



Malicious Product Tamper Insurance

PROPOSAL FORM

Important Information

Losses Discovered Insurance

This policy is issued on a "Losses discovered and reported" basis. This means that the policy only covers you for Loss (as defined) discovered during the Policy Period (as defined) and reported to the insurer in writing during the Policy Period. This policy does not provide cover for any Loss discovered during the Policy Period if at any time prior to the commencement of the Policy Period you had actual or constructive knowledge of any event, series of the events or circumstance(s) which might give rise to that Loss being discovered.

This policy does not apply to any loss, claim or circumstance arising out of, based upon all attributable to or involving any matter which: (i) an Insured had actual or constructive knowledge of prior to the policy inception date; (ii) occurs after an Insured has knowledge of an Insured Event or deviation in the production, preparation or manufacturing of Insured Products, or circumstances which have or are likely to result in such deviation or Insured Event, and the Insured fails to take reasonable corrective action; (iii) an Insured could have reasonably expected to produce a loss under this policy.

Your Duty of Disclosure

Before you enter into a contract of general insurance with an Insurer, you have a duty to disclose to the Insurer every matter that you know, or could reasonably be expected to know, is relevant to the Insurer's decision whether to accept the risk of the insurance and, if so, on what terms. You have the same duty to disclose those matters to the Insurer before you renew, extend, vary or reinstate a contract of general insurance.

Your duty however does not require disclosure of matter that diminishes the risk to be undertaken by the Insurer; that is of common knowledge; that your Insurer knows or, in the ordinary course of business, ought to know; as to which compliance with your duty is waived by the Insurer.

If you fail to comply with your duty of disclosure, the Insurer may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract. If your Non-disclosure is fraudulent, the Insurer may also have the option of avoiding the contract from its beginning.

Rights of Subrogation

Where the contract of insurance includes a provision which excludes or limits the Insurer's liability in respect of any loss because you are a party to an agreement which excludes or limits your rights to recover damages from a third party in respect of that loss, you are hereby notified that signing any such agreement may place your indemnity under the proposed contract at risk.

Surrender of any contribution or indemnity rights: Where another person or company would be liable to compensate you or hold you harmless for part or all of any loss or damage otherwise covered by the Contract, but you have agreed with that person or company either before or after the inception of the Contract that you would not seek to recover any loss or damage from that person or company, you are not covered under this Contract for any such loss or damage.

Proposal Form

Please answer ALL of the following questions. If more space is required in order to provide a complete answer to any question, please attach a separate sheet of your letterhead.

Full Name of Applicant to be insured under this policy:

Postal Address: _____

List all other subsidiary companies to be insured under this policy:

Give a complete description of the business and operations of the Applicant and subsidiary companies (details should describe fully the types of products manufactured, sold, handled, treated, hired out or distributed and/or the type of services that are performed for others, including any contract manufacturing by the Applicant or on behalf of the Applicant:

Parent Company of Applicant (if applicable): _____

If you intend to claim an Input Tax Credit for the premium paid for this policy, please specify the percentage of the premium you will be claiming: _____%

Please state the limit of liability required for each and every claim and in the aggregate during the Policy Period, as per below:

a) Malicious Product Tampering: K _____

b) Product Extortion: K _____

Product Information

Please state:

Actual total turnover for the last 12 months: _____

Estimated turnover for the next 12 months: _____

Annual Sales by division/subsidiary division/subsidiary requesting coverage (list actual sales in K000 for the last year please estimated sales for next 12 months):

Division or Subsidiary	Country	Actual Sales	Estimated turnover

Please list the products to be included under this coverage:

Product(s)	% of total sales ie Retail – (R)/XX% Wholesale – (W)/XX% Manufacture – (M)/XX%	Your involvement ie retail, food services, hospitals etc	Target market	% of market

Please list all Brand Names that represent more than 10% of your total sales:

Brand Name	Actual sales for 12 month period: 20

What % of products utilize tamper evident or tamper resistant packaging (ie blister packs, shrink wrapping, vacuum seals etc)? _____%

Please give details of packaging used above.

What % of products are:

- a) Sold as ingredients? _____%
- b) Sold as stockfeed? _____%
- c) Sold to stockfeed manufacturers? _____%

Please state geographic turnover of Applicant's products

Country	Product(s)	Turnover (K)
Papua New Guinea		
North America		
Other Countries:		

Does the Applicant import any goods?

YES / NO

If 'Yes', please provide details as required below?

Country of Origin	Goods / Use of goods	Value of turnover from goods (K)

Are there any new products, that have commenced production or have entered the public stream of commerce, within the last 12 months, or are planned to be introduced in the next 12 months?

YES / NO

If 'Yes', please provide details:

What % of your products are manufactured by outside contractors? _____

Has the Applicant agreed to indemnify or hold harmless any suppliers of any goods or services (eg suppliers of raw materials, contract packers) or other parties?

YES / NO

If 'Yes', please give details:

Has the Applicant agreed to waive rights of recovery against other parties:

YES / NO

If 'Yes', please provide details:

Has the Applicant agreed to provide liability insurance cover to other parties?

YES / NO

If 'Yes', please provide details:

Please list below, the details of any strikes/riots/work stoppages/plant closings in the last three (3) years?

Please provide details of any wrongful termination lawsuits filed or threatened in the last three (3) years.

Has the Applicant ever been a target of political, racial, environmental, extremist or special interest groups?

YES / NO

If 'Yes', please give details.

