

# Application for Products Liability Insurance



All Questions must be Answered Completely. PLEASE PRINT.

Policy No. \_\_\_\_\_

Agent/Broker	Date:
--------------	-------

**1. Applicants Instructions**

- a) Answer all questions.
- b) If space is insufficient to answer any questions fully, attach separate sheet.
- c) Application must be signed and dated by owner, partner or officer.
- d) If the answer to any question is none, state **NONE**.

**2. General Information**

Name of Applicant, including all subsidiary companies, domestic and foreign:

Principal Address:

- a) Applicant is:     A Corporation             A Partnership             An Individual             Other:
- b) Applicant is:     Manufacturer             Wholesaler             Retailer             Importer             Exporter

c) Years in business under present name: \_\_\_\_\_

d) Prior experience in this business under another name: \_\_\_\_\_

e) Present affiliation with other firms: \_\_\_\_\_

f) Sales and Receipts for new policy year: \_\_\_\_\_

**3. Policy Period**

Policy Period Desired: From: \_\_\_\_\_ to \_\_\_\_\_

Limits Desired: \$ \_\_\_\_\_ coverage occurrence \$ \_\_\_\_\_ coverage aggregate

**4. Products and Completed Operations**

Describe your products and services, include and identify those acquired via acquisition or merger, those planned for introduction in next 12 months and those previously discontinued and date discontinued. Show number of years involved with each product, indicate which products your install, service or repair:

- a) Products & Services: \_\_\_\_\_
- b) Years Involved: \_\_\_\_\_
- c) Principal End Uses: \_\_\_\_\_
- d) % of Gross Annual Sales: \_\_\_\_\_

(Attach brochures, catalogues, labels, instruction manuals, annual reports, Product Safety Surveys, etc.)

**5. Claims History**

5 years or more including losses incurred under a different name or incurred by operations subsequently merged or acquired.

a) Total aggregate losses, from the ground up, including defense costs:

Policy Period	No. of Claims	Total Amounts Paid BI	PD	Amounts In Reserve BI	PD	Total Incurred	Date Evaluated

b) Individual losses, valued \$5,000 or more from the ground up, including defense costs:

Date of Occurrence	Product Involved	Year Manufactured	Describe Occurrence and Injury or Damage	Amount Paid & Reserved	Date Evaluated

c) Are you aware of any other incidents, which may result in claims against you? Yes  No

If yes, give details: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**6. Products and Sales Date**

a) For Principal Product, Indicate:

	Total Sales	Product	% Of Total Sales	No. of Units Sold
<b>Past 12 months</b>				
<b>1<sup>st</sup> Prior Year</b>				
<b>2<sup>nd</sup> Prior Year</b>				
<b>3<sup>rd</sup> Prior Year</b>				
<b>4<sup>th</sup> Prior Year</b>				

Replacement parts are what percentage of total sales? \_\_\_\_\_ %

- b) Do you import products or component parts?  Yes  No
- c) Do you export products or have foreign operations?  Yes  No
- d) Could any of your products or services be used on or connection with:
  - 1. Aircraft/missile/aerospace?  Yes  No
  - 2. Watercraft or offshore?  Yes  No
  - 3. Transportation?  Yes  No
- e) Do you make or handle any product that is explosive, flammable or poisonous either by itself or in combination with other materials?  Yes  No
- f) Could any of your products be classified as:
  - 1. Ethical drugs or pharmaceuticals?  Yes  No
  - 2. Cosmetics?  Yes  No
- g) Are any of your products sold under another's name or label?  Yes  No
- h) Do you purchase materials or components from others?  Yes  No

**Please explain all of the above "YES" answers below:**

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**7. Processing**

- a) Do others assemble your products?  Yes  No  
If assembly by others do you supervise?  Yes  No
- b) If installation by others do you supervise or furnish instructions as to installation?  Yes  No  
If so, please attach copy.
- c) If you maintain and service your products, attach a copy of your standard service contract.
- d) Who packages your products? \_\_\_\_\_  
Who designs your packaging? \_\_\_\_\_  
Who supplies the packaging material? \_\_\_\_\_  
How are they packaged when sold? \_\_\_\_\_
- Is any sterile package involved?  Yes  No  
Do you package for others?  Yes  No

**8. Marketing**

- a) Percentage of total sales to:  
Wholesalers \_\_\_\_\_% Retailers \_\_\_\_\_% Consumers \_\_\_\_\_%
- b) Sales Territory: If more than 15% of your goods or services are consumed in any one territory, explain and indicate percentage of total sales: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- Suppliers and Distributors of your products:
- 1) Do you hold them harmless or insure them?  Yes  No  
2) Do they hold you harmless or insure you?  Yes  No
- If yes in either 1 or 2 above, please explain and provide copies of agreements.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**9. Loss Prevention**

