

Proposal Form No: _____

PRODUCT LIABILITY INSURANCE - PROPOSAL FORM

(The liability of the Company commences only when this proposal is accepted by the Company and the premium is received.)

PROPOSER DETAILS (To be filled in BLOCK LETTERS)

1. Name of Proposer	☐ Mr. ☐ Ms. ☐ Mrs. F I R S T M I D D L E L A S T		
2. Address of Proposer			
Flat/Building		Road/Street / Sector	
Area		City	
Pin Code		State	
Country			
Phone		Mobile	
Email		Fax	
CIN (In case of Corporate)		DOB/DOI	DD / MM / YYYY
PAN No.:		UID Aadhaar No.	
3. Do you have a GST Registration Number	☐ Yes ☐ No		
If Yes, please specify			
4. Source of Funds	☐ Business ☐ Profession ☐ Salary ☐ Agricultural Income ☐ Savings ☐ Others		
Monthly Income	☐ Upto ₹ 20,000 ☐ ₹ 20,001 to ₹ 50,000 ☐ ₹ 50,001 to ₹ 1,00,000 ☐ ₹ 1,00,001 and above		
Business Address of the proposer			
Flat/Building		Road/Street / Sector	
Area		City	
Pin Code		State	
Country			
Phone		Mobile	
Email		Fax	
5. Location from where distribution is effected			
6. How long have you been in the business?			
7. Do you manufacture the complete product?	☐ Yes ☐ No		
if not what components/parts are purchased by you?			
8. Can the date of manufactures of each product be identified by the factory number stamped on it?	☐ Yes ☐ No		


indusindinsurance.com


022 4890 3009 (Paid)



74004 22200 (WhatsApp)

IndusInd
 Insurance App


Download Now



9. Do you have any assets and / or representation and / or any domiciled operation and/ or activities and/or association (Financial Technical or otherwise) in USA/ canada and other foreign countries?		☐ Yes ☐ No
If so, please furnish details of association		
10. Are you affiliated in any manner with any of your suppliers and distributors?		☐ Yes ☐ No
11. Please give full description of the following for the last three years:		
A) Year	2 0 Y Y	2 0 Y Y
i) Goods manufactured - actual turnover	₹ _____	₹ _____
ii) Goods sold/ supplied - actual turnover	₹ _____	₹ _____
iii) Goods repaired service, tested and processed - actual turnover	₹ _____	₹ _____
B) For the above, please give the projected turnover for the proposer period of insurance as under:		
i) Goods manufactured		
ii) Goods sold/ supplied		
iii) Goods repaired, serviced, tested and Processed (Please attach leaflets, brochure and / or any other literature).		
12. Please furnish details pf products to be considered for insurance which are manufactured and/or designed:		
(a) Name of the product:		
(b) Principal component:		
(c) Annual Units produced:		
(d) Annual turnover:		
(e) How long has it been in the market?		
(f) Expected life of use:		
(g) Intended customer/ultimate user:		
(h) Warranties as to use:		
(i) Technical know - how/collaboration:		
13. Do you have Research & Development Dept.?		☐ Yes ☐ No
14. Please specify any products which are inflammable/explosive, dangerous, radioactive, harmful to health, poisonous by themselves or any combination with others. If so, Please give ful details and state what precautions are taken.		
15. Please state whether goods sold or supplied subject to disclaimer notice, and if, so please give full text, particulars of such disclaimer notice.		
16. Please furnish particulars of new products to be marketed during the next 12 months.		


indusindinsurance.com


022 4890 3009 (Paid)



74004 22200 (WhatsApp)



