

## Contaminated Product Insurance Policy - Proposal Form

## NOTICE TO THE APPLICANT

- Please answer all questions in full and if not applicable insert "N/A"
- If you have insufficient space to complete any of your answers, please attach a separate signed and dated sheet and identify the question number concerned.
- This proposal forms part of the Policy Documents
- The liability of insurers does not commence until the proposal has been accepted by Insurers and the same has been duly conveyed to the Proposer.
- The liability of the company does not commence until the acceptance of premium has been realized by the company.

## DETAILS OF THE PROPOSER

Name of Applicant:  (First Name)  (Middle Name)  (Last Name)

Mailing Address:

Name of the Main Proposer:

Phone Number:  Website Address:

E-mail:

Years in Operation:  Business Description:

Business Description:

Past Year Turnover (INR):  Current Year Turnover (INR):

Projected Turnover for term of policy (INR):

USA / Canada (INR):  UK/ Europe (INR):  Row (INR):

Split of Projected Turnover by Geographic breakdown: India (INR):

## 1. Type of operation (check all that apply)

- ☐ Manufacturer (own brands) ☐ Contract Manufacturer ☐ Bottler ☐ Distributor/Wholesaler/Importer ☐ Retailer ☐ Packaging ☐ Others

## PRODUCT INFORMATION

## Please answer the questions below in respect of all your products:

## 2. Product Category (tick all that applies):

- ☐ Nuts/Snacks ☐ Dairy ☐ Fish/Sea Food ☐ Meat/Poultry ☐ Grains (e.g. rice)
- ☐ Basic food ingredients ☐ Spices/Sugar ☐ Bakery ☐ Fruits/Vegetables ☐ Ready to Eat/Processed
- ☐ Food coloring/flavors ☐ Confectionery ☐ Beverage ☐ Baby food ☐ Performance food
- ☐ other \_\_\_\_\_ If other, please give details of product \_\_\_\_\_

Please provide the following details in respect of the above: (attach additional page if necessary)

Product Name	Product Description	Total annual sales INR

## 3. Is coverage desired for all products?

Yes ☐ No ☐

If no, please list specified products to be covered in the table below attach additional page if necessary.  
Please continue to complete the rest of the application referring only to the products specified below.

Product Name	Product Description	Total annual sales INR

## 4. What is the shelf life of your products:

5. What percentage of the products to be covered are labeled as follows:

Own label (%) \_\_\_\_\_ Third party label (%) \_\_\_\_\_ Non-branded (%) \_\_\_\_\_

6. What percentage of your sales are products intended to be used as a component or ingredient in the manufacturing of a third party product? \_\_\_\_\_%

7. Geographic breakdown of sales (%):

Name of the Country	% of Sales
USA	
Canada	
South / Latin America	
Africa & Middle East	
Europe	
Australia & New Zealand	
Japan	
China	
India	
SE Asia	

8. Please list your top 3 customers by sales

Customer Name	Products supplied	Type of business of the customer (retailer, manufacturer, wholesaler, other – please specify)	% of Total Sales

#### MANUFACTURING INFORMATION

9. Number of manufacturing plants:

Name of the Country	Number of Manufacturing Locations
USA	
Canada	
South / Latin America	
Africa & Middle East	
Europe	
Australia & New Zealand	
Japan	
China	
India	
SE Asia	

10. Please furnish complete details for the top 3 selling products:

	Top Selling Product # 1	Top Selling Product # 2	Top Selling Product # 3
Product description or name			
Total annual sales (value)			
Is this a finished product or intended to be sold as an ingredient?			
Shelf life (weeks or months)			
% of the total sales manufactured by a 3rd party			
Average manufactured lot* size for the top selling product (units and value)			
Largest manufactured lot size for the top selling product (units and value)			

\* Lot means a specific quantity of product manufactured or packaged during one manufacturing cycle under the same conditions.

