



Automotive Product Recall Insurance

Proposal Form

Application Form for Automotive Product Recall Insurance

This application form is for the purpose of obtaining a quotation and does not bind the applicant or the Insurers to complete the Insurance. This information is not only vital for evaluating your exposure it will also provide the underwriter with an accurate profile of your company. However please note, that if a policy is later issued, this application form shall be the basis of, and become part of, the contract.

- All questions must be answered completely
- It is recommended to seek advice from your Head of QA when completing parts of this form
- This application must be signed and dated by an officer of the company or the authorised person responsible for obtaining Insurance

1. Applicant's Details

1 Name and address of company and subsidiaries to be insured under this Policy:

2 Main Contact Name and position:

Main Contact Phone: _____

Main Contact email _____

[To be used only by our Crisis Consultant for pre-incident planning and response]

Website: http://www. _____

3 Date company first established: _____

4 Has this company previously traded under a different name or ownership?

Yes No

If yes, please provide name of business: _____

5 Type of Operations:

Manufacturer

Assembler

Importer

Wholesaler

Distributer

Exporter

Retailer

Other

6 Type of Products:

Auto

Automotive Critical

Automotive Non-Critical

Tires

Seatbelt

Electronics

Airbag

Non-Auto

Computer

Machinery

Plastics

Boats/Ships

Building Materials

Aircraft

Consumer Electrics

6.1

	Home	Elsewhere
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Total Number of Plants/Facilities		
Total Number of Employees		

2. Sales Information

2.1 Please provide estimated sales for the forthcoming year, sales for the current year, plus sales for the past 3 years:

Year	Total Sales	USA (%)	Canada (%)	Europe (%)	Japan/Aus (%)	RoW (%)

2.2 Please complete the following information for the top 3 plants or facilities:

	Location	Total Sales	Products	Production Lines #	Daily output in \$, £, €	Production capacity %
Plant 1						
Plant 2						
Plant 3						
Plant 4						
Plant 5						

2.3 Please complete the following information for the top 5 products or if coverage is contract specific, please list products to which this insurance is to apply:

	Product Name/Type	Total Sales	Average batch size in AUD	Largest batch size in AUD	Daily output in AUD	Average shipment value in AUD
Product 1						
Product 2						
Product 3						
Product 4						
Product 5						

2.4 Please detail your 5 largest contracts:

	Customer	Product	Annual Sales	Daily Production	Ultimate OEM (eg VW)	OEM Model (eg GOLF)
Contract 1						
Contract 2						
Contract 3						
Contract 4						
Contract 5						

3. Product Information

3.1. Please list the estimated total sales (in percentage) by:

Wholesale	Retail	Manufacturing	Broker	Other
%	%	%	%	%

3.2. Please provide percentage of private label (product manufactured for others with their name), non-branded (products with no name) or branded (with your name or brand):

Private Label	Non-Branded	Branded
%	%	%

3.3. What percentage of your products are manufactured by a third party?

_____ %

3.4. Do you operate a research and development department?

Yes No

3.5. Are all components design, production process, product specification, product performance signed off by your customer, completed using an APQP process?

Yes No

3.6. Do you do your own design work?

Yes No

3.7. Do you maintain records of design change and reasons?

Yes No

3.8. Are your designs subject to independent external review, testing or certification?

Yes No

3.9. Are all your design changes signed off by your customer before being implemented into productions?

Yes No

3.10. Are all products designed using an APQP process with customers?

Yes No

3.11. Do you manufacture any of your products to the specification of your customer?

Yes No

3.12. Are your products designed, tested, labelled and manufactured to meet or exceed all governmental and industry standards?

Yes No

3.13. Are all your products designed, tested, labelled and manufactured for optimum safety in spite of misuse or abuse?
 Yes No

3.14. What is the life expectancy of your products (give number of years)?

3.15. What is the failure rate of each product after handover (please state in each case whether this is based on actual experience)?

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

4. Your Supplier's Information

- i. Are the products or components ordered to your specifications? Yes No
 - ii. Have you determined which ones are critical to the safety of your final product? Yes No
 - iii. Please indicate the estimated number of suppliers:
-

iv. Please complete in respect of your top 5 suppliers and then all other, per below:

Suppliers Name	Country	Product(s)	Length of contractual relationship

v. Do you have a Vendor Approval Program in place?
 (If yes, please provide a copy) Yes No

vi. Do you audit your third party suppliers?
 (If yes, please provide copies of last audits for top 5 suppliers) Yes No

vii. Do you have rights of subrogation against all your suppliers?
 (If yes, please provide sample copy of contract with suppliers) Yes No

viii. Do you require your suppliers to carry Product Recall insurance?
 If yes, what limits are they required to purchase? Yes No

What coverage are they required to purchase?

ix. Do you require your suppliers to carry Product Liability insurance?
 If yes, what limits are they required to buy? Yes No

Are you requiring to be added to their policy as additional insured? Yes No

5. Quality Control & Testing

- 5.1 Do you have a Quality Assurance Plan in place (if yes, please provide copy)? Yes No
- 5.2 Do you have any SOPs (Standard Operating Procedures) or GMP's (Good Manufacturing Practices) in place? Yes No
- 5.3 Is there a Quality Assurance Department? Yes No
- 5.4 Is the head of the Quality Assurance Department dedicated full time for such work? Yes No
- 5.5 Do you have a testing program at critical control points on the following:
- Incoming material (including packaging and labels) Yes No
- Manufacturing/Processing Yes No
- End product (including packaging and labels) Yes No
- 5.6 Do you use internal and/or external testing laboratory? Internal External Both
- 5.7 Are records of result of quality control tests kept so that you can identify at a later date what tests you applied to given products at a given time? Yes No
- How far back do your records go (please give number of years)?