17. Please furnish details and list of products discontinued or recalled or withdrawn during the last five years.			
18. Please elaborate complaints, incident/accident reporting system in your organisation.			
19. Please give details of checks or examinations or controls including batch control and testing carried out or effected to discover possible defects or errors in products.			
20. Do your products comply with standards like ISI or any other Standards?		☐ Yes ☐ No	
21. Have your products ever been subject to any enquiry or investigation by any Government agency, concerning the efficiency/adequacy or labelling, hazardous contents or safety?		☐ Yes ☐ No	
If so, please give full details			
22. What is the failure rate of each product after hand over?			
23. Do you issue guarantees and/or warranties to purchasers?		☐ Yes ☐ No	
If so, for what period do you guarantee and/or warrant your product?			
24. Particulars regarding directions for use.			
(a) Is it by printing on container or product?		☐ Yes ☐ No	
(b) Is it by separate leaflet or brochure		☐ Yes ☐ No	
(c) Is the hazard warning clearly shown?		☐ Yes ☐ No	
25. Please furnish claims history (countrywise) for the last three years in the following format:			
i) Year	2 0 Y Y	2 0 Y Y	2 0 Y Y
ii) No. of claims:	₹ _____	₹ _____	₹ _____
iii) Total amount paid	₹ _____	₹ _____	₹ _____
Bodily injury:	₹ _____	₹ _____	₹ _____
Property Damage:	₹ _____	₹ _____	₹ _____
Cost of defence action:	₹ _____	₹ _____	₹ _____
Total Amount of Pending claims:	₹ _____	₹ _____	₹ _____
26. Are you aware of any incidents, conditions, defects, circumstances or suspected defects which may result in claim?		☐ Yes ☐ No	
27. Have your proposal or renewal been declined or premium increased, special terms imposed by any Insurer?		☐ Yes ☐ No	
If so, please give particulars:			
28. Please indicate the limit of indemnity required			

(i) Any one accident:			
(ii) Aggregate during the policy period			
29. Please indicate the Voluntary	U.S.A.	Canada	All other countries including India
Excess for each claim (in addition to Compulsory Excess) you are willing to bear			
30. Please quantify sales turnover productwise for the last 3 years as under:			
(a) Domestic (to list)			
(b) USA/Canada (to list)			
(c) OECD countries (to list)			
(d) Other countries (to list)			
31. Do you wish to insure:			
(a) Domestic sales only or	☐ Yes ☐ No		
(b) Domestic sales and exports	☐ Yes ☐ No		
If yes, specify the countries to be covered			
(i) USA and Canada			
(ii) OECD countries			
(iii) Other countries			
(Cover for exports will be granted only if domestic sales is also covered).			
32. How long have you been exporting to these countries?			
(i) USA and Canada			
(ii) OECD countries			
(iii) Other countries			
33. Do you require "Limited Vendor's Endorsement"?			☐ Yes ☐ No
(Please enclose a copy of the contract with the Vendors/and give the name to each product export to such countries)			
34. Do you comply with USA/Canadian State/Federal Laws/Standards applicable to each product of export to such countries?			☐ Yes ☐ No
35. Please give details of any power of attorney on Assets in USA/Canada			
36. Policy period:	From 12.00 midnight of DD/MM/YYYY To 12: 00 midnight of DD/MM/YYYY		

RISK ASSESSMENT

Product Liability

The Insure's decision to accept or reject a proposal, presupposes knowledge of all the factors influencing the risk Sound underwriting is possible only if the Insurer has the full knowledge of the risk.

In case of product Liability covered, for risk assessment, there are numerous factors to be taken into account. Analysis of risk is based mainly on the production schedule and activities of the insured. The Insurer should, therefore obtain as much information as possible on the activity of the Insured. What products or groups of products are manufactured? What are they used for? What proportion of sales do the products proposed for Insurance, constitute on the total sales?

Insurers should obtain detailed description of the various products brochure, catalogues, prospectus etc., not only supply valuable additional information but also describe the products more clearly than a simple list of names.

The aspects of risk assessment are dealt with in details in the " RISK ASSESSMENT REPORT" as appended here to. This report is required for the following:

1. Exports involving U.S.A and Canada irrespective of limit of Indemnity.
2. Exports involving countries other than U.S.A. and Canada for an aggregate limit of indemnity during the policy period exceeding ₹ 50,00,000/-
3. Proposals not involving exports for an aggregate limit of indemnity during the policy period exceeding ₹ 2,50,00,000/-.

