trained on safety? _____
11. Do all employees have access to your safety plan, whether posted in a visible location or distributed individually? ☐ Yes ☐ No
12. When was the last approximate date you were inspected by the ATF? _____
    a. If you are not subject to inspections by the ATF, explain: _____
13. Do you maintain workers' compensation coverage for all employees and shooters? ☐ Yes ☐ No ☐ N/A

Please Note – The coverage being applied for will not extend to any employees, independent contractors, volunteers, etc. if they are hurt while working on behalf of your business. Be sure that separate workers' compensation coverage is in place to avoid any gaps in coverage.

14. What business entity is shown on your employees' W-2? _____
15. Do you use independent contractors (1099) for any of your operations, including short term work? ☐ Yes ☐ No
16. Do you use subcontracted vendors? ☐ Yes ☐ No
    a. If Yes, describe what type of work: _____
    b. Are all subcontractors required to carry General Liability and Workers' Compensation Insurance? ☐ Yes ☐ No
    c. Do you use written contracts containing hold harmless agreements with subcontractors? ☐ Yes ☐ No
    d. Do you require all subcontractors to name you as an additional insured? ☐ Yes ☐ No
17. For 1.1g, 1.2g, and 1.3g(Class B) Products, do you track and record all "EX" Numbers? ☐ Yes ☐ No ☐ N/A

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SECTION III: SALES INFORMATION

Please note: Profit and Loss Statement May be Required

Gross Sales*(Total of all Sales for Operations throughout the year):	**Last 12 Months**	**Next 12 Months**
Annual Sales:		

Breakdown of Above Sales:

Manufacturing / Assembly:

Class B (1.3g)		
Class C (1.4g)		

Other: _____

Displays:

Class B Displays (1.3g)		
Class C Displays (1.4g) / Rock Breaking		
Special Effects (SPFX)		
Use of 1.1g / 1.2g Explosives		
Drone Shows		

Other: _____

Sales:

Class B (1.3g) Retail (to consumers)		
Class B (1.3g) Wholesale (to businesses)		
Class C (1.4g) Retail (to consumers)		
Class C (1.4g) Wholesale (to businesses)		
Ship Shows		

Other: _____

Clubs / Associations:

Event and Due Revenue		

Other:

Please describe:		

***In order to answer the above questions, please review your Profit and Loss (P&L) Statement(s) for the following:**

- Revenue (Gross Sales): Total income generated from selling goods or services. Not Gross Profit or Net Profit

When looking at your P&L Statement DO NOT subtract out the below:

- Cost of Goods Sold (COGS): Direct costs attributable to the production of the goods sold
- Operating Expenses: Costs to run daily operations, such as rent, payroll, marketing, and utilities

Okay to deduct the following:

- Sales Tax passed directly to the state
- Freight Charges separately itemized to the client

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SECTION IV: MANUFACTURING OPERATIONS

If this Section does not apply, Check Here ☐

1. List all countries from which you obtain the products used for manufacturing: _____
2. Do you have a specific manufacturing license? ☐ Yes ☐ No
   a. If Yes, provide the license number: _____
3. Do you have a testing program for all 1.3g (Class B) products? ☐ Yes ☐ No
4. Provide address(es) that manufacturing is performed at:
   Location Address (1): _____
   City:_____ State: _____ Zip Code: _____
   Location Address (2): _____
   City: _____ State: _____ Zip Code: _____

   If additional space is needed, attach a separate sheet
5. Are all ATF distances adhered to for storage of explosive products and their components at all times? ☐ Yes ☐ No
6. Do you sell 1.1g, 1.2g and 1.3g (Class B) products exclusively to verified licensed entities? ☐ Yes ☐ No
   a. If No, please explain: _____

SECTION V: DISPLAY OPERATIONS

If this Section does not apply, Check Here ☐

1. Display Liability Limit Desired? ☐ $1M/$2M ☐ $2M/$2M ☐ $3M/$3M ☐ $4M/$4M ☐ $5M/$5M ☐ $10M/$10M
2. If higher than $1M/$2M limit selected, is this limit contractually required? ☐ Yes ☐ No
   a. If Yes, list entity requiring: _____
3. Do you have any shows that will require higher limits? (Coverage can be endorsed on at time of display) ☐ Yes ☐ No
   a. If Yes, provide number of shows: _____
   b. If Yes, provide limits being requested: ☐ $3M/$3M ☐ $4M/$4M ☐ $5M/$5M ☐ $10M/$10M ☐ Other:_____
4. How many total displays (individual display on a specific date) do you anticipate this policy year? _____
5. Provide average charge to customer per display?
   a. Class B (1.3g) $: _____
   b. Class C (1.4g) $: _____
   c. SPFX $: _____
   d. Drones $: _____
6. Do you keep records that enable you to identify, with certainty, the source of all products used in each display? ☐ Yes ☐ No
7. Are you subject to & in total compliance with all of the following standards of the National Fire Protection Association's (NFPA) regulations?
   a. NFPA 1123 (Fireworks Display Code)? ☐ Yes ☐ No ☐ N/A
   b. NFPA 1126 (Proximate Audience Display Standard)? ☐ Yes ☐ No ☐ N/A

