



# APPLICATION FOR INSURANCE

## Consumer Product Recall

MARINE  
PROFESSIONAL  
MIDDLE MARKET  
ENVIRONMENTAL  
CRISIS MANAGEMENT

*innovative solutions,  
underwriting excellence*

Axon Underwriting Services, LLC  
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☐ **Scottsdale Insurance Company**

Home Office: One Nationwide Plaza  
Columbus, Ohio 43215  
Adm. Office: 18700 North Hayden Road  
Scottsdale, Arizona 85255

☐ **Scottsdale Surplus Lines Insurance Company**

Adm. Office: 18700 North Hayden Road  
Scottsdale, Arizona 85255

☐ **Scottsdale Indemnity Company**

Home Office: One Nationwide Plaza  
Columbus, Ohio 43215  
Adm. Office: 18700 North Hayden Road  
Scottsdale, Arizona 85255

## CONSUMER GOODS PRODUCT RECALL INSURANCE APPLICATION

### SECTION 1—APPLICANT INFORMATION

Applicant Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Physical Address: \_\_\_\_\_

Contact Name: \_\_\_\_\_ Contact Title: \_\_\_\_\_

Telephone: \_\_\_\_\_ Website: \_\_\_\_\_

Year business started operation: \_\_\_\_\_

### SECTION 2—OPERATIONS

Description of Operations:	
Products:	
Average Profit Margin:	
Annual Advertising Budget:	
Total Number of Employees:	

### SECTION 3—REVENUE

Revenue	Projected Revenue	Current Year	Previous Year
Unites States:	\$	\$	\$
Canada/Mexico:	\$	\$	\$
Europe/EFTA:	\$	\$	\$
Australia/New Zealand/Japan:	\$	\$	\$
China/Far East:	\$	\$	\$
Africa:	\$	\$	\$
Central/South America:	\$	\$	\$
Total:	\$	\$	\$

## SECTION 4—PRODUCTION FACILITIES

Total number of manufacturing plants operated Worldwide:	
USA:	
Canada/Mexico:	
Europe/EFTA:	
Australia/New Zealand/Japan:	
China/Far East:	
Africa:	
Central/South America:	

Top Manufacturing Locations					
Location	Product Type	Production Lines	Annual Sales	Daily Sales	Daily Units
			\$	\$	
			\$	\$	
			\$	\$	
			\$	\$	
			\$	\$	

## SECTION 5—PRODUCT INFORMATION

Top Five Products					
Product	Name of Manufacturer if Outside Vendor	Average Batch Sales	Average Batch Units	Largest Batch Sales	Largest Batch Units
		\$		\$	
		\$		\$	
		\$		\$	
		\$		\$	
		\$		\$	

### Third-Party Manufacturing

Please specify details of which of your products are manufactured by third parties: \_\_\_\_\_

\_\_\_\_\_

Products (Name and Type): \_\_\_\_\_

\_\_\_\_\_

Percentage of Sales: \_\_\_\_\_

How many external vendors does your company use? \_\_\_\_\_

US Domiciled Vendors: \_\_\_\_\_

Non-US Domiciled Vendors: \_\_\_\_\_

What is the average length of your contractual relationship with key vendors? \_\_\_\_\_

Do you have a Vendor Approval Program in place?..... ☐ Yes ☐ No

What audit program do you have in place with your third-party manufacturers: \_\_\_\_\_

If there is no audit program for third-party manufacturers, please specify details of the measures that are in place to ensure product safety: \_\_\_\_\_

**Third-Party Manufacturer Agreements (Check all that apply)**

Hold harmless agreements with all third-party manufacturers:..... ☐ Yes ☐ No

Limited liability agreements with all suppliers: ..... ☐ Yes ☐ No

Please specify details to both questions above: \_\_\_\_\_

Are the design and product specifications created by your company?..... ☐ Yes ☐ No

Top Five Suppliers				
Supplier	Product	Country of Origin	Last Audit Date	Subrogation Rights
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

Please specify details of the audit program you have in place with suppliers: \_\_\_\_\_

If there is no audit program for suppliers, please specify details of the measures that are in place to ensure product safety: \_\_\_\_\_

**Supplier Agreements (Check all that apply)**

Hold harmless agreements with all suppliers:..... ☐ Yes ☐ No

Limited liability agreements with all suppliers: ..... ☐ Yes ☐ No

Please specify details to both questions above: \_\_\_\_\_

**Product Data (Check all that apply)**

External power source required to operate:..... ☐ Yes ☐ No  
Installation required:..... ☐ Yes ☐ No  
Assembly after delivery required:..... ☐ Yes ☐ No  
Special storage facilities used:..... ☐ Yes ☐ No

**Components**

What percentage of your products are?

