

# TOTTEN GROUP

## I N S U R A N C E

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### PRODUCT LIABILITY APPLICATION

Underwriters will rely upon each and every response given in this Proposal Form and any Supplementary Proposal Form in deciding whether or not to insure this risk and if so at what premium, terms and conditions. Underwriters regard every response to be material to their decisions. Failing to answer or answering any question below incorrectly could invalidate any policy of insurance written by Underwriters for this risk.

We have a professional duty of confidentiality and are committed to holding personal information in strict confidence. The information provided to us will only be disclosed where required by law to do so or required to do so in conducting negotiations with third parties, such as insurance companies, on your behalf.

We will further safeguard the security of such information in a manner appropriate to sensitivity of that information.

**Please answer all questions. If they do not apply, indicate "N/A" – If space is insufficient please use separate sheets.**

1. Name of Applicant \_\_\_\_\_  
 (and all subsidiaries) \_\_\_\_\_

2. Mailing Address \_\_\_\_\_  
 \_\_\_\_\_ Website \_\_\_\_\_

Other Locations \_\_\_\_\_

3. Describe business of Applicant and any subsidiaries

4. Applicant is  Corporation  Partnership  Individual  Other

5. Applicant is  Manufacturer  Wholesaler  Distributor  Retailer  Importer  Exporter

6. How long has applicant been in business under the above name? \_\_\_\_\_

7. Describe prior experience in this business under another name \_\_\_\_\_

8. Does applicant presently carry insurance?  Yes  No

If yes, who is present insurer? \_\_\_\_\_ Premium \_\_\_\_\_ Limit \_\_\_\_\_

Is present insurance Claims Made?  Yes  No If Yes, state retro date \_\_\_\_\_

Are they willing to renew?  Yes  No If no, please explain \_\_\_\_\_

9. Claims History – Include total costs from ground up for each claim, whether covered by insurance or not. Include loss experience of companies which have been taken over or merged with your company.

Date of Occurrence	Describe Occurrence and Injury or Damage	AMOUNT				Status
		Reserve	Paid	Expenses	Deductible	

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

If yes, please give details \_\_\_\_\_



10. Are all employees covered under WSIB or Workers Compensation?  Yes  No

If no, please list numbers by job description and estimated payroll \_\_\_\_\_

Total payroll \$ \_\_\_\_\_

No. of Employees \_\_\_\_\_

11. Sales/Total Receipts (In Canadian Currency)

		Previous Year	Current Year	Estimates for Next Year
Product Sales	Canada	\$	\$	\$
Part Sales	Canada	\$	\$	\$
Repair/Service	Canada	\$	\$	\$
Product Sales	USA	\$	\$	\$
Part Sales	USA	\$	\$	\$
Repair/Service (Excl. warranty)	USA	\$	\$	\$
Warranty Work	USA	\$	\$	\$
Product Sales	**Other	\$	\$	\$
Part Sales	Other	\$	\$	\$
Repair/Service (Excl. warranty)	Other	\$	\$	\$
Warranty Work	Other	\$	\$	\$
TOTALS		\$	\$	\$

\*\* Please list specific countries: \_\_\_\_\_

Are U.S. products sold directly by the applicant or through a distributor? \_\_\_\_\_

If a distributor, advise name and location \_\_\_\_\_

Any premises in the U.S.?  Yes  No

Any operations (other than product sales in the U.S.?)  Yes  No

If yes, please provide details \_\_\_\_\_

Does the policy cover all operations of the Insured?  Yes  No

If no, please describe \_\_\_\_\_

**Products Description**

Please attach copies of brochures, catalogues, labels, instruction manuals, annual reports, products safety surveys and any material that will explain or clarify your products

Product	Years Involved	Principal End Use	Canadian Sales (%)	U.S. Sales (%)	Other Sales (%)

12. a) List products acquired through acquisition or merger \_\_\_\_\_



b) Identify products planned for introduction in next 12 months \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

c) List products discontinued and date discontinued \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

13. a) Describe principal services \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

b) If you import products, state from where \_\_\_\_\_

c) Could any of your products or services be used on or in connection with:

Aircraft/Missiles/Aerospace?  Yes  No

Watercraft or offshore?  Yes  No

Transportation?  Yes  No

d) Do you make or handle any product that is explosive, flammable or poisonous either by itself or in combination with other materials?  Yes  No

e) Could any of your products be classified as a) Pharmaceuticals  Yes  No

b) Cosmetics  Yes  No

f) Are any of your products sold under another's name or label?  Yes  No

g) Do you purchase materials or components from others?  Yes  No

h) Do you require evidence of products liability insurance from them?  Yes  No

Explain all of the "yes" answers to questions f) to h) inclusive \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

i) Do others assemble your products?  Yes  No

j) If assembly by others, do you supervise?  Yes  No

k) Do you perform any installations?  Yes  No

l) If installations by others, do you supervise?  Yes  No

If yes, please attach copy

m) Do you furnish instructions for installations?  Yes  No

n) For h) and i) above do you require evidence of liability insurance?  Yes  No

If yes, attach a copy of your standard service contract

o) Who packages and/or labels your products? \_\_\_\_\_

p) Who supplies the packaging material? \_\_\_\_\_

q) How are your products packaged when sold? \_\_\_\_\_

r) Is any sterile packaging involved?  Yes  No

s) Do you package and/or label for others?  Yes  No



14. Marketing

- a) Percentage of total sales to  
Wholesalers \_\_\_\_\_%      Retailers \_\_\_\_\_%      Consumers \_\_\_\_\_%      Manufacturers \_\_\_\_\_%
- 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 \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- c) Does applicant have the benefit of any hold harmless agreements in their favour relating to the products?       Yes    No
- d) Does applicant provide any hold harmless agreements in favour of another party relating to the products?       Yes    No

