

Proposal Form

Product Guarantee/Recall Insurance

Arranged through ASR Underwriting Agencies Pty Ltd Underwritten by Certain Underwriters at Lloyd's



IMPORTANT NOTES

PLEASE READ THESE GUIDANCE NOTES BEFORE COMPLETING THE PROPOSAL FORM. WHERE FURTHER INFORMATION IS REQUIRED PLEASE ATTACH IT TO THIS PROPOSAL FORM.

This proposal must be typed, or completed in ink and signed and dated by such person (Proposer/You/Your) who must be of legal capacity and authorised by the Proposer to seek a quotation for Liability Insurance and any additional coverage that may be provided by the Insurer. Please answer every question fully, and state "NIL" or "NONE" as applicable. Incomplete answers may not be accepted and can delay quotation.

Should there be insufficient room in the Proposal Form for full details, please attach further information on signed and dated sheets, wherever possible following the same format and paragraph number.

It is the duty of the Proposer to disclose all material facts to Insurers. Where this is omitted, the Insurers may avoid their obligation under the Policy.

For the purpose of the Proposal and for all purposes relating to any policy issued pursuant to this Proposal, a 'material fact' shall be deemed to be one that would be likely to influence an Insurer's judgement and acceptance of Your Proposal.

Upon acceptance of the Insurers' terms and conditions and payment of the premium, all information provided by the Proposer together with the guidance notes will be deemed to be incorporated in the contract between Insurers and the Proposer.

Your Duty of Disclosure

Before You enter into an insurance policy, it is Your duty to disclose every matter that You know, or could reasonably be expected to know, to be relevant to the Insurer's decision whether to give You insurance cover and, if so, on what terms.

Consequences of Non-Disclosure or Misrepresentation

If You breach Your duty of disclosure; the Insurer(s) may be able to refuse to pay a claim or to cancel Your policy. The same applies where You have made a misrepresentation, if fraudulent (ie. done deliberately for the purpose of obtaining insurance, or for obtaining it on favourable terms) the Insurer(s) may be able to 'avoid' Your policy. This means that the Insurer(s) can treat the policy as never having existed. Non-disclosure or misrepresentation in relation to one policy may affect Your ability to obtain other insurance in the future.

If You are unsure whether some information may be disclosable or not we suggest You call Your insurance broker and seek guidance.

Privacy

We are committed to protecting Your privacy. We only use the personal information You provide to us to quote on and insure this risk. We only provide Your personal information to our Insurer(s) and Reinsurers (and their representatives) and those we appoint to assist us with claims under Your policy (ies). We do not trade, rent or sell Your information. Some or all of the Insurer(s) and Reinsurers may be overseas.

If You don't provide us with complete information, we cannot properly quote for Your insurance and we cannot insure You. You can check the information we hold about You at any time. For more information about our Privacy Policy, ask us for a copy. Copies of the Proposal Form should be retained for Your own records.

Excess

The policy provides that You will be required to bear a specified amount of all claims and this is for each and every claim made against You including defence costs. We will let You know when the excess is payable.

Your Legal Liability

If you take out a Liability cover section, the financial risk of court awards through litigation is ever increasing and we recommend that You select a Limit of Liability that takes into account the future cost of claims including legal fees and costs of defence. Even higher limits are available than your current limit if required. Defence costs are included within the limit of liability, when you take out a Liability cover section.

Waiver of Rights

If You have entered into an agreement with another party, which prevents your Insurer from taking recovery action for compensation from that party it may affect Your rights to cover under this Policy. Should You now be a party to such an agreement or be requested to enter such an agreement in the future, please advise your Broker in writing so we may notify the Insurer.

Risk Survey

Acceptance of the proposed risk may be subject to a survey to be carried out by or on behalf of the Insurers. In the event that the survey results in findings of misrepresentation, Insurers may be able to decline any potential claim. Please note that by carrying out a site survey and report any ensuing requirements &/or recommendations shall not constitute any undertakings on the part of the Insurers or others to determine or warrant that the premises surveyed are safe, fit or compliant with any Federal, State, Local Government law, statute, by-law, rule, regulation, building code or the like.