- a) Have your products ever been subject to inquiry or investigation relative to product safety by any government agency? If yes attach details.  Yes  No
- b) Do you have a written products recall plan? If yes, please attach.  Yes  No
- c) Have you ever recalled products because of potential product safety hazard?  Yes  No  
If yes, attach details and indicate per cent of recovery.
- d) Has your management issued a written policy statement on product safety which has been communicated to all employees? If yes, please attach.  Yes  No
- e) Do you have a written products safety program for which specific individuals have responsibility for implementation? If yes, attach copy of outline.  Yes  No

**10. Product Design**

- a) Do you do your own design work?  Yes  No
- b) Do you maintain records of design changes and reasons justifying these changes?  Yes  No
- c) Are your designs subject to independent external review or certification?  Yes  No  
If so, attach details and dates.
- d) Are your products designed, tested, labeled and manufactured:  
1) To meet or exceed all government and industry standards?  Yes  No  
2) For optimum safety in spite of misuse or abuse?  Yes  No

**11. Quality Control and Testing**

- a) Are written testing procedures followed?  Yes  No
- b) Do you have a quality control manager responsible only to top management?  Yes  No
- c) Supplies and components:
  - 1) Are they ordered to your specifications?  Yes  No
  - 2) Have you determined which ones are critical?  Yes  No
  - 3) List those critical items, indicating whether testing is on a sample basis or on all units: \_\_\_\_\_  
\_\_\_\_\_
  - 4) Are warranties obtained from all suppliers?  Yes  No
- d) Final Products:
  - 1) Briefly describe tests applied before sale: \_\_\_\_\_
  - 2) What percentage is tested? \_\_\_\_\_%
  - 3) Are records of results of quality control test kept so that you can identify at a later date what tests you applied to a given product at a given time?  Yes  No
  - 4) How far back do your records go? (give date) \_\_\_\_\_

**12. Instructions/Warnings/Advertising /Warranties**

- a) Are hazards inherent in the final product and warnings against foreseeable misuse and abuse, made know to the ultimate user by:
  - 1) Warning labels at the point of hazard?  Yes  No
  - 2) Written instructions?  Yes  No
  - 3) Other means? (attach details)  Yes  No
- b) Are instructions, warnings, labels and advertising texts subject to review, to assure that they are complete and understandable and avoid overstatement relative to safety, or omissions relative t hazards by:
  - 1) Legal counsel?  Yes  No
  - 2) Top management?  Yes  No
  - 3) Other? (attach details)  Yes  No
- c) Do you expressly disclaim or limit warranties for products?  Yes  No
- d) Are all warranties and/or disclaimers reviewed by legal counsel?  Yes  No  
(Submit copies of all warranties and disclaimers.)
- e) Do you provide any specific training or instruction for the ultimate user, in the proper use of your product?  Yes  No  
If yes, please describe:  
\_\_\_\_\_  
\_\_\_\_\_
- f) Are salesmen and distributors made aware or your desire to be informed of cases where your product is used for a purpose for which it was not designed?  Yes  No

**13. Loss Control and Defense**

- a) Explain how you can identify your products and parts from similar competitor's products and parts.  
\_\_\_\_\_  
\_\_\_\_\_
- b) Can you determine, based on available records for all products you have sold:
  - 1) When any given product item was manufactured?  Yes  No
  - 2) To whom it was sold, and the date of sale?  Yes  No
  - 3) Who supplied parts and supplies going into the final product?  Yes  No
- c) Do you maintain copies of old instruction or operation manuals and advertising material?  Yes  No
- d) Accident Procedure:
  - 1) Do you have a written procedure for obtaining information about product complaints, accidents and injuries involving your products?  Yes  No
  - 2) Have you made distributors aware of your desire for prompt notice of all complaints, accidents and injuries involving your products?  Yes  No
  - 3) Does your procedure provide for examining and preserving any allegedly defective product, with the results of such examination recorded?  Yes  No

- 4) Do reports on complaints, accidents, injuries and the examination of products involved go to:
- a) The person responsible for products safety?  Yes  No
  - b) Top management?  Yes  No

**14 Please clearly identify the person from which the above information was obtained.**

\_\_\_\_\_

\_\_\_\_\_

**The undersigned hereby affirms the accuracy and completeness of the information contained herein. The undersigned hereby applies for insurance and agrees that any non-disclosure or material misrepresentation of pertinent facts may render any such insurance contract null and void at the insurer's discretion.**

**READ AND ACCEPTED BY:**

X \_\_\_\_\_  
Name and Title of Applicant (not broker or agent)

X \_\_\_\_\_  
Signature

X \_\_\_\_\_  
Dated