

Aviation component warranty insurance

Proposal form

Endorsed by The Aircraft Builders Council Board of Trustees as the carrier to offer products recall coverage for ABC insureds.

1) Company details

Name of company and all subsidiary companies to be insured under this policy:

Company mailing address:

Website:

Main contact name:

Main contact phone number:

Main contact email address:

(Essential for response and pre incident)

Please provide a complete description of the business and operations of the Proposer and subsidiary companies:

Please confirm the nature of your business:

Manufacturer Retailer Exporter
 Wholesaler Importer Assembler

Other (please specify)

2) Products

List of products (in general terms) produced or supplied and to which this insurance is to apply:

Description of products	Country of manufacture	Estimated annual turnover	Date first marketed

If the answer above does not represent your whole annual turnover, please state your annual turnover and explain why selected turnover only is shown:

List the turnover figures for the past two years as well as the estimated turnover for the forthcoming year and indicate the approximate percentage split in direct sales per territory:

Year	Turnover	USA/Canada %	Japan/Australia /Europe %	Others %

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List any product discontinued during the last five years with a short explanation:

Product	Date of discontinuation	Explanation

3) Product exposure / contract size

Please complete the following table for your Top 3 Products or Contracts in the last 24 months:

Customer			
Ultimate OEM if known			
Annual product sales (currency)			
Daily production (units)			
Daily production (currency)			
Country of manufacture			
Failure rate (%)			
Failure rate costs (currency)			
Warranty period (years)			

Product tracing

Do your products carry:

Your company name or trademark? Yes No

A part number? Yes No

A production batch number? Yes No

How long are records kept?

Can all products be tracked so that the source and destination of individual batches be identified? Yes No

4) Product design

Do you operate a research and development department? Yes No

If Yes, please specify details and qualifications of personnel including design team:

Do you do your own design work? Yes No

If Yes, do you obtain full sign-off from your customer before beginning manufacture?

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- Do you maintain records of design change and reasons? Yes No
- Are all design changes signed-off by your customer before being implemented in the production line? Yes No
- Are your designs subject to independent external review, testing or certification? Yes No
- Are your products designed, tested, labeled and manufactured:
To meet or exceed all government and industry standards of the territories to which you are supplying? Yes No
- For optimum safety in spite of misuse or abuse? Yes No
- Do you manufacture any of your products to the specification of your customer? Yes No
- What is the life expectancy of your products? years

5) Quality control and testing

- Are you accredited with any internationally recognised standards such as AS9100? Yes No

If Yes, please provide details:

- Are written testing procedures followed? Yes No
- Do you have a quality control manager responsible only to top executive / management? Yes No

Supplies and components

- Do you purchase materials or components from others? Yes No
- Are they ordered to your specifications? Yes No
- Do you import products or component parts? Yes No
- Do you hold your suppliers harmless or limit their liability? Yes No

If Yes, please provide details of the hold harmless agreements:

(Please provide an example contract)

- Have you determined which components are critical to the safety of your final product? Yes No
- What percentage of supplied products are tested prior to incorporation? %

Your finished product

- What percentage are tested? %

Are records of results of quality control tests kept so that you can identify at a later date what tests you applied to given products at

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a given time? Yes No

How far back do your records go? years

If your products are manufactured to the specification of your customers do they test the products upon receipt? Yes No

Do you receive an acceptance sign-off from your customer? Yes No

Do your customers audit your processing procedures and manufacturing plants? Yes No

(Please attach a copy of the latest report)

Do your distributors or customers hold you harmless or limit your liability? Yes No

6) Failure rate / substandard

What is the failure rate of your worst performing product?

What is the largest consignment returned for being substandard and failing to meet specifications (actual numbers returned and \$ amount):

7) New products (to be insured)

Will any new type of product be marketed during the next twelve months? Yes No

If Yes, please give details:

8) Claims

Have any claims been made against you or any predecessor in business in the past 10 years? Yes No

If Yes, please give full details including amounts involved. Please also advise if any contracts were lost as a result:

9) Incidents and / or product recalls

Other than any details indicated in Q8, has the proposer or any of its Divisions or Subsidiary Companies had any actual, threatened or suspected errors in manufacturing, labeling, packaging in the past 5 years? Yes No

If Yes, please give full details including potential amounts involved. Please also advise if any contracts were lost as a result:

Other than any details indicated in Q8, is the proposer or any of its Divisions or Subsidiary Companies aware of any circumstances which could lead to a recall or give rise to a claim under this policy? Yes No

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If Yes, please give full details:

10) Insurance requested

Limits desired:

Deductible desired:

Present insurer:

Has any insurer ever cancelled, restricted or refused to renew your liability or product recall insurance? Yes No

If Yes, please give full details:

Territories to be covered:

11) Declaration

Signing this proposal does not bind the proposer to complete this insurance

For and on behalf of the company, I declare that: (i) the statements and particulars in this proposal are fairly presented, (ii) no material facts have been mis-stated or suppressed after enquiry, and (iii) such enquiry has entailed a reasonable search of the information available to the company. I undertake to inform the Insurers of any material alteration to those facts occurring before completion of the contract of insurance.

A material fact is one which would influence the acceptance or assessment of the risk.

Signed:

Title:

(To be signed by Chairman/Chief Executive or equivalent)

Company:

Date: