CATLIN

First Party Recall Insurance

Proposal Form

IMPORTANT NOTICE TO THE PROPOSER

To apply for First Party Recall coverage, please fully complete the following Proposal Form. If there is insufficient space to provide answers, additional information should be provided on the Proposer's letter headed paper.

If the Proposer is aware of any material facts that may affect the Insurer's decision in providing this insurance, please disclose them to your broker.

If you are in any doubt as to what to tell Insurers, tell them anyway. Not doing so, may affect how they settle claims under the policy, or may render any policy issued invalid.

Upon receipt of your completed Proposal Form your broker will submit the details to the Insurer for approval. Once approved, and upon receipt of the premium, taxes and fees, a Policy will be issued to your broker. Insurance coverage will not commence until your proposal has been accepted by the Insurer.

Similar to other professional insurances the First Party Recall, is underwritten on what is known as a '*claims made basis*'.

This means that the policy will only provide cover for claims or circumstances discovered and notified to the Insurer during the period of insurance.

The nature and type of insurance cover offered can vary from policy to policy and insurer to insurer therefore, it is important to ensure that you have the cover that is right for you.

If you have any questions about this type of insurance, would like to see a specimen of the full policy terms and conditions, or would like further advice about completing the Proposal or any other related matter, please contact your broker.

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First Party Recall Insurance

Proposer Details

1 **a. Name of company and all subsidiary companies to be insured under this policy:**

b. Company address:

c. Web site:

d. Description of Applicant s business activities:

2 **Limits of Liability requested:**

Option 1: $_____ per event/annual

Option 2: $_____ per event/annual

3 **Deductible requested:**

Option 1: $_____ per event/annual

Option 2: $_____ per event/annual

4 **Additional Coverage Options:**

Rehabilitation Expenses	☐	Third Party Recall Expenses	☐
Restore, Repair, Refund	☐	Product Extortion	☐
Loss of Net Profit	☐	Government Recall Containment	☐
Loss of Gross Profit	☐		

5 **a. Estimated Annual Turnover Prior Year:** $_____

b. Projected Annual Turnover, next 12 months: $_____

c. Total number of Plants/Facilities in home country: _____ **Facilities elsewhere:** _____

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d. Are products exported out of country of domicile? ☐ YES ☐ NO
If yes, fill in the following:

Sales by country:	200 (actual)	200 (actual)	200 (projection)
Country _____	_____	_____	_____
Country _____	_____	_____	_____
Country _____	_____	_____	_____

6 **Please provide a list of products subject to this coverage (continue on additional pages as necessary):**

Product Lines And Brand Names	% of Annual Turnover	Mfg, Retail or Wholesale	Finished good or Component	Commercial or Consumer End User

7 **List Company s products sold as part of or under another company s label or brand name:**

8 **Please indicate any new products that have commenced production or have entered the public stream of commerce within the last 12 months:**

9 **Percentage of your products manufactured by outside vendor** _____

10 **a. For non-manufacturing risks, estimated number of suppliers:** _____
b. Average length of contractual relationship with key suppliers: _____

11 **Total number of company employees:** _____

12 **a. Has the Company had any strikes, riots, work-stoppages, or plant closings in the last three (3) years?** ☐ YES ☐ NO

b. Has the Company ever been a direct target of political, racial, environmental, or other extremist or special interest groups? ☐ YES ☐ NO
If yes, provide details:

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13 **Do products require external power source to operate:** ☐YES ☐NO

14 **Do products require special storage facilities?** ☐YES ☐NO

15 **a. Do products require installation?** ☐YES ☐NO **Average cost of installation per product: $_____**

Quality Control and Assurance

16 **a. Do you have a written, in-force Quality Assurance Plan?** ☐YES ☐NO

b. Do all products meet registration standards? ☐YES ☐NO

☐ **ISO 9000 (1994)** ☐ **ISO 9000 2000** ☐ **Others: _____**

17 **Do all of the products which are the subject of this proposal conform in all respects with requirements of law or regulation, including applicable industry guidelines or any other jurisdiction thereof?** ☐YES ☐NO **If no, provide details:**

18 **a. Is there a Quality Control Department?** ☐YES ☐NO

b. Who is responsible for overseeing and implementing QA procedures?