11. Please furnish complete the following information for each of the largest 3 plants or facilities:

Location (city & country)	Top 3 Products manufactured	Annual manufactured output (number of units produced AND value)	Number of days / year plant operates	Number of production lines/ product	Number of shifts/ product	% unused capacity at plant
	1.	/				
	2.	/				
	3.	/				
	1.	/				
	2.	/				
	3.	/				
	1.	/				
	2.	/				
	3.	/				

12. Maximum value of finished goods stored at any one location: \_\_\_\_\_
13. Does the company use aseptic processing or packaging in any of the production facilities? Yes ☐ No ☐  
If yes, what percentage of products is aseptic: \_\_\_\_\_ % and which of the above plants produce aseptic products \_\_\_\_\_ ?
14. Does the company use glass bottles or jars in any of the production facilities? Yes ☐ No ☐  
If yes, provide the following. Product description and % of revenue: \_\_\_\_\_

#### SUPPLIER INFORMATION

15. Please indicate the geographic sourcing of raw materials/ingredients/supplies/packaging as a % of total.

Name of the Country	% of sourcing of raw materials/ingredients/supplies/packaging
USA	
Canada	
South / Latin America	
Africa & Middle East	
Europe	
Australia & New Zealand	
Japan	
China	
India	
SE Asia	

16. Do you have a Supplier Approval Program? If yes, please provide a copy Yes ☐ No ☐
17. Do you require your suppliers and/or third party or contract manufacturers to have a HACCP program? Yes ☐ No ☐  
If No, please explain in detail any other equivalent programs that you require them to follow:

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18. Do you audit your suppliers (if yes, please provide copies of last audits for the top suppliers) Yes ☐ No ☐
19. Are processes in place to assess the ability of your suppliers to meet your specifications? (please tick all the processes below that apply) Yes ☐ No ☐
- ☐ Incoming quarantine ☐ Certificate of analysis ☐ Qualifying audit(s) by QMS staff or a third-party
- ☐ Requirement of liability or recall insurance certificates ☐ Review of government/consultant inspection reports
- ☐ Purchasing requires written questionnaire and vetting of supplier

20. Please describe how do you test received products to ensure that the ingredients conform to your specifications?

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21. Please complete for the top 3 suppliers (if imported from South Asia or China complete question 22)

Name of Supplier	Ingredient/material supplied	Country of origin	Annual Volume supplied

22. Do you import materials/ingredients/finished products from SE Asia and/or China, If yes, complete table below

Country	Describe material/ingredient or finished product	Amount of product annually (units/value)	Tests performed to ensure product free from contaminants	Frequency of testing
		/		
		/		
		/		

23. If importing any protein-based products (dairy, gluten, animal feed, eggs, etc.) or their derivatives from Asia, do you test for the presence of melamine or cyanuric acid or other possible "illegal" contaminants? Yes ☐ No ☐

24. Have you agreed to indemnify or hold harmless any supplier? Yes ☐ No ☐ If yes, please describe:

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25. Are your suppliers contractually obligated to indemnify you in the event of a product contamination caused by their products? Yes ☐ No ☐

26. Do you require your suppliers to carry Product Liability Insurance? Yes ☐ No ☐

If yes, what limits are they required to purchase? \_\_\_\_\_

Are you requiring to be added to their policy as additional insured? Yes ☐ No ☐

Does the Product Liability insurance provide indemnity for recall expenses and damage to your products if caused by a defective or contaminated ingredient? Yes ☐ No ☐

27. Do you require your suppliers to carry Product Recall Insurance / Contaminated product Insurance? Yes ☐ No ☐

If yes, what limits are they required to purchase? \_\_\_\_\_

What coverage are they required to purchase? \_\_\_\_\_

## FOOD SAFETY AND RISK MANAGEMENT

28. Is there a person dedicated full time to Quality Assurance/Food Safety? Yes ☐ No ☐

If "no", please explain. \_\_\_\_\_

29. Do you have a written quality assurance plan, quality management system, Good Agricultural Practices, Good Manufacturing Practices or similar program? If yes, please attach a copy of the table of contents or summary document. Yes ☐ No ☐

30. Do you have a HACCP program for all products? If No, please explain. Yes ☐ No ☐

If Yes, please attach copy of HACCP flow chart or CCPs for primary products produced.