Finished products: ..... %  
Components for third-party products: ..... %

**Product Use (Check all that apply)**

Component part of a watercraft:..... ☐ Yes ☐ No  
Component part of an aircraft: ..... ☐ Yes ☐ No  
Component part of an automobile:..... ☐ Yes ☐ No

If any of the above boxes are checked, please provide full details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Product Life**

Average life span of the product: \_\_\_\_\_

Longest life span of the product: \_\_\_\_\_

**Storage**

How many storage facilities do you operate? \_\_\_\_\_

What is maximum value of product stored in any one location?..... \$ \_\_\_\_\_

What percentage of products is stored by third parties? ..... %

What audits are performed by your company on third-party storage locations? \_\_\_\_\_

**SECTION 6—QUALITY ASSURANCE/QUALITY CONTROL**

Is there a dedicated QA/QC Department? ..... ☐ Yes ☐ No

If YES, please specify the name and qualifications of the person in charge of the department:

Name: \_\_\_\_\_

Qualifications: \_\_\_\_\_

Does your company have a written in-force Quality Assurance Plan? ..... ☐ Yes ☐ No

If YES, please **Attach**.

Please specify when the QA Plan was last reviewed: \_\_\_\_\_

Please specify when the QA Plan was last audited internally and by whom: \_\_\_\_\_

Please specify when the QA Plan was last audited externally and by whom: \_\_\_\_\_

Do you have Six Sigma protocols in place?..... ☐ Yes ☐ No

If YES, please **Attach**.

Have the company premises or products ever been the subject of a complaint or investigation by the relevant regulatory authority? ..... ☐ Yes ☐ No

If YES, please specify details: \_\_\_\_\_  
\_\_\_\_\_

How often are safety audits carried out and by whom?

By customers: \_\_\_\_\_

By third parties: \_\_\_\_\_

By internal staff: \_\_\_\_\_

Do all products comply with relevant regulation and/or local law for countries they are sold in? ..... ☐ Yes ☐ No

Do you hold any third-party accreditations? ..... ☐ Yes ☐ No

If YES, please specify which ones: \_\_\_\_\_

Do your third-party manufacturers hold any third-party accreditations? ..... ☐ Yes ☐ No

If YES, please specify which ones: \_\_\_\_\_

### SECTION 7—RISK TRANSFER

Are any of the purchases from your suppliers made pursuant to any written contract? ..... ☐ Yes ☐ No

If YES, please **Attach** the standard contract used.

Are any of the sales to your customers made pursuant to any written contract? ..... ☐ Yes ☐ No

If YES, please **Attach** the standard contract used.

Do you hold harmless any suppliers of raw materials of subcontractors? ..... ☐ Yes ☐ No

If YES, please specify details: \_\_\_\_\_  
\_\_\_\_\_

Is a written supplier/vendor approval process or program in place? ..... ☐ Yes ☐ No

If YES, please **Attach** a copy.

Are suppliers required to carry Product Recall insurance coverage in favor of your company? ..... ☐ Yes ☐ No

If YES, is your company named as an Additional Insured under such policies? ..... ☐ Yes ☐ No

### SECTION 8—RISK MITIGATION

Is there a Recall Plan in place? ..... ☐ Yes ☐ No

If YES, please **Attach** a copy.

Is there a written Crisis Management Plan in place? ..... ☐ Yes ☐ No

If YES, please **Attach** a copy.

Is a Batch Coding system utilized? ..... ☐ Yes ☐ No

Is there traceability of products after release to customers? ..... ☐ Yes ☐ No

How long are shipment records kept for? \_\_\_\_\_

Are customer complaints monitored? ..... ☐ Yes ☐ No

Does your company have an on-site laboratory? ..... ☐ Yes ☐ No

Does your company use an accredited testing laboratory? ..... ☐ Yes ☐ No

If YES, please provide details of the location: \_\_\_\_\_  
\_\_\_\_\_

Do you have a testing program on the following?

Incoming material (including packaging and labels):..... ☐ Yes ☐ No

Manufacturing/processing: ..... ☐ Yes ☐ No

End product: ..... ☐ Yes ☐ No

Are labels inspected? ..... ☐ Yes ☐ No

Do warning labels meet applicable industry standards? ..... ☐ Yes ☐ No

Are all products subject to a specific batch coding system?..... ☐ Yes ☐ No

Please specify details of your company's traceability system: \_\_\_\_\_

What percentage of products can be identified by the following?