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SECTION VI: DRONES

If this Section does not apply, Check Here ☐

1 What is the maximum number of drones used in any given show? _____

2. Do all operators have their Remote Pilot Airman Certificate? ☐ Yes ☐ No
3. Are all drones registered with the FAA DroneZone? ☐ Yes ☐ No
4. Do you have flight plan approval and necessary FAA waivers prior to each show? ☐ Yes ☐ No
5. Who is the person responsible for the go / no go decision based upon current weather conditions? _____
6. Do you issue a NOTAM and/or obtain LAASC approval for each show that requires it? ☐ Yes ☐ No
7. What is the maximum length of any one show? _____
8. Do you use a 3rd party commercially available software specifically designed for drone light shows? ☐ Yes ☐ No
9. Have you had any collisions while flying drones in the last 5 years? ☐ Yes ☐ No
10. Do you utilize any pyrotechnics or additional special effects mounted on the drones? ☐ Yes ☐ No

SECTION VII: SALES OPERATIONS

If this Section does not apply, Check Here ☐

1. Will you operate fireworks stands at any point during the policy year? ☐ Yes ☐ No
   a. If Yes, will these stands be operated by: ☐ Your Business ☐ Someone else
2. Will you perform any demonstrations of products you sell? ☐ Yes ☐ No
3. Do you keep records that enable you to identify, with certainty, the source of all products sold? ☐ Yes ☐ No
4. Do you sell on a Wholesale basis? ☐ Yes ☐ No
   a. If Yes, please provide a list of pyrotechnic companies you sell to: _____
   _____
5. Do you sell 1.1g, 1.2g and 1.3g (Class B) products exclusively to verified licensed entities? ☐ Yes ☐ No
   a. If No, please explain: _____
6. Are you in total compliance with all of the following standards:
   a. NFPA 1124 (Class C Manufacture and Storage Code)? ☐ Yes ☐ No ☐ N/A
   b. ATF Storage Regulations for all 1.1g, 1.2g, and 1.3g (Class B) items? ☐ Yes ☐ No ☐ N/A
7. Do you sell 1.4g (Class C) products that are "For Professional Use Only"? ☐ Yes ☐ No
   a. If Yes, how do you determine who is eligible to purchase them? _____
8. Do you sell ready-made displays known as "Ship Shows"? ☐ Yes ☐ No
   a. If Yes, do you verify appropriate licenses and / or permits before the sale? ☐ Yes ☐ No

SECTION VIII: CLUB / GUILD / ASSOCIATION OPERATIONS

If this Section does not apply, Check Here ☐

1. Indicate ALL activities in which you participate as a Club / Guild / Association:
   ☐ Manufacturing ☐ Displays / Demonstrations ☐ Instruction / Consulting ☐ Social Events (no pyrotechnics)
2. How would you describe your club? (if applicable)
   ☐ Building Club ☐ Show Club ☐ Open Shoot Club ☐ Mixed Club: Please describe: _____
3. Do you participate in any commercial sales or activities as a Club / Guild / Association? ☐ Yes ☐ No
4. Provide the 501(c)(3) number for your entity: _____
5. How many members does the Club / Guild / Association have?
   ☐ 0-50 ☐ 51-100 ☐ 101-150 ☐ 150+

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SECTION IX: PROPERTY COVERAGE

If this Section does not apply, Check Here ☐

(Complete for each location)

Please also submit a diagram of the property that labels the distance between each building on the property for each location.

1. Location / BLDG # _____ How many Buildings / Structures at this location? _____
2. Physical Address: _____
   City: _____ State: _____ Zip Code: _____
3. How many months per year is this building being used? _____
4. What is the building being used for? ☐ Retail Store ☐ Office ☐ Manufacturing ☐ Storage ☐ Other: _____
5. What type of products are stored? _____
   _____
6. If explosives / flammable items are stored here, check which protections are used:
   ☐ Explosive Proof Lights / Switches ☐ Static Arrestors ☐ Lightning Rod / Grounding ☐ Other: _____
7. Type of Building: ☐ Concrete Block ☐ Wood / Steel Frame ☐ Metal Shipping Container ☐ Pole Barn ☐ Other:____
8. Year Built / Manufactured: _____ Square Footage: _____

If the building is over 25 years old, provide the <u>YEAR</u> the following were updated (if applicable)