PRODUCT LIABILITY RISK ASSESSMENT REPORT (private & Confidential: Exclusively for the use of the Insurers)

I. Name of the Insured ☐ Mr. ☐ Ms. ☐ Mrs. F I R S T M I D D L E L A S T

Address of the Insured (Give all locations and specify product at each location and how they interlink.)

II. Product

1. Full description of each product: (Attach brochures and details including past products.)

2. Total turnover of each product:

3. Markets: (Include possible specify and high risk areas)

4. Countries of exports with extent of previous exports even if products no longer supplied to such markets.

5. Export turnover:

(I) USA and Canada

(II) OECD

(III) Other including non-OECD countries



indusindinsurance.com



022 4890 3009 (Paid)



74004 22200 (WhatsApp)



6. Domestic sales turnover:			
III. Product Safety Control Programme:			
1. Has a programme been devised?			☐ Yes ☐ No
If so give details			
2. Is this programme comprehensive and clearly understood by concerned persons?			☐ Yes ☐ No
3. Is the programme distributed to all departments?			☐ Yes ☐ No
4. Is the programme regularly checked and updated?			☐ Yes ☐ No
5. In the absence of written programme, what other arrangements exist?			
6. Has a product safety Committee been formed?			☐ Yes ☐ No
How frequently do they meet?			
7. Does Committee include decision makers from:			
☐ (a) Design Engineers	☐ (b) New Products Dept	☐ (c) Manufacturing	☐ (d) Quality Control
☐ (e) Service	☐ (f) Legal Dept	☐ (g) Advertising Dept	☐ (h) Personnel Dept
8. Are the regular safety personnel involved in drafting and implementing the programme?			☐ Yes ☐ No
IV. Area of responsibility to implement programme:			
1. Who has overall responsibility for Product Safety?			
2. Has someone from top level management been designated to co-ordinate programme implementation?			☐ Yes ☐ No
3. Are Quality Assurance Audits undertaken?			☐ Yes ☐ No
These should cover all aspects referred to in the various sections of this report How regular are these?			
What is procedure for implementation of findings?			
4. What training has been given?			
5. Insured members of any trade association?			
6. Are Insured members of Institute of Quality Assurance like?			
Indian Standards Institute, British Standards Institute, etc.?			☐ Yes ☐ No
If so, to what extent do they use the services offered?			
V. Hazard Analysis & Product Safety:			
A 1. Hazard Analysis:			

(a) Is this undertaken?	☐ Yes ☐ No
(b) What system is used? _____	
Does this include consideration of misuse of product as well as correct use?	☐ Yes ☐ No
(c) How is information disseminated and applied in design/manufacture etc.? _____	
(d) Does it include consideration of previous history?	☐ Yes ☐ No
2. Does the product conform to a recognised Standards eg. I.S.I./B.S.I. etc. or any code of Practice followed?	☐ Yes ☐ No
3. Is outside technical know-how/collaboration/consultancy sought?	☐ Yes ☐ No
Give details: _____	
4. Are all inbuilt safety devices/guards etc. designed to "fail-safe"?	☐ Yes ☐ No
Give details: _____ _____	
5. What warnings are displayed on product? Are these adequate and displayed prominently? _____	
6. What would be the effect of failure of product to perform its intended function? _____	
B Design:	
1. To what extent is design undertaken by the Insured? _____	
2. Is there a statement of the requirements of the design expressed by drawings and performance specifications and is there international documentation of Process Lay-outs, Process Specification Test Schedules, etc. _____	
3. How are design changes handled and are systems adequate to ensure old designs withdrawn? _____	
4. How are new design tested prior to commencement of production? What records are kept? _____	
C Material used:	
1. What are the materials/components used for each product? _____	
2. Are any components sub- contracted? Give details of specification adopted _____	
3. How is quality of the material/components checked? Give details of testing _____	
4. What would be effect of faulty material/componet on the finished product? _____	
D Packaging/Labelling	
1. Nature of packaging - Is it adequate?	☐ Yes ☐ No



indusindinsurance.com



022 4890 3009 (Paid)