- 5.8 If your products are manufactured to the specification of your customer do they test the products upon receipt? Yes No
- 5.9 Do you receive an acceptance sign-off from your customer? Yes No
- 5.10 Do all of your products, as insured under this policy, comply with all US/Europe regulations and/or local law in the country where sold? Yes No

6. Recall Preparedness and Traceability

- 6.1 Do you have a current Recall Plan in place? (if yes, please provide copy) Yes No
- Date Updated _____
- 6.2 Do you have a Crisis Management Plan in place? (if yes please provide copy) Yes No
- Date Updated _____

- 6.3 Do you utilise a batch coding system? Yes No

6.4 What percentage of your products can the company identify by the following:

Product Name:	%	Day:	%	Hour:	%
Batch:	%	Shift:	%	Plant produced:	%

6.5. To what level can you trace their products handled, manufactured or produced once they have left their care, custody and control (please provide details)?

6.6. Are records kept of all shipments? Yes No

If yes, for how long: _____

7. Incident and Loss Information

7.1. Have you, your premises, products or processes been the subject of recommendations or complaints made by any regulatory body, internal or third party audit over the past ten (10) year? Yes No

If yes, please provide details: _____

7.2. In the last 10 years have you withdrawn or recalled any products or have you been responsible for the costs incurred by any third party arising from the withdrawal or recall of any products regardless of any subrogation? Yes No

If yes, please provide the following:

Date of incident or loss _____ Location where incident occurred _____

Description of the incident _____

7.3. Does the company, its directors and officers have any knowledge of any current situation, fact or circumstance which might lead to a claim under this policy? Yes No

7.4. Do you maintain any Product Liability Insurance? Yes No

If yes, what are the limits and deductible/SIR? _____

7.5. Do you maintain any E&O Insurance? Yes No

If yes, what are the limits and deductible/SIR? _____

8. Important Notice

Your Duty of Disclosure

Before you enter into a contract of general insurance with us you have a duty, under the Insurance Contracts Act 1984, to disclose to us every matter that you know, or that a reasonable person in the circumstances could be expected to know, is a matter that is relevant to our decision whether to accept the risk of insurance and, if so, on what terms and conditions.

You have this duty until we agree to insure you.

You have the same duty to disclose those matters to us before you renew, extend, vary or reinstate a contract of general insurance. Your duty, however, does not require disclosure of matter:

- That diminishes the risk;
- That is of common knowledge;
- That we know, or should know in the ordinary course of our business;
- As to which compliance with your duty is waived by us.

Non Disclosure

If you do not comply with your duty of disclosure, we may be entitled to reduce our liability under the contract in respect of a claim, or may cancel the contract. If your non-disclosure is fraudulent, we may also have the option of avoiding the contract from its beginning.

Privacy Statement

RM Specialty Pty Limited is committed to safeguarding and protecting you, the Insured's privacy. We are bound by the provisions of the Privacy Act 1988 (Cth) which sets out the standards to meet in the collection, use and disclosure of personal information. RM Specialty Pty Limited will only collect personal information from you to allow us to quote on and insure your risks and matter incidental thereto, including investigating and managing claims.

We may provide your personal information to others, such as other insurers or our reinsurers, claims investigators, lawyers and other professionals and government bodies. We will not under any circumstances trade, rent or sell your information.

If you do not provide us with complete, accurate and up-to-date information, we cannot properly quote for your insurance and we cannot insure you. If you provide us with your personal information about anyone else, RM Specialty Pty Limited will rely on you to have told them that you will provide their information to us, to whom we may provide it, the purposes for which we will use it and that they can access it. If the information is sensitive, we rely on you to have obtained their consent on these matters.

If you wish to access or correct your personal information please contact us by sending an email to privacy@rmspecialty.com.au

Declaration

I declare that all necessary enquiries into the accuracy of the responses given in this proposal have been made and the statements and particulars in this proposal are true and that no material facts have been misstated or suppressed after enquiry. I agree that should any of the information given in this proposal alter between the date of this proposal and the inception date of the insurance to which this proposal relates, I will give immediate notice to the insurer.

I confirm I have read and understand the 'Important Notices' set out within this proposal form and agree to abide by the requirements set out in the conditions.

I agree that this proposal, together with any other information supplied shall form the basis of any contract of insurance effected thereon. All written statements and materials furnished to the insurer in conjunction with this proposal are hereby incorporated by reference into this proposal and made a part hereof.

The completion and signing of this proposal form does not bind the applicant or the insurer to complete this insurance. The applicant's acceptance of the insurer's quotation and the insurer's written agreement to be bound is required to bind coverage and to issue a contract of insurance.

I agree that this application is for insurance in accordance with the normal terms and conditions of RM Specialty Pty Limited Product Recall, Contamination and Packaging Defect Insurance, the terms and conditions of which I have been shown and have read before completing this application, and which shall be incorporated into and form the basis of this insurance contract.

I confirm I am authorised to act on behalf of all other Insureds to complete, sign and submit this proposal and with respect to the giving and receiving of any return premiums that may become due under this policy, the acceptance of endorsements and the giving or receiving of any other notice provided for in this policy, all other Insureds agree that the first Insured listed on the policy schedule will act on their behalf.

DECLARATION TO BE SIGNED BY CHAIRMAN / CHIEF EXECUTIVE OR EQUIVALENT:

Full Name: _____

Signature: _____ Date: _____

Company: _____

***SIGNING THIS PROPOSAL DOES NOT BIND THE PROPOSER
TO COMPLETE THIS INSURANCE***