9. Roof: _____ Plumbing: _____ Electrical: _____ HVAC: _____
10. Roofing Material (Tile, metal, Wood Shingles etc.): _____

<u>Limits to be insured:</u>

Building Coverage: $: _____ Do you own the building? ☐ Yes ☐ No

Tenant Improvements and Betterments: $: _____

Business Personal Property / Equipment: $: _____

a. Does any of this property move between structures at this location throughout the year? ☐ Yes ☐ No

Outdoor Signs: $: _____

Drones: $: _____ Number of Units: _____

Finished Stock (Inventory): $: _____

a. Does any of this property move between structures at this location throughout the year? ☐ Yes ☐ No

Peak Stock Season Limits Requested: $: _____

Peak Season Dates: Start Date: _____ End Date: _____

Start Date: _____ End Date: _____

11. Do you need coverage for any of this property in Transit or at a Temporary Location (another address)? ☐ Yes ☐ No
    a. Does this location ever utilize a tent or temporary structure for sales purposes? *Please provide a picture* ☐ Yes ☐ No
       i. If Yes, provide limit to be covered: $_____
          (a) Is it taken down during high wind events? ☐ Yes ☐ No
12. If you wish to cover loss of business income (blanket for all locations), indicate limit to be covered: $_____
13. Are you inside city limits? ☐ Yes ☐ No
14. Is smoking allowed on premises? ☐ Yes ☐ No
15. Location of Fire Protection:
    a. Fire Department: _____ Is this a volunteer Fire Department? ☐ Yes ☐ No
    b. Distance to Fire Department: _____ Source if Water (tank, pond hydrant etc.): _____
16. Are you in compliance with any applicable ATF, OSHA, NFPA, and State Standards including separation and storage quantities? ☐ Yes ☐ No
    If No, please explain: _____

Loss Payee / Mortgagee for this location:

Name: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

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SECTION X: HISTORY

1. Has your current or any other prior insurance company canceled coverage or given non-renewal notice for any reason? ☐ Yes ☐ No
   a. If Yes, please explain: _____
2. Indicate all claims or loss (regardless of fault and whether or not insured) or occurrences that may give rise to liability and / or property claims for the prior 5 years. ☐ Yes ☐ No

Date of Loss	Description of Loss	Amount Paid	Amount Reserved	Claim Status (Open or Closed)

3. Do you have knowledge of an event, circumstance, or occurrence (other than listed above) prior to the effective date of the proposed policy that could result in a claim, or are you aware that a claim may be brought as a result of said event, circumstance or occurrence? ☐ Yes ☐ No
   a. If Yes, please explain: _____

Attach 5-Year Loss Runs from Expiring Carriers

SECTION XI: ATTESTATION

THIS APPLICATION MUST BE SIGNED BY APPLICANT WITHIN 30 DAYS OF BINDING (60 DAYS FOR RENEWALS). SIGNING THIS FORM DOES NOT BIND THE COMPANY TO COMPLETE THE INSURANCE. COVERAGE BECOMES EFFECTIVE WHEN ACCEPTED BY THE INSURANCE COMPANY

On behalf of all employees, contractors, operators and for all operations I confirm:

1. No insurance will be offered for any operations unless specifically endorsed on to the policy and a premium is paid.
2. All technicians have been properly trained and / or licensed as necessary for all services they are performing or on the devices they are using.
3. All technicians are properly licensed in each jurisdiction they are operating in.
4. I will respect all laws and regulations laid out by the Authority Having Jurisdiction (AHJ).
5. I understand and agree this Application and any supplements attached hereto will be relied upon for the insurance policy.
6. This liability application for coverage will not extend coverage to any employees, independent contractors, volunteers, etc. if they are hurt while working on behalf of your business. Be sure that separate workers' compensation coverage is in place to avoid any gap in coverage.
7. I understand and agree that failure to provide true and accurate responses to the foregoing questions may result in the voiding of the insurance issued in reliance on this application and / or denial of claims under the policy issued.
8. I authorize and consent to investigation of information of my business including authorization to every person or entity, public or private, to release the company, any documents, records or other information bearing upon the foregoing. I understand and agree these investigations shall not be confined to information submitted in this application but shall include any other sources of information deemed relevant by the Company as may be authorized by law.
9. If I am aware of any claim or incident arising from any time prior to today, I must advise the company at this time.
10. The liability policy applied for may apply only to CLAIMS FIRST MADE AND REPORTED to the Company in writing within the period of coverage shown on the policy or the date the policy is cancelled or terminated, whichever comes first or as otherwise provided by the policy.
11. This insurance is being provided through a surplus lines company, and the insurer may not be subject to all the insurance laws and rules in my state and the risk is not protected by the State Insurance Insolvency Fund or similar entity.

_____ _____

Applicant Signature | Title

_____ _____

Date Signed | Requested Effective Date