74004 22200 (WhatsApp)



2. Where are supplies obtained from?	
3. Is packaging adequate to protect handler?	☐ Yes ☐ No
4. What checks are made on packaging quality?	
5. How is packaging labelled? Is this adequate to give clear indication of contents? (Supply copies if available).	
6. Is labelling adequate and of suitable size?	
7. How is labelling controlled to prevent errors?	
8. Who undertakes packaging? If an outside agency, what control does Insured have?	
9. What records are kept?.	
VI. Sales & Distribution:	
A Sales:	
1. How are sales organised?	
2. What Advertising literature is used? (Attach copies if available)	
3. Does this make any extravagant or misleading claim?	
4. Is advice to customer given? Give details	
5. Conditions of sale - (Attach copy if available)	
6. Is it necessary for product to have any test certificate? If so, who provides this?	
7. What records are kept?	
B Distribution:	
1. What is your distribution network?	
2. What method of transport is used?	
3. What dispatch control procedures and records are used?	
4. Does the product have a shelf life?	☐ Yes ☐ No
If so, state period and how this is indicated to the customer, e. g sell by dates?	
5. Is there any interim storage?	☐ Yes ☐ No
Give details	

6. Is the transport used available for other products? If applicable what cleansing and inspection methods are used between products?		☐ Yes ☐ No
C Advice customers in product use:		
1. What facilities do the Insured have for customer enquiries relating to the use of the product?		
2. What records are kept of additional advice given?		
3. Is any guidance/advice given on customer premises? Give details		
D Installation:		
1. What percentage of product is installed by insured?		
2. Do insured undertake full commission of product?		☐ Yes ☐ No
3. Is the installation being done by qualified and skilled staff?		☐ Yes ☐ No
VII. Customer Complaints:		
1. What is procedure for handling complaints?		
2. Is a senior management official responsible?		☐ Yes ☐ No
3. How is customer advised of any fault discovered in a particular design or batch of work?		
4. Are the Insured able to trace the location of any specific product or component after sale?		
5. What would be effect of s product failure - give maximum possible loss if this ca be quantified. (Consider nature of business of possible user)		
6. Is there an established method of product recall?		☐ Yes ☐ No
7. What records are kept?		
8. Are faults tabulated and analysed to locate problem areas or trends?		☐ Yes ☐ No
If so how often and what action is taken?		
9. Is there an established method of co-ordinating faults with design and manufacturing process to avoid recurrence and to rectify where necessary?		
VIII. Previous History:		
1. What has the history been of:		
☐ (a) Complaints		
☐ (b) Injuries to persons from products		


indusindinsurance.com


022 4890 3009 (Paid)



74004 22200 (WhatsApp)



☐ (c) Damage to property from products and consequential losses arising there from

(d) Claims against the Insured? Whether proven or otherwise over the past 3 years

2. Are proper records kept?

☐ Yes ☐ No

3. What action is taken on complaints of customers?

4. Is reference made to all such previous records when considering a new design (i.e. do they learn by their mistakes?)

IX. Other Considerations:

1. Is there any other factor likely to affect the risk (e. g. item of local knowledge - language problem - general law management attitude displayed by poor housekeeping etc.)?

2. Comments on supervisor and labour relation

X. Recommendations:

Please provide:

1. Positive assessment of hazards related to products

2. Assessment of organisations and method employed (in the light of information obtained) to deal with such hazards and produce to a customer a product which is both safe and reliable in use.

3. An opinion relating to acceptability at the time of survey and the trends anticipated in the risk in the future.

Please consider:

1. All manufactured products have a failure rate

2. Can a defective product be supplied?

3. What is probability of a defective product producing a claim?

4. What would be likely cost of that claim and its effect?

If we had to defend an action - Can we say it was a good product - designed and produced with safety in mind and sold in a safe manner with adequate instructions.