19 **a. Are suppliers quality standards monitored?** ☐YES ☐NO

b. Do you require your suppliers to abide by specified standards? ☐YES ☐NO

c. What steps are taken to assess the quality standards adhered to by your suppliers? (Application, references, health inspection reports, etc.)

20 **How do you collect and monitor customer complaints?**

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21 **a. Are Quality Assurance audits performed in-house or by an independent third party?**

b. How often are these audits performed?

Product Testing

22 **Is product testing utilised?** ☐ YES ☐ NO

a. At what point in the manufacturing process is testing performed?
☐ **in line** ☐ **end-product** ☐ **raw materials** ☐ **other:** _____

b. Do you have an in-house testing laboratory? ☐ YES ☐ NO

c. If not, do you retain an outside testing laboratory? ☐ YES ☐ NO

23 **a. Are labels inspected?** ☐ YES ☐ NO **If yes, when and by whom?**

b. Do warning labels meet applicable industry Standards? ☐ YES ☐ NO
If no, please explain

c. Do user instructions, manuals and packaging meet applicable industry Standards?
If no, please explain: ☐ YES ☐ NO

Recall Preparedness

24 **Information concerning Recall Manuals and Crisis Management Plan:**

a. Recall Plan ☐ YES ☐ NO **(Please attach) When were these plans last reviewed and/or updated?**

b. Crisis Management Plan ☐ YES ☐ NO **(Please attach)**
When were these plans last reviewed and/or updated?

c. Is a batch coding system utilized? ☐ YES ☐ NO **If yes, please provide details (recorded by location, date, shift, etc.)**

d. Has new bar/batch coding equipment been installed within the last 5 years? ☐YES ☐NO

e. Is bar/batch coding equipment serviced annually? ☐YES ☐NO

f. Who can initiate a major product recall?

25 Estimate the cost to recall your leading brand:
Maximum: $_____ Average: $_____ Minimum: $ _____

Loss Information

26 Has the company s products or any of its premises ever been the subject of review, comment or complaint by any governmental agency or department in the past five (5) years? ☐YES ☐NO
If yes, please provide details (which agency, date, nature of complaint, outcome, date resolved):

27 Claims history of the Company:

a. Have any products been recalled due to an error in design, manufacturing, or packaging in the last five (5) years? ☐YES ☐NO
If yes, please advise product, reason for recall, date of recall, recall method utilised, and cost of recall:

b. Were any contracts lost/discontinued as a result?

c. Have any products been recalled for actual, threatened or suspected malicious alteration in the last five (5) years? ☐YES ☐NO
If yes, please advise product, reason for recall, date of recall, recall method utilised, and cost of recall:

d. Have any products been recalled due to an error in labeling, instruction manuals, or packaging, in the last five (5) years? ☐YES ☐NO
If yes, please advise product, reason for recall, date of recall, recall method utilised, and cost of recall:

e. Have any products been recalled due to an accidental omission, introduction or substitution of a component or substance in the last five (5) years? ☐YES ☐NO
If yes, please advise product, reason for recall, date of recall, recall method utilised, and cost of recall:

28 **Does the Company, its directors and officers or any other person known to them have knowledge or information of any specific fact which may reasonably give rise to a claim under the proposed policy?** ☐YES ☐NO
If yes, provide details:

SIGNING THIS PROPOSAL DOES NOT BIND THE PROPOSER TO COMLETE THIS INSURANCE.

Declaration:
I declare that the statements and particulars in this proposal are true and that no material facts have been mis-stated or suppressed after enquiry. I agree that this proposal, together with any other information supplied shall form the basis of any contract of insurance effected thereon. I undertake to inform the Insurers of any material alternation to those facts occurring before completion of the contract of insurance.

A material fact is one which would influence the acceptance or assessment of the risk.

Signed _____

Title _____
(to be signed by Chairman/Chief Executive or equivalent)

Company _____

Date _____

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