31. Was your HACCP plan reviewed and validated by a third party? Yes ☐ No ☐

If yes, please indicate the third party \_\_\_\_\_

32. Has the HACCP Plan been revalidated when product/process changes have occurred? Yes ☐ No ☐

33. Is there backwards traceability for ingredients and packaging used in the manufacturing of products? Yes ☐ No ☐

34. If you receive Certificates of Analysis (CoAs), do you randomly test against them to ensure conformance? Yes ☐ No ☐

If yes, what is the frequency of testing: \_\_\_\_\_ What is the percentage of shipments tested: \_\_\_\_\_%

35. What kill steps or food processing safety controls are in place to reduce the likelihood of a contamination event?

Please describe: \_\_\_\_\_

36. Who performed the microbiological testing to validate your pathogen kill step(s)?

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37. With regard to the testing of your products, please tick mark the applicable boxes:

Type of Test	End of Line	Raw Materials production	In-line during
Microbiological			
X-Ray			
Metal Detection			
Chemical			
Other _____			

38. If microbiological/pathogen tests are performed, is there a hold period before shipping? Yes ☐ No ☐

39. Are "rapid tests" used? If yes, please describe below: Yes ☐ No ☐

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40. What testing Laboratory does your company use: ☐ Internal ☐ Third Party

If Third Party (external), please provide name(s): \_\_\_\_\_

41. Has a third-party or government inspection/audit been performed in the past 12-18 months? Yes ☐ No ☐

42. If yes, has an audit or inspection performed at each location? Yes ☐ No ☐ If no, please explain why:

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43. Provide the following information if you are audited by a third-party:

Name of Consultant	Type of Audit (e.g. BRC, IFS, EFSIS)	Score	Audit Date

44. Were there any recommendations deemed "critical" or "major"? Yes ☐ No ☐

If yes, please attach the details or a corrective action plan.

45. What was the last date of a governmental agency or regulatory inspection? \_\_\_\_\_

Please describe and attach a copy of the report.

46. Has the applicant ever received a regulatory warning letter? Yes ☐ No ☐

If yes please provide a copy or a summary of the letter and corrective actions taken.

47. Has the applicant ever been subject to seizure or injunction by a regulatory agency? Yes ☐ No ☐

48. Has the company's products or any of its premises ever been the subject of comment or complaint by any governmental agency or department? Yes ☐ No ☐

If "yes", please complete the following:

Agency or department involved		
Date and nature of comment or complaint		
Outcome of such comment or complaint		
Date resolved		

## RECALL RISK MANAGEMENT

49. Does the applicant have a current recall plan? Yes ☐ No ☐

If yes, date of the last update: \_\_\_\_ / \_\_\_\_ / \_\_\_\_ . Please attach a copy of the current plan.

50. Are mock recall simulations conducted annually? Yes ☐ No ☐

Please provide the date of the last simulation: \_\_\_\_ / \_\_\_\_ / \_\_\_\_ .

51. Is a batch coding system utilized? Yes ☐ No ☐

If yes, please describe coding (e.g. Julian, date, hour, minute, shift, etc. \_\_\_\_\_

## MALICIOUS PRODUCT TAMPERING

52. Has a process security/bioterrorism audit been conducted? Yes ☐ No ☐
53. Does the applicant comply with the applicable food security and bioterrorism guidelines issued by relevant regulatory agencies? Yes ☐ No ☐
54. Does the applicant know of any actual, threatened or suspected malicious product tampering, or any actual or suspected accidental contamination involving any of the applicant's products during the last 5 years? Yes ☐ No ☐  
If yes, please attach a summary of the details \_\_\_\_\_
55. Does the applicant use or pay for the animal testing of products? Yes ☐ No ☐  
If yes, please describe: \_\_\_\_\_
56. Does the applicant import or export from politically volatile countries? Yes ☐ No ☐  
If yes, please describe: \_\_\_\_\_
57. Does the applicant undertake other activities which might make it a target of an extremist or special interest group? Yes ☐ No ☐  
If yes, please describe: \_\_\_\_\_