PROPOSER'S BANK DETAILS

37. Name of the Bank
Account Holder

☐ Mr. ☐ Ms. ☐ Mrs. F I R S T M I D D L E L A S T

38. Bank Account No.:

39. Account:

☐ Saving ☐ Current

40. Name of the Bank



indusindinsurance.com



022 4890 3009 (Paid)



74004 22200 (WhatsApp)



41. Branch	
42. MICR Code (9 digit MICR code number of the bank and branch appearing on the cheque issued by the bank)	
43. IFSC Code (11 character code appearing on your cheque leaf)	
☐ I understand that any refund due on the premium payment / any payment / claims to be directly credited to my aforesaid Bank Account.* *As per IRDAI, its mandatory that all payments made to the insured are only through electronic mode.	

PEP DECLARATION:

Are you a Politically Exposed Person (PEP)?	☐ Yes ☐ No
If yes, please mention the position held	
Is any of your close relation or family member a PEP?	☐ Yes ☐ No
If yes, please mention the name and relation and the position held by such close relative/family member.	

I hereby declare that in future if me, any of my close relatives or any of my family member attains a position of PEP then I shall confirm the same to IndusInd General Insurance Co. Ltd as a mandate. I understand that this is a crucial information under the PMLA Rules and AML/CFT Guidelines and shall confirm that the answers given by me is true. In case the company comes to know that this is a misrepresentation and concealment of information then the policy shall be put on hold for scrutiny by the company and I shall be solely responsible for the same.

Note :

"Politically Exposed Persons" (PEPs) are individuals who are or have been entrusted with prominent public functions in a foreign country, e.g., Heads of States/Governments, senior politicians, senior government/judicial/military officers, senior executives of state-owned corporations, important political party officials, etc (As per sub clause (xii) of 3(b) of Chapter I of Master Direction – Know Your Customer (KYC) Direction, 2016 issued by Reserve Bank of India (RBI).

AML Guidelines

1. I/We hereby confirm that all premiums have been/will be paid from bonafide sources and no premiums have been /will be paid out of proceeds of crime related to any of the offense listed in Prevention of Money Laundering Act,2002.
2. I Understand that the Company has the right to call for document to established sources of funds.
3. The Insurance Company has right to cancel the insurance contract in case I am/have been found guilty by competent court of law under any of the statutes, directly or indirectly governing the prevention of money laundering in India.

Place: _____

Date: _____

Signature of Proposer

GENERAL DECLARATION:

I understand that as per the new AML/CFT Guidelines issued IndusInd General Insurance Co. Ltd will be verifying my details pertaining to KYC and PAN provided at the time of proposal.

I further, do hereby agree and consent that in the case of the event of a mismatch of information provided by me in the proposal form, identification proof, and address proof at the time of issuance of the policy. I request IndusInd General Insurance Company Limited to issue the policy with the details appearing as per my proposal form. I will be solely responsible for any consequences arising out of the difference in detail given by me during the verification of supporting documents provided by me at the time of issuance of the policy or otherwise.

DECLARATION

I/We desire to effect an Insurance in terms of the Product Liability of IndusInd General Insurance Company Limited against the limits of indemnity specified above and I/We hereby declare that all statutory provision relating to my/our business proposed for Insurance are complied with. I/We further declare that all the above statements and particular are true, and I/We have not omitted, suppressed, misrepresented or misstated any material fact and I/We agree that this declaration shall be the basis of the contract between me/us and the Company and be incorporated therein.

I/We further agree and undertake not to receive from IndusInd General Insurance Company Limited any rebate other than that entioned in the published prospectus in accordance with the provisions Prohibition of Rebates - Section 41 of the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015.

I/We here by state that the above mentioned address shall be taken as address on record for the purpose of GST.

I/We hereby confirm that the contents of the proposal form and connected documents have been fully explained to me/us and I/We have fully understood the significance of the proposed contract.

Place: _____

Date: _____

Signature of Proposer

PROHIBITION OF REBATES - SECTION 41 OF THE INSURANCE ACT, 1938 AS AMENDED BY INSURANCE LAWS (AMENDMENT) ACT, 2015.

1. 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 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 prospectuses or tables of the insurer.
2. Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.