15. Loss Prevention

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

16. 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? If yes, attach details and dates       Yes    No
- d) Are your products designed, tested, labeled and manufactured to meet or exceed all government and industry standards?       Yes    No
- Which Standards apply?    ULC    CSA    OSHA    FDA    Other \_\_\_\_\_

17. 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
- i) Have they ordered to your specifications?       Yes    No
- ii) Have you determined which ones are critical to the safety of your final product?       Yes    No
- iii) List those critical items, indicating whether testing is on a sample basis or on all units \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

d) Final Products

- i) Briefly describe tests applied before sale \_\_\_\_\_  
\_\_\_\_\_
- ii) What percentage is tested?       Yes    No
- iii) Are records of result 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? \_\_\_\_\_



18. Instruction/Warnings/Advertisement/Warranties

- a) Are hazards inherent in the final product, and warnings against foreseeable misuse and abuse, made known to the ultimate user?  Yes  No  
If yes, this is done by?
- i) Warning labels at the point of hazard?  Yes  No
- ii) Written instructions?  Yes  No
- iii) Other means? (If yes, please attach details)  Yes  No
- b) Are instructions, warnings, labels and advertising texts subject to review to assure they are complete and understandable to the ultimate user?  Yes  No  
If yes, this is done by?
- i) Legal counsel?  Yes  No
- ii) Top management?  Yes  No
- iii) Other? (If yes, please attach details)  Yes  No
- c) Do you expressly disclaim or limit warranties for your products?  Yes  No
- d) Are all warranties and/or disclaimers reviewed by legal counsel?  Yes  No  
**If yes, please 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 aware of proper use, warnings instructions and do they instruct the purchaser/user?  Yes  No

19. Loss Control and Defense

- a) Explain how you can identify your products and parts from similar competitors' products and parts \_\_\_\_\_  
\_\_\_\_\_
- b) Based on available records for all products you have sold, can you determine
- i) When any given product item was manufactured?  Yes  No
- ii) To whom it was sold and the date of sale?  Yes  No
- iii) 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 materials?  Yes  No
- d) Accident procedure
- i) Do you have a written procedure for obtaining information about product complaints, accidents and injuries involving your product?  Yes  No
- ii) Have you made distributors or salesmen aware of your desire for prompt notice of all complaints, accidents and injuries involving your product?  Yes  No
- iii) Does your procedure provide for examining and preserving any allegedly defective product, with the results of such examination recorded?  Yes  No
- iv) Do reports on complaints, accidents, injuries and the examination of products involved go to
- The person responsible for product safety?  Yes  No
  - Top management?  Yes  No
  - Legal counsel?  Yes  No



20. Non-Owned Automobile

Number of employees using their automobile on company business Regularly \_\_\_\_\_ Occasionally \_\_\_\_\_

Estimated annual cost of hired automobiles \$ \_\_\_\_\_

Estimated annual cost of automobiles operated under contract \$ \_\_\_\_\_

Please provide details \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

21. Please indicate limit(s) of liability required \_\_\_\_\_

**This application does not bind the Applicant or the Company to complete this insurance but it is agreed that the information contained herein shall be the basis of the contract should a policy be issued.**

**It is mutually agreed between the Company and the Applicant that any inspection of premises, operations or any matter pertaining to insurance afforded by the Company, is made for the use and benefit of the Company only and is not to be relied upon by the Applicant in any respect.**

**THE UNDERSIGNED HEREBY ACKNOWLEDGES THE TRUTH OF THE STATEMENTS CONTAINED HEREIN.**

**I AUTHORIZE YOU TO COLLECT, USE AND DISCLOSE PERSONAL INFORMATION AS PERMITTED BY LAW, IN CONNECTION WITH YOUR COMMERCIAL INSURANCE POLICY OR A RENEWAL, EXTENSION OR VARIATION THEREOF, FOR THE PURPOSES NECESSARY TO ASSESS THE RISK, INVESTIGATE AND SETTLE CLAIMS, AND DETECT AND PREVENT FRAUD, SUCH AS CREDIT INFORMATION, AND CLAIMS HISTORY.**

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Position

**BROKER DECLARATION**

**Each and every question must be answered by the Broker and/or Account Executive.**

Is this account NEW to your office?  Yes  No Did you receive the order direct from the Applicant?  Yes  No

If no, how long have you known the applicant? \_\_\_\_\_ Is the operation financially sound?  Yes  No

Do you handle other insurance for the Applicant?  Yes  No Do you recommend this applicant in every respect?  Yes  No

**Please provide any additional information pertinent to the underwriting or acceptance of this risk which has not been requested in the application above.**

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

Note: I/We hereby declare that the statements and particulars contained in this application are true and that I/we have not suppressed or mis-stated any material facts and I/we agree that should a policy be issued then this application shall be the basis of the contract with Underwriters.

This application must be signed by the Producer/Account Executive.

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SIGNATURE OF PRODUCER/ACCOUNT EXECUTIVE

\_\_\_\_\_  
PRINT NAME OF BROKERAGE

\_\_\_\_\_  
PRINT NAME OF BROKER/PRODUCER

\_\_\_\_\_  
PRINT ADDRESS OF BROKERAGE