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Automotive  
Components  
Product Recall

PROPOSAL FORM

[libertyspecialtymarkets.com.au](http://libertyspecialtymarkets.com.au)



**Liberty**  
Specialty Markets

## Important Notice

### Your Duty Of Disclosure

Before you enter into a contract of general insurance with an insurer, you have a duty, under the Insurance Contracts Act 1984 (Cth), 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 its business, ought to know;
- ▶ as to which compliance with your duty is waived by the insurer.

### Non Disclosure

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce their 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.

### Inadequate Space To Answer

If there is inadequate space to answer any of the questions or make any comment or you need to disclose something to us because of your Duty of Disclosure, please attach a separate piece of paper to this questionnaire giving full details of additional information.

**1. THE APPLICANT**

Name of Applicant to be insured under this Policy

Applicant's mailing address

List all subsidiary companies to be included under this Policy

Applicant's website address

**2. FINANCIALS**

Actual total turnover for the last 12 months

Estimated turnover for the next 12 months

Is this the Applicant's total turnover?

Yes

No

If No, please provide details:

**3. PRODUCT OVERVIEW (attach additional pages as needed)**

Products	% of Total Sales	OEM, Tier (1,2 &3), Aftermarket

What percentage (%) of your products are considered safety critical ( refer question 8(d) if yes? %

Region	Product(s)	Turnover (AUD)
<b>Geographics distribution:</b>		
Australia/New Zealand		
USA & Canada		
United Kingdom/Europe		
Japan		
All other		

Region	Product 1	Product 2	Product 3
<b>Top 3 products (by sales):</b>			
Description of Product			
Annual Sales (AUD)			
Maximum Daily Production (units)			
Maximum Daily Production (AUD)			
Country of Manufacture			
Manufacturer Failure Rate (%)			
Will any new products be marketed or sold during the next 12 months? If Yes, please provide details			Yes No

**4. PRODUCT OVERVIEW – USA & CANADA EXPORTS**

Full description of all product(s) exported to the USA & Canada

Estimated annual turnover for the next 12 months of all exports to USA & Canada	AUD
How long have you been producing each product?	
Will any new products be marketed or sold in the USA or Canada during the next 12 months? If Yes, please provide full details	Yes No

**5. QUALITY ASSURANCE**

Is the Applicant accredited with IATF 16949? If Yes, please provide details	Yes	No
Is the Applicant accredited with any other internationally recognised standards? If Yes, please provide details	Yes	No
Does the Applicant perform internal Quality Assurance audits? How often are these audits conducted?	Yes	No
Are Quality Assurance audits performed by independent third party parties? How often are these audits conducted? When was the last audit conducted?	Yes	No
Were any critical or major non-conformances raised (if yes please advise)?	Yes	No

Do any of Applicant's customers audit the Applicant's processing procedures and manufacturing plants? If Yes, please provide a copy of the most recent audit report.	Yes	No
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## 6. PRODUCT DESIGN

Does the Applicant operate a research and development department?	Yes	No
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Does the Applicant do their own design work?	Yes	No
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If Yes, does the Applicant obtain full sign-off from all Customers before beginning manufacture?		
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What % of products are designed by the Applicant?		%
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Does the client rework or remanufacturer used components?	Yes	No
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Does the