Product Name: \_\_\_\_\_

Batch: \_\_\_\_\_

Day of Production: \_\_\_\_\_

Hour of Production: \_\_\_\_\_

Production Shift: \_\_\_\_\_

Other: \_\_\_\_\_

How often are mock recalls carried out? \_\_\_\_\_

Please specify when the last one occurred: \_\_\_\_\_

Have you estimated potential product recall loss scenarios? ..... ☐ Yes ☐ No

If YES, please specify largest loss estimate: \_\_\_\_\_

#### SECTION 9—TAMPERING AND EXTORTION EXPOSURE

Has your company been a target of political, radical or other extremist or special interest groups? ..... ☐ Yes ☐ No

Has your company experienced strikes, riots, work stoppages, or plant closings in the last five years?..... ☐ Yes ☐ No

Has the company been sued by, or currently in litigation with any employees in the last five years? ..... ☐ Yes ☐ No

Please **Attach** any details regarding exposure to any of the above questions in Section 9.

#### SECTION 10—PREVIOUS OR ONGOING INCIDENTS

Has your company withdrawn, recalled, or otherwise removed from the stream of commerce, or destroyed/  
disposed of any products in the last ten (10) years? ..... ☐ Yes ☐ No

Has your company been responsible for costs incurred by third parties for any withdrawal or recall of any  
products in the last ten (10) years?..... ☐ Yes ☐ No

Has your company been subject to a product tampering or product extortion during the last ten (10) years? ☐ Yes ☐ No

Have any of your premises been subject to recommendations or complaints made by any regulatory body or  
third-party auditor in the last five years? ..... ☐ Yes ☐ No

Does your company, any of its officers, directors, or risk manager have any knowledge of any current cir-  
cumstance, fact, or other information which might develop or lead to a loss or claim under this insurance? ☐ Yes ☐ No

Please attach any details regarding exposures to any of the above questions in Section 10., whether ongoing or finalized.

## FRAUD WARNINGS

The applicant represents that the above statements and facts are true and that no material facts have been suppressed or misstated.

Completion of this form does not bind coverage. Applicant's acceptance of the insurer's quotation is required prior to binding coverage and policy issuance.

All written statements and material furnished to the insurer in conjunction with this application are hereby incorporated by reference into this application and made a part hereof.

**FRAUD WARNING:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties. (Not applicable in AL, AR, CO, DC, FL, KS, KY, LA, ME, MD, MN, NE, NJ, NY, OH, OK, OR, RI, TN, VA, VT or WA.)

**NOTICE TO ALABAMA APPLICANTS:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.

**NOTICE TO CALIFORNIA APPLICANTS.** For your protection California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

**NOTICE TO COLORADO APPLICANTS:** It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

**WARNING TO DISTRICT OF COLUMBIA APPLICANTS:** It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

**NOTICE TO FLORIDA APPLICANTS:** Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

**NOTICE TO HAWAII APPLICANTS:** Whereby a person commits insurance fraud if the person intentionally or knowingly misrepresents or conceals material facts, opinion, intention or law to obtain or attempt to obtain coverage, benefits recovery or compensation.

**NOTICE TO KENTUCKY APPLICANTS:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

**NOTICE TO KANSAS APPLICANTS:** Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.



**NOTICE TO KENTUCKY APPLICANTS:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

**NOTICE TO MAINE APPLICANTS:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

**NOTICE TO MARYLAND APPLICANTS:** Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**NOTICE TO MINNESOTA APPLICANTS:** A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

**NOTICE TO NEW MEXICO APPLICANTS:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

**NOTICE TO NEW JERSEY APPLICANTS:** Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

**NOTICE TO OHIO APPLICANTS:** Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

**NOTICE TO OKLAHOMA APPLICANTS:** Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

**NOTICE TO OREGON APPLICANTS:** Any person who intentionally presents a materially false statement in an application for insurance may be guilty of fraud and subject to penalties under state law.

**NOTICE TO PUERTO RICO APPLICANTS:** Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances be present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

**FRAUD WARNING (APPLICABLE IN ARKANSAS, LOUISIANA AND RHODE ISLAND):** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**FRAUD WARNING (APPLICABLE IN VERMONT AND NEBRASKA):** Any person who intentionally presents a materially false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

**FRAUD WARNING (APPLICABLE IN TENNESSEE, VIRGINIA AND WASHINGTON):** It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

**NEW YORK OTHER THAN AUTOMOBILE FRAUD WARNING:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

**NEW YORK AUTOMOBILE FRAUD WARNING:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for commercial insurance or a statement of claim for any commercial or personal insurance benefits containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, and any person who, in connection with such application or claim, knowingly makes or knowingly assists, abets, solicits or conspires with another to make a false report of the theft, destruction, damage or conversion of any motor vehicle to a law enforcement agency, the department of motor vehicles or an insurance company, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the value of the subject motor vehicle or stated claim for each violation.

I hereby certify to the truth of the foregoing and that I am authorized to execute the foregoing warranty and representation on behalf of the applicant.

APPLICANT'S NAME AND TITLE: \_\_\_\_\_

APPLICANT'S SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

PRODUCER'S SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

AGENT NAME: \_\_\_\_\_ AGENT LICENSE NUMBER: \_\_\_\_\_