Broker

Contact Name

Phone

Fax

Email

Information

1. Name(s) or Company(ies) proposed to be insured including any Subsidiary Company(ies)

Date first established

2. Principal Address

3. Full description of the Proposer's activities

4. Does the Proposer operate a Research and Development Department? yes no

If yes, please specify details and qualifications of personnel including design team

5. List of Products (in general terms) produced or supplied and to which this insurance is to apply

Nature of Product

Approximate Annual Turnover

Date first Marketed

6a. Details of Proposer's largest contracts in the last three years

6b. Details of Proposer's average contract size with batch size if applicable

7. What is the failure rate of each Product after handover?

(Please state in each case whether this is based on actual experience).

8. Details of the Proposer's quality control procedures

9. Will any new type of Product be marketed during the next twelve months? yes no

If so, please give details

The answers to questions 10 and 11 are very important; great care should be taken in answering them. The policy is on a CLAIM MADE BASIS and will therefore apply to claims first made against the Assured during the period of the policy.

10. Have any claims been made against the Proposer or any predecessor in business in the past ten years? If YES, please give full details including amounts involved

yes no

11. Other than any details indicated above, is the Proposer or any predecessor in business, after enquiry, aware of any circumstances which could give rise to a claim? If Yes, please give full details including potential amounts involved

yes no

In Respect Of Products Recall

12. i) What plans exist to initiate a recall?

ii) Would it be necessary for the Proposer's distributors to co-operate on handling a recall? yes no

If so, have they been briefed? yes no

13. Have Press or other announcements been prepared for retention on file? yes no

14. i) Details of records maintained to trace the location of Products

ii) Do the Products carry:

a) the Proposer's Company name? yes no

b) the Proposer's Trade Mark? yes no

c) a part number? yes no

d) a production batch number? yes no

iii) How long are records kept?

15. What is the Proposer's estimate of likely cost of a recall within the next 12 months?

16. Name(s) and position(s) of the Proposer's organisation empowered to authorise a recall

17. If any of the Proposer's Products are incorporated into other Products, would the other manufacturer(s) initiate a recall? yes no

In Respect Of Exports Other Than USA

18. Details of overseas markets

Product	Estimated Annual Value of Exports	Country/Origin	Representation
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In Respect Of Exports To USA

19a. Full description of all Products exported

19b. Estimated annual value of the above exports

20. How long has the Proposer been producing each Product?

21. For how long has the Proposer been exporting these Products to the U.S.A. and to which State(s) in particular?

In Respect Of Exports To USA

22. What percentage of each Product goes to each State?

23. Means of exports to U.S.A. i.e.

- i) direct Subsidiary in U.S.A.
- ii) incorporated in part of machinery or commodity sold direct by another manufacturer.
- iii) sold F.O.B. in country of origin to selling agent in U.S.A.

24. Does the Proposer have any Power of Attorney or Assets in the U.S.A.? yes no
If so, please give full details

25. Full details of all contractual terms, warranties, including all oral or written undertakings given by or to U.S.A. sellers or suppliers

26. Is the U.S.A. seller or supplier for Products Liability including imported goods? yes no
If so, please state limit:

27. Full information re claims paid and outstanding and details of all complaints which have not yet developed into claims

28. Has the Proposer previously been insured for exports to U.S.A.? yes no
If so, is/was it on a claims made basis?

29. What is the amount of the aggregate indemnity required?

30. What deductible would the Proposer be willing to carry

- i) as an each and every claim?
- ii) in Aggregate during the period.

Declaration

Notice and warning about material facts on Proposal Form.

Before completing this Proposal, your special attention is drawn to the fact that failure to disclose all material information, i.e. information which is likely to influence the acceptance of the risk and the terms applied, could invalidate the insurance. If you are in doubt as to whether any information is material, it should be disclosed.

I/We declare that AFTER FULL ENQUIRY the statements and particulars in this proposal are true and I/we have not mis-stated or suppressed any material facts.

I/We agree that this proposal and accompanying documents or papers shall form the basis of the Contract of Insurance effected hereon.

I/We undertake to inform Insurers of any material alteration to these facts whether occurring before or after completion of the Contract of Insurance.

AUTHORISED SIGNATORY

Dated

NAME OF SIGNATORY

Position

Please attach the following documents:

Contract conditions and/or trading conditions normally used, any "hold harmless" or waiver of rights of recourse agreement, and brochures illustrating the various Products. The Proposer's latest annual report would also assist Underwriters.