

PRODUCT CONTAMINATION INSURANCE – FOOD AND BEVERAGE APPLICATION

- All questions must be answered fully. Please attach additional sheets if more space required.
- This application must be signed and dated by an officer of the Applicant.

1. APPLICANT

- a. Name of Applicant, including any subsidiaries for which cover is also required (all questions must be answered to include details of such subsidiaries).
- _____
- _____
- _____
- b. Address of Applicant.
- _____
- _____
- _____
- c. How many years has Applicant been in operation under this name or others?
- _____
- d. Name of main contact(s) for this insurance.
- _____
- Telephone _____
- Email (or Fax) _____

2. APPLICANT'S BUSINESS

- a. Please describe Applicant's business. Please include in the description whether manufacturer / processor, importer, distributor etc. and provide an overview of the operation from start to finish.
- _____
- _____
- _____
- b. Applicant's anticipated total sales for next 12 months ('000s): _____
- Actual sales last 12 months: _____
- Previous 12 months: _____
- Please specify and explain if coverage is being sought for only a part of total Applicant's sales: _____
- _____
- c. Geographical split in sales ('000s):
- UK / Ireland _____
- Other Europe _____
- USA / Canada _____
- Australia / NZ _____
- Other (specify) _____
- _____
- d. Please split Applicant's sales by Branded, Own Label or non-branded products
- | | Sales ('000) | Number of brands |
|---|--------------|------------------|
| Branded (products with Applicant's brands) | _____ | _____ |
| Own Label (products with third parties' brands) | _____ | _____ |
| Non-branded (product sold without a branding) | _____ | N/A |
- e. Please list top 3 customers by % of sales

| Customer | Type of customer (e.g. retail) | % sales |
|----------|--------------------------------|---------|
| | | |
| | | |
| | | |

3. LOCATION PROFILE. Please detail all production facilities:

| a. Plant / Facility location | Annual sales ('000s) | Products | Number of production lines | Daily output | | Days production per year |
|------------------------------|----------------------|----------|----------------------------|--------------|-------|--------------------------|
| | | | | Sales | Units | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

b. How much spare capacity exists in the event of needing to switch production?

4. PRODUCT PROFILE. Please describe all product lines to be covered by the Policy.

| a. Product type (distinct categories of product to be covered) | Annual sales ('000s) | Raw, cooked, frozen, other | Average batch size | | Largest batch size | | Daily output of batches |
|--|----------------------|----------------------------|--------------------|-------|--------------------|-------|-------------------------|
| | | | Sales | Units | Sales | Units | |
| | | | | | | | |
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b. What is the Applicant's average gross margin on its products?

c. What % of sales is manufactured for Applicant by a third party?

Please detail

Does the Applicant hold any third party harmless in respect of such work?

YES / NO

If YES, details please

d. What % of sales / products becomes a component in third party products?

Please detail.

e. What is the shelf life of the products (months)?

Average

Longest

f. Please detail how products are packaged, e.g. glass bottles, vacuum-packed, cans etc.

g. Do any products contain allergens or nutritional boosters, or are any products subject to hormone or irradiation treatment?

YES / NO

If YES, details please

5. BATCH CONTROL AND TRACEABILITY

- a. Are all products subject to a specific batch coding system? YES / NO
If NO, please provide details _____

- b. What % of Applicant's products can be identified by the following?
Product name (%) _____ Batch (%) _____
Day of production (%) _____ Hour of production (%) _____
Production shift (%) _____ Other (%) _____
- c. Are separate production lines dedicated to different products? YES / NO
- d. How often does the Applicant carry out cleaning / sanitizing of production lines? _____
- e. Are production lines cleaned / sanitized between different products? YES / NO
- f. Does the Applicant have a written traceability system in place? YES / NO
- g. To what level can products be traced once they have left the care, custody and control of the Applicant? _____

- h. Are records kept of all product shipments? YES / NO
If YES, for how long? _____

6. QUALITY CONTROL

- a. Does the Applicant have a written quality control / assurance system in place? YES / NO
- b. Does the Applicant have a fully implemented HACCP system in place? YES / NO
If NO, details please _____

- c. Please detail any other relevant food safety systems in place (SSOPs, GMPs) and any industry accreditations held by the Applicant.

- d. Please comment on Applicant's internal and external auditing of HACCP / QA systems.

- How often is this carried out? Internal _____ External _____
- e. Has the Applicant, its premises, products or processes been the subject of recommendations or complaints made by any regulatory body, internal or third party audit over the past 12 months or have any fines or penalties been assessed against the Applicant by any food or similar regulatory body over the last 3 years? YES / NO
If Yes, please provide details as well as remedial action completed.

