



Product Defect Insurance (for Finished Products)

Proposal Form

Application Form for Product Defect Insurance (for Finished Products)

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

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

1.2 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. _____

1.3 Date company first established: _____

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

Yes No

If yes, please provide name of business: _____

1.5 Type of Operations (eg Manufacturer, Importer, Distributor, Retailer etc): _____

1.6 Type of Products: _____

2. Products

List the turnover figures for the product(s) to be insured for the past two years as well as the estimated turnover for the forthcoming year and indicate the approximate percentage split in sales per territory:

Year	Turnover (AUD)	Australia / New Zealand (%)	US / Canada (%)	Others (%)

Describe the top 4 brands produced by % of turnover:

Brand Name	Brand Description	Brand Owner	Annual turnover (AUD)	Date first produced

Details of manufacturing sites by geographical location:

Location	No. of sites per location	Highest plant turnover per location (AUD)	Average no. of production lines

Has the company had any strikes, riots, work-stoppages or plant closings in the last 3 years? YES NO

If yes, please provide details:

Has the company ever been a direct target of political, racial, environmental or other extremist or special interest groups? YES NO

If yes, please provide details:

3. Product Exposure / Contract Size

Please complete the following table for your Top 3 Products or Contracts in the last 24 months:

Product/Contract name			
Finished Good/Component?			
Product Sales (AUD)			
Largest Batch Size (AUD)			
Failure rate (% or PPM)			
Failure Rate (AUD)			
Warranty period (Years)			

Can all products be tracked so that the source and destination of individual batches be identified? YES NO

4. Supply Chain Management

Details of top 4 suppliers:

Supplier Name	Supplier Location(s)	Supplier Product(s)	Length of relationship	% of product supplied

What proportion of all your suppliers do you:

Rely on certificates of conformance	%
Rely on third party audit certification	%
Undertake your own audit of suppliers	%
Hold harmless or limit liability	%

5. Contract Management

Do you contract manufacture for third parties? YES NO
 If yes, what proportion of your turnover is for third parties %

How regularly are you audited by customers?

Do you utilise contract manufacturers? YES NO
 If yes, what proportion of your turnover is made by third parties %

Do you audit third party manufacturers? YES NO
 If yes, please provide latest report on largest manufacturer.

Do you hold contract manufacturers harmless or are there any limitation on their liability? YES NO

6. Quality Control and Testing

Do you have a recall plan or crisis management plan? YES NO
 If yes, please provide copy as part of this submission.

How large is your QC/QA function? (Staff numbers & Investment)

Does the QC/QA function report directly into senior management? YES NO
 If yes, who is the senior manager

Do you have an independent third party audit your facility? YES NO
 If yes, how often are these audits taken and provide a copy of latest report

What proportion of your products are tested?

At what point in the manufacturing process is testing performed?

	<input type="checkbox"/> Raw Materials	<input type="checkbox"/> In-line	<input type="checkbox"/> End product
What type of tests performed?			

Do you have an in-house testing facility? YES NO
 If no, please provide name and details of facility used?

7. Traceability

Can all products be tracked so that the source and destination of individual batches be identified? YES NO

How often do traceability tests take place?

How the tests measured and what are your previous score?

8. Design

What proportion of your products do you have full design responsibility for? %

Is design work done in-house or through a sub-contracted third party? (if through 3rd party, please provide name and details)

If design is sub-contracted to a third party, do you hold them harmless or limit their liability? YES NO N/A

If design is undertaken in-house, are the designs subject to external review, testing or certification? YES NO N/A

9. New Products (to be insured)

Will any new type of product be marketed during the next twelve months? YES NO
If yes, please give details:

10. Claims

Have any claims been made against you or any predecessor in business in the past ten years? YES NO

If yes, please give full details including amounts involved. Please also advise if any contracts were lost as a result:

11. Incidents and / or Recalls

Other than any details indicated in Q10, has the proposer or any of its Divisions or Subsidiary Companies had any actual, threatened or suspected errors in manufacturing, labelling, packaging in the past 5 years? YES NO

If yes, please give full details including potential amounts involved. Please also advise if any contracts were lost as a result:

Other than any details indicated in Q10, is the proposer or any of its Divisions or Subsidiary Companies aware of any circumstances which could lead to a recall or give rise to a claim under this policy? YES NO

If yes, please give full details:

Has any insurer ever cancelled, restricted or refused to renew your liability insurance? YES NO
If yes, please explain:

12. 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 steve@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 agreed 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 Defect Insurance (for Finished Products), 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***