Does the Applicant use or pay for animal testing of products, import/export with volatile countries (e.g. Israel, South Africa) or undertake other activities which might make it a target of extremist or special interest groups?

YES / NO

If 'Yes', please provide details:

Food Safety

Does the Applicant and all of its Divisions and Subsidiary Companies, have in place written Food Safety procedures?

YES / NO

If 'No', please list below, the name of any such Division/Subsidiary:

If 'Yes', when were the Food Safety procedures last reviewed and/or updated? _____

Do the Food Safety procedures incorporate a Hazard Analysis and Critical Control Point (HACCP) program for all products?

YES / NO

Date the HACCP program last reviewed internally (please provide annual review)? _____

Describe how the HACCP program is verified (Principle 7)?

Please attach the HACCP verification table, HACCP Audit table summarizing CCP, Critical Limits, monitoring and Corrective Action for each CCP.

Please list below those Divisions/Subsidiaries who do not have a HACCP Program for all products.

Does the Applicant and all of its Divisions and Subsidiary Companies have a Technical Department whose role includes food safety? YES / NO

If 'No', please list below, the name of any such Division/Subsidiary company:

Who is responsible for overseeing and implementing Food Safety Procedures?

What are the qualifications of Senior Food Safety personnel?

How do you collate and monitor customer complaints? Please provide details:

Is a batch coding system used? YES / NO

Can all products be tracked so that the source and destination of individual batches can be identified? YES / NO

If 'No', please give details:

How often is deep cleaning and sanitation conducted on the production line? _____

Have the Applicant's, its Divisions or Subsidiary Companies products, or any of their premises ever been the subject of comment or complaint by any food regulation agency in relation to food safety issues? YES / NO

If 'Yes', please give details as per below.

- a) Which agency or department? _____
- b) Date and nature of comment or complaint? _____
- c) Outcome of such comment or complaint? _____
- d) Date resolved? _____

Please attach copy of Report or other relevant documents.

Do all of the products which are the subject of this proposal conform in all respects with requirements of law or regulation, including the requirements of any Act affecting food or any other jurisdiction thereof?

YES / NO

If 'No', please give details?

Does the Applicant and all of its Divisions and Subsidiary Companies require its supplier(s) and contract manufacturer/packers to abide by HACCP standards?

YES / NO

Please give details as required below?

Preparedness

Does the Applicant and all of its Divisions and Subsidiary Companies have a written, in force Recall Plan?

YES / NO

If 'No', please list below the name of any such Division or Subsidiary Company?

Please attach a copy of the recall plan.

Does the Applicant and all of its Divisions and Subsidiary Companies have a written, in force Crisis Management Plan?

YES / NO

If 'No', please list below the name of any such Division or Subsidiary Company.

When were each of these plans last reviewed and/or updated?

a) Recall Plan: _____

b) Crisis Management Plan: _____

Who can initiate a major product recall? _____

How often is a mock recall conducted? _____

History

Has the Applicant or any of its Divisions or Subsidiary Companies had any actual, threatened or suspected incidents of extortion and / or tampering? YES / NO

If 'Yes', please give details?

Were any contracts lost/discontinued as a result? YES / NO

Does the Applicant, its directors, officers or any other person known to the Applicant have knowledge of any actual, threatened, or suspected malicious tamperings or extortions involving any of the Applicant's products during the last twenty four (24) months? YES / NO

If 'Yes', please give details?

Does the Applicant, its directors, officers or any other person known to the Applicant have knowledge or information of any fact or circumstances which may reasonably give rise to a claim under the proposed policy? YES / NO

If 'Yes', please give details?

Are there any circumstances currently pending against the Applicant, or is the Applicant aware of any circumstances which could give rise to a claim under the proposed insurance? YES / NO

If 'Yes', please give details?

Has any insurer ever declined your proposal, refused to renew or cancelled your policy or imposed special terms or conditions? YES / NO

If 'Yes', please give details.

The answers you have provided to the above questions will usually provide sufficient information for a proper consideration of your application; however, if there are any matters which are material to the risk to which this application relates, you should disclose those facts to us in the space provided below.

Declaration

The Applicant declares that all necessary enquiries into the accuracy of the responses given in this proposal have been made and confirms that the statements and particulars in this proposal are true and complete and that no material facts have been omitted, misstated or suppressed. The Applicant agrees that should any of the information given in this proposal alter between the date of this proposal and the inception date of the insurance to which this proposal relates, it will give immediate notice thereof to the insurer.

The Applicant acknowledges receipt of the Important Notice contained in this proposal and that it has read and understood the content of that Notice.

It is agreed that this proposal form shall be the basis of the contract should a policy be issued and will be attached to the policy. All written statements and materials furnished to the Insurer in conjunction with this proposal are hereby incorporated by reference into this proposal and made a part hereof.

The completion & signing of this proposal does not bind the Applicant or the insurer to complete this insurance. The Applicant's acceptance of the insurer's quotation and the insurer's written agreement to be bound is required to bind coverage and to issue a contract of insurance.

I (We) agree that this Application is for insurance in accordance with the normal terms and conditions of the Contaminated Products Insurance Policy/ Malicious Product Tampering Policy of ALPHA INSURANCE Limited the terms and conditions of which I (we) have been shown and have read before completing this Application, and which shall be incorporated into and form the basis of this Insurance Contract.

The signatory below confirms he/she is authorised to complete, sign and submit this proposal on behalf of the Applicant.

Name: _____

Title: _____

Signature: _____

Date: _____