



INSURANCE INNOVATORS INCORPORATED

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PRODUCT LIABILITY APPLICATION

1. APPLICANT

- a. Full Name: _____
- b. Principal Address: _____
- c. Individual ● Partnership ● Corporation ● Other ●
- d. Manufacturer ● Wholesaler ● Retailer ● Importer ● Exporter ●
- e. Years in business under present name: _____
- f. Prior experience in this business under another name: _____
- g. Present affiliation with other firms: _____
- h. Sales and Receipts estimated for new policy year: _____

2. 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 you install, service or repair:

| Products and Services | Years Involved | Principal End Use | % of Gross Annual Sales \$ |
|-----------------------|----------------|-------------------|----------------------------|
| | | | |
| | | | |
| | | | |

(Attach brochures, catalogs, labels, instruction manuals, annual reports, D&B Product Surveys, etc.)

3. CLAIM HISTORY-5 years or more

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

| Policy Period | No. of Claims | Total Amount Paid BI | Total Amount Paid PD | Amounts in Reserve BI | Amounts in Reserve PD | Total Incurred | Date Eval. |
|---------------|---------------|----------------------|----------------------|-----------------------|-----------------------|----------------|------------|
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

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

| Date of Occur. | Product Involved | Year Mfgd. | Describe Occurrence And Injury of Damage | Amount Paid & Reserved | Date Eval. |
|----------------|------------------|------------|--|------------------------|------------|
| | | | | | |
| | | | | | |
| | | | | | |

- c. Are you aware of any other incidents that may result in claims against you? Yes ● No ● If yes, give details:

4. PRODUCT SALES DATA

a.

For Principal Product or Service, Indicate:

| | Total Sales Or Receipts | Product or Service | % of Total Sales | No. Units Sold |
|----------------------------|----------------------------|-----------------------|---------------------|-------------------|
| Past 12 months | _____ | _____ | _____ | _____ |
| 1 st Prior Year | _____ | _____ | _____ | _____ |
| 2 nd Prior Year | _____ | _____ | _____ | _____ |
| 3 rd Prior Year | _____ | _____ | _____ | _____ |
| 4 th Prior Year | _____ | _____ | _____ | _____ |

Replacement parts are what percentage of total sales? _____ %

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

PLEASE EXPLAIN ALL OF THE ABOVE "YES" ANSWERS BELOW:

5. PROCESSING

- a. Do others assemble your product? Yes ● No ● If assembly by others, do you supervise? Yes ● No ●
- b. If installation by others, do you supervise or furnish instruction 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 materials? _____

How are they packed when sold? _____

Is any sterile packaging involved? _____

Do you package for others? _____

Do you package under trade names other than your own? _____

6. 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 city, state or country, explain and indicate percentage of total sales: _____
- d. Suppliers and Distributors of your products.

| | Yes | No |
|---|-----|----|
| i. Do you hold them harmless or insure them? | — | — |
| ii. Do they hold you harmless or insure you? | — | — |
| If yes in either i. or ii. Above, please explain. | | |

7. LOSS PREVENTION

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

8. PRODUCT DESIGN

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

9. QUALITY CONTROL AND TESTING

- | | | |
|--|---|---|
| a. Are written testing procedures followed? | — | — |
| b. Do you have a quality control manager responsible only to top management? | — | — |
| c. Supplies and components: | | |
| i. Are they ordered to your specifications? | — | — |
| ii. Have you determined which ones are critical to the safety of your final product? | — | — |
| iii. List those critical items, indicating whether testing is on a sample basis or on all units. | | |

- | | | |
|---|---|---|
| iv. Are warranties obtained from all suppliers? | — | — |
| d. Final Products: | | |
| i. Briefly describe tests applied before sale | | |
-

- ii. What percentage is tested? _____
- iii. Are records of results of quality control tests kept so that you can identify at a later date what tests you applied to a given product at a given time? Yes ● No ●
- iv. How far back do your records go? (give date) _____

10. INSTRUCTIONS/WARNING/ADVERTISING/WARRANTIES

- | | Yes | No |
|--|-----|----|
| a. Are hazards inherent in the final product, and warnings against foreseeable misuse and Abuse, made known to the ultimate user by: | | |
| i. Warning labels at the point of hazard? | — | — |
| ii. Written instructions? | — | — |
| iii. Other means? (attach details) | — | — |
| b. Are instructions, warnings, labels, and advertising texts subject to review, to assure that they are complete and understandable to the ultimate user, and avoid overstatement relative to safety, or omissions relative to hazards by: | | |

- i. Legal counsel? — —
- ii. Top management? — —
- iii. Others? (attach details) — —
- c. Do you expressly disclaim or limit warranties for your products? — —
- d. Are all warranties and/or disclaimers reviewed by legal counsel?
(submit copies of all warranties and disclaimers) — —
- e. Do you provide any specific training or instructions for the ultimate user in the proper use
of your product? — —
If yes, please describe

- f. Are salesmen and distributors made aware of your desire to be informed of cases where your product
is used for a purpose for which it was not designed? —

11. 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: Yes No
 - i. When any given product was manufactured? — —
 - ii. To whom it was sold, and the date of the sale? — —
 - iii. Who supplied parts and supplies going into the final product? — —
- c. Do you maintain copies of old instruction or operation manuals and advertising material? — —
- d. Accident Procedure:
 - i. Do you have a written procedure for obtaining information about product complaints,
accidents and injuries involving your products? — —
 - ii. Have you made distributors aware of your desire for prompt notice of all complaints,
accidents and injuries involving your products? — —
 - iii. Does your procedure provide for examining and preserving any allegedly defective
product, with the results of such examination recorded? — —
 - iv. Do reports on complaints, accidents, injuries and the examination of products involved go to:
 - a) The person responsible for product safety? — —
 - b) Top management? — —

12. INSURANCE REQUESTED

- a. Limits desired: \$ _____
- b. Deductible desired: \$ _____
- c. Present insurer: _____
- d. Has any insurer ever cancelled, restricted or refused to renew your products liability insurance? Yes ● No ●

NOTICE TO APPLICANT:

WARRANTY: I/We warrant that the information contained herein is true and that it shall be the basis of the policy of insurance and deemed incorporated therein, should the Company evidence its acceptance of this application by issuance of a policy.

| | | | |
|----------------------------|------|---------------------------|------|
| APPLICANT'S SIGNATURE X | Date | PRODUCER'S SIGNATURE X | Date |
|----------------------------|------|---------------------------|------|

One signed copy of this application will be attached to the policy, if issued.

SIGNING THIS FORM DOES NOT BIND THE APPLICANT OR THE COMPANY OR THE PRODUCER TO COMPLETE THE INSURANCE. Application MUST be signed by the applicant and dated to be considered for quotation.

| Question # | ADDITIONAL EXPLANATION TO THE QUESTIONS DESIGNATED |
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