## LOSS HISTORY

58. Does the applicant have a current recall? Yes ☐ No ☐
59. In the past 5 years, have you had any voluntary product withdrawals or recalls; silent recalls or contamination incidents exceeding INR 50,000? Yes ☐ No ☐
60. If yes to any of the above, please provide the following information for each incident, use a separate sheet if necessary. Yes ☐ No ☐

Product		
Cause of contamination / recall		
Plant/location where incident (which triggered the loss) occurred		
Was a product recall effected (Y/N)		
Date of Recall		
Total cost of the contamination / recall: - # units recalled - Value of product recalled - Recall expenses (including consultants) - Business Interruption - Third party liability indemnity		
Corrective action		

61. Were any contracts lost/discontinued as a result? Yes ☐ No ☐  
If yes, please explain: \_\_\_\_\_
62. Does the Company know of any actual, threatened or suspected product tampering involving any of the company's products during the last twelve months? Yes ☐ No ☐  
If "yes", please give details: \_\_\_\_\_
63. Does the company, its directors and officers or any other person known to the Insured have knowledge or information of any specific fact which may reasonably give rise to a claim under the proposed policy? Yes ☐ No ☐  
If "yes", please provide details: \_\_\_\_\_
64. Estimate the cost to recall your leading brand: Maximum: INR  Minimum: INR  Average: INR

## OTHER INSURANCE

1. Please provide details of other insurances which are likely to be in force in respect of and during the lifetime of this policy and which can be expected to provide elements of coverage for indemnity exposures for the parties included in this insurance:

Insurance

Details including Limits & Excess

**LIMITS OF LIABILITY**

Please specify the coverage, limit and deductible requested:

Insured Event	Limit per Occurrence / Annual aggregate	Deductible
<input type="checkbox"/> Accidental Contamination		
<input type="checkbox"/> Malicious Product Tampering		
<input type="checkbox"/> Adverse Publicity		
<input type="checkbox"/> Government Recall		
<input type="checkbox"/> Intentionally Impaired Ingredients		

Optional Cover

Insured Event	Limit per Occurrence / Annual aggregate	Deductible
Product Extortion		

Please specify the options for Limits of Liability and Excess you would like quotation for.

**Limit of Liability:**

- (a) Rs. \_\_\_\_\_
- (b) Rs. \_\_\_\_\_
- (c) Rs. \_\_\_\_\_

**Excess:**

- (a) Rs. \_\_\_\_\_
- (b) Rs. \_\_\_\_\_
- (c) Rs. \_\_\_\_\_

**ENCLOSURES**

Please enclose the following:

- The last Annual Reports and Accounts for the Company
- Recall Manuals/ Crisis Management Plan
- HACCP Plan and flowcharts
- Most recent third party audit or regulatory inspection

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☐  
☐  
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**FRAUD WARNING**

This policy shall be voidable at the option of the HDFC ERGO in the event of mis-representation, mis- description or non-disclosure of any material particulars by the Proposer. Any person who, knowingly and with intent to defraud the insurance company or any other person, files a proposal for insurance containing any false information, or conceals for the purpose of misleading, Information concerning any fact material thereto, commits a fraudulent insurance act, which will render the policy voidable at the sole discretion of the insurance company and result in a denial of insurance benefits.

**ANTI REBATING WARNING**

As per Section 41 of the Insurance Act 1938, as amended, the practice of rebating is prohibited, as follows: No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance policy in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer. Any person making default in complying with the provisions of this Section shall be punishable with fine which may extend to Ten Lakhs rupees.

**ANTI-MONEY LAUNDERING**

The Company believes in adherence to Anti Money Laundering (AML) guidelines/rules as it aids in ensuring that financial institution like ours are not used as vehicle for money laundering. The policyholder/ nominee are thus bound to provide such information as may be required by the Company for ensuring the adherence of AML guidelines/rules.