- f. Do all Applicant's products, including packaging and labeling, comply with all regulatory and legal requirements in the country(ies) where sold? YES / NO
- g. Is there a centralized system for handling product complaints? YES / NO
- h. What testing is carried out on products for which coverage is sought?
Visual YES / NO Metal detection YES / NO
X-Ray YES / NO Micro-biological YES / NO
Labels YES / NO Packaging YES / NO
Internal laboratory YES / NO External laboratory YES / NO
Other (please specify) _____
- i. Is testing on products carried out at critical control points at the following stages:
Incoming raw and component materials including packaging and labels? YES / NO
During manufacturing / processing? YES / NO
End-product including packaging and labels? YES / NO
Are test results received before or after product shipment? _____
If after, how long before test results are received? _____

7. SUPPLIERS. Please provide details on Applicant's top 3 suppliers:

| a. Supplier | Products supplied | % of supplies | Audited by Applicant? |
|-------------|-------------------|---------------|--|
| | | | YES <input type="checkbox"/> / NO <input type="checkbox"/> |
| | | | YES <input type="checkbox"/> / NO <input type="checkbox"/> |
| | | | YES <input type="checkbox"/> / NO <input type="checkbox"/> |

b. Please detail what approval measures are taken by the Applicant to manage the quality of suppliers

c. Does the Applicant maintain full rights of recourse against all suppliers?

YES / NO

8. STORAGE

a. How many storage facilities are operated by the Applicant?

b. What is the maximum value of product stored at any one location?

c. What % of product is stored by third parties?

9. PRODUCT SECURITY

a. What % of products uses tamper-evident packaging?

Please detail

b. Has the Applicant or its products ever been the target of politically, racially or environmentally activated single interest groups, e.g. animal rights groups?

YES / NO

If YES, details please

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

If YES, details please

YES / NO

d. Have there been any employee disputes including employment practices suits, industrial action or plant closures over the last 3 years?

YES / NO

If YES, details please

e. Does the Applicant anticipate any lay-offs and / or plant closures over the next 12 months?

YES / NO

If YES, details please

10. RECALL PREPARATION

a. Does the Applicant have the following plans in place:

Recall plan including a designated recall team?

YES / NO

Date last updated?

Crisis plan including public relations plan?

YES / NO

Date last updated?

Product security plan?

YES / NO

Date last updated?

b. How often are mock recalls carried out?

c. Has the Applicant carried out recall loss scenarios and, if so, what would the Applicant estimate to be the average and largest potential cost of a recall?

Average

Largest

11. LOSS HISTORY

- a. In the last 10 years has the Applicant experienced a withdrawal, recall or stock recovery of any products or has the Applicant been responsible for the costs incurred by a third party in recalling or withdrawing any products, whether or not insured or insurable under an accidental and malicious contamination policy? YES / NO

If YES, please complete the attached supplementary loss information sheet.

- b. In the last 10 years has the Applicant experienced any incidents of malicious tampering or extortion demands, whether or not any products were withdrawn or recalled? YES / NO

If YES, please attach details.

- c. Please detail / attach any product liability losses over the last 5 years _____

- d. Does the Applicant, its directors or officers have any knowledge of any current situation, fact or circumstance which could lead to a claim under an accidental contamination, malicious contamination and extortion policy? YES / NO

If YES, details please _____

12. LIMITS

Please advise what policy limit and self-insured retention the Applicant is seeking.

Limit _____

Retention _____

The undersigned authorized officer of the Applicant, having made due enquiry (including but not limited to the legal and risk management departments), declares that to the best of his / her knowledge and belief the statements set forth herein or attached hereto are true and that no material information has been withheld. None of the questions posed or issues raised in this Application shall be construed implicitly or expressly to delimit, qualify, restrict or otherwise affect the Applicant's duties of utmost good faith in respect of the insurance applied for hereby, nor as a waiver of the Underwriters' rights in respect of such duty, and the Applicant agrees and acknowledges that its duty without limitation is to disclose to the Underwriters any and all matters material to the underwriting of the proposed risk. The undersigned, on behalf of the Applicant, agrees that if a contract of insurance is provided by Underwriters, this Application and other material submitted prior to, with or after the Application shall be the basis of such contract. The undersigned, on behalf of the Applicant agrees and undertakes to inform the Underwriters of any material alteration to the risk occurring prior to the inception of the contract of insurance.

Signed: _____

Date: _____

Name: _____

Position: _____

SUPPLEMENTARY LOSS INFORMATION (please also attach any supporting information)

Date of incident _____

Product(s) involved _____

Location(s) where incident occurred _____

Details of the contamination (or extortion) _____

Over what period of time did the contamination occur? _____

How many products / product lines were affected? _____

Was a recall / withdrawal / stock recovery carried out? YES / NO

How many batches / units were recalled / withdrawn? _____

Please detail any third party products that were also recalled arising from the contamination _____

Please break out the costs involved in as much detail as possible including:

Applicant's Recall costs

Third party recall costs

Destruction / reworking or replacement costs

Applicant's loss of gross profit

Other relevant costs

What remedial action was taken to prevent a similar incident occurring again? _____

Signed: _____ Date: _____

Name: _____ Position: _____