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Products Recall Insurance Application

Instructions to Applicants

- i. All questions must be answered completely. Please type or print clearly. If any questions are considered 'not applicable', please explain why.
- ii. This application must be signed and dated by an officer of the company.
- iii. Where there is a "Yes" or a "No", please check one of them.
- iv. This application must be submitted together with your most recent annual report and 10K's for all entities; supplement with any 10Q's if pertinent changes have occurred.

1. Name of Applicant (Please attach list of subsidiaries, if applicable, under this Application):

2. Address of Applicant:

3. Please indicate the Applicant's core business activity and list the Applicants products and gross sales for the current and two preceding years.

a. Retailer ____% Wholesaler ____% Manufacturer ____%
 Raw Materials Supplier ____% Other (Please Specify) ____%

b. Product Description	In 1,000's		
	Sales 20 ____ Current Year	Sales 20 ____ Last Year	Sales 20 ____ Previous Year
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(If pharmaceutical, please declare whether you sell or supply over the counter capsules)

4. Give percentage of the gross sales in the various geographical areas in which the Applicant's products are sold. Gross Sales US\$ _____

North America	____%	Asia	____%	Western Europe	____%
South America	____%	Africa	____%	Middle East	____%
Eastern Europe	____%	Central America	____%	Australia	____%

5. Please give breakdown of the Applicant's employee numbers by country:

North America	_____	Asia	_____	Western Europe	_____
South America	_____	Africa	_____	Middle East	_____
Eastern Europe	_____	Central America	_____	Australia	_____

6. Does the Applicant manufacture goods or products?

If 'Yes' please;

- List the locations of your manufacturing facilities:
- Indicate the percentage of the Applicant's goods or products sold as Branded Products? _____%.
- Indicate the percentage of the Applicant's goods or products sold as part of or under another Company's label or brand name _____ %.

If the indicated percentage is greater than 5% of the Applicants Gross Sales, to whom are the goods or products sold and what is the end product's label or brand name?

7. What is the average shelf life of the Applicant's products? Give estimated % in relation to your Gross Sales;

- Less than one week _____%
- One week to one month _____%
- One month to six months _____%
- Six months to two years _____%
- Indefinite shelf life _____%

8. a. Are any of the Applicant's goods or products batch produced?

___ Yes ___ No

If "Yes", what is the average batch size for each product?

b. Are any of the Applicant's goods or products continuously produced?

___ Yes ___ No

If "Yes", what is the average run size for each product?

9. a. Does the Applicant have in place a product coding system?

___ Yes ___ No

If "Yes", please provide full details.

b. Does the Applicant have any products that are not subject to a product coding system?

___ Yes ___ No

If "Yes", please provide full details.

10. a. Is the Applicant able to trace products, such that the destination of an individual batch or production run can be identified?
 Yes No

If "Yes", please provide full details.

- b. Does the Applicant's wholesalers and/or distributors maintain records of the final outlet for your products?
 Yes No

If "Yes", please provide full details.

- c. Does the Applicant utilize product testing?
 Yes No

If "Yes", please provide full details.

11. Does the Applicant operate a centralized corporate system for the handling of product complaints?
 Yes No

If "Yes", please provide details, by product, of the nature of the complaints and the annual number of product complaint notices for the past 5 years.

If "No", please explain.

12. Please advise whether the Applicant has implemented the following;

- a. Crisis Management Plan Yes No
b. Recall plan Yes No
c. Public Relations Plan Yes No
d. Quality Control Guidelines Yes No

If "Yes", please forward a copy of the plan(s) with this application.

13. Please advise if the attached plans and guidelines vary by product, plant, subsidiary or country of sale or origin. If the plans and guidelines vary, please specify the variations.

14. a. When and under what circumstances were the plans and guidelines last reviewed?
b. When and under what circumstances were the plans and guidelines last tested?
c. List the officers throughout the organization that have copies of the plans and guidelines.
d. Who, within your organization, can initiate a major recall and under what circumstances?

15. Has the Applicant attained any formal Quality Control Specification?
 Yes No

If "Yes", please specify.

16. Has the Applicant had any Health and Safety violations or hygiene non-compliance orders over the past 5 years or has the Applicant been the subject of any criticism or complaint of operations by any regulatory body?

Yes No

If "Yes", please provide details.

17. a. Are any 'hold harmless' contractual agreements in force between the Applicant and the Applicant's suppliers?

Yes No

If "Yes", to whom does the (hold harmless) benefit inure?

b. Are any 'hold harmless' contractual agreements in force between the Applicant and the Applicant's customers?

Yes No

If "Yes", to whom does the (hold harmless) benefit inure?

18. a. Has the Applicant or any of its products ever been the target of politically, racially or environmentally activated single interest groups?

Yes No

If "Yes", please provide details.

b. Does the Applicant undertake any activities either directly or indirectly which make it a target for such groups?

Yes No

If "Yes", please provide details.

c. Does the Applicant use animal testing in its product research or development?

Yes No

If "Yes", please provide details.

19. Has there been any industrial action or plant closure during the past 5 years?

Yes No

If "Yes", please provide details.

20. Have there been any cases of actual or alleged Wrongful Dismissal over the past 5 years?

Yes No

If "Yes", please provide details.

21. What percentage of the Applicant's products utilize tamper evident packaging? _____%.

Please provide details of specifications.

22. Has the Applicant, over the past 5 years initiated any product recalls, whether or not insured or insurable under a Malicious Products Contamination or Accidental Contamination policy?
_____ Yes _____ No

If "Yes", please provide details of:

- a. Product name:
 - b. Description of product:
 - c. Location of incident:
 - d. Duration of incident:
 - e. Steps taken to mitigate the loss:
 - f. Estimated loss amount:
23. a. If the Applicant initiated a product recall during the past 5 years, please describe the efficiency and effectiveness of the Applicants Crisis Management Plan, Recall plan and/or Public Relations Plan (i.e., numbers of products or goods recovered compared to the size of the product recall population).
- b. List any amendments or improvements that have been made to the various plans following the product recall and the plans implementation.
- c. List any amendments and improvements that have been made to the Quality Control Guidelines following the product recall.

The undersigned authorized officer of the Applicant, having made due inquiry (including but not limited to due inquiry of the Legal and Risk Management Departments), declares that to the best of his knowledge and belief the statements set forth herein or attached hereto are true. The undersigned, on behalf of the Applicant, agrees that this form, such statements and attachments shall be the basis for the terms and conditions of any extension of the insurance policy issued by XL Insurance (Bermuda) Ltd.

APPLICANT: _____

SIGNATURE: _____

NAME: _____

TITLE: _____

DATE: _____