**SHARING OF INFORMATION CLAUSE**

The information sought from the insured is strictly for the purpose of policy issuance and policy servicing. This information sought and the details of policy are kept confidential and will not be shared with any external party in any circumstances whatsoever. However, in instances when such information / details is sought by any governmental bodies / regulatory authorities or when the Company is directed to share such information in accordance with any law / regulations or direction from any such regulatory authorities, the Company will be bound to abide to such directions.

## PREMIUM DETAILS

Amount (₹) \_\_\_\_\_ Rupees in words \_\_\_\_\_

### DETAILS OF BANK ACCOUNT

<b>Name as in Bank Account</b>			
<b>Bank Account No</b>			
<b>Name of Bank:</b>	<b>Branch Name:</b>		
<b>MICR Code</b>	<b>IFSC Code:</b>		
<b>Account:</b>	<b>Saving</b> <input type="checkbox"/>	<b>Current</b> <input type="checkbox"/>	
<p>I wish:</p> <p>Any refund due on the premium payment / any payment/claims will be directly credited to my aforesaid Bank Account.*</p> <p>*As per the IRDAI, it's mandatory that all payments made to the insured only through electronic mode.</p>			

## SOURCES OF FUND

Salary \_\_\_\_\_ Business \_\_\_\_\_ Other \_\_\_\_\_

## DECLARATION

(To be signed by a partner or director of the Main Proposer)

I, the undersigned, declare and acknowledge:

- I/We hereby declare that the information given is, to the best of our knowledge and belief, correct and that we are not aware of any circumstances that we have not disclosed to you which might influence your assessment of and willingness to accept the risk.
- I/We hereby agree that, if you issue a policy to us, this proposal shall form the basis of, and be incorporated in, such policy.
- I/We agree that this declaration and the answers given above shall be the basis of the contract between me/us and the Company and shall be deemed to be incorporated in such contract. And that if any untrue statement be contained therein the said contract shall be absolutely null and void.
- I/We undertake to exercise all reasonable and ordinary precaution for the safety as desired and I/We agree to accept the policy in the form issued by the Company subject to the terms exceptions and conditions prescribed therein or endorsed on the policy.
- I/We hereby understand, declare, consent and authorize HDFC ERGO General Insurance Company Ltd. that financial information, as provided to the Company may be utilized for processing the claim made under the Policy. I/We hereby also understand, declare and consent that the Company shall have right to retain and disseminate the same to any service provider for providing services related to insurance
- I, hereby grant consent to Agent/Broker/Corporate Agent or any other licensed intermediary to share my KYC (Know your Customer ) and customer due diligence information with HDFC ERGO General Insurance Company Limited for the purpose of my insurance proposal.

## TERMS AND CONDITIONS

**Note:** The liability of the Company does not commence until the acceptance of the proposal has been formally intimated by the insured and full premium has been realized by the company.

We are under no obligation to accept any proposal for insurance. The Proposer agrees that the receipt of the Proposal Form by HDFC ERGO General Insurance Company Limited along with the premium payment does not tantamount to the acceptance of the Proposal for insurance by HDFC ERGO General Insurance Company Limited and does not result in a concluded contract of insurance. The acceptance of the Proposal for insurance shall be at the Company's sole and absolute discretion and upon full realization of the premium payment. In the event of acceptance of the Proposal for insurance by HDFC ERGO General Insurance Company Limited, such acceptance shall be specifically intimated to the Proposer by HDFC ERGO General Insurance Company Limited along with the date from which the insurance Cover shall become effective. HDFC ERGO General Insurance Company Limited shall not be liable for any claim in respect of an event giving rise to a claim covered under the Policy of Insurance that has occurred prior to policy issuance is not covered under this Policy (Your proposal form will be considered after HDFC ERGO General Insurance Company Limited receives premium payment.)

Print Name

Title \_\_\_\_\_

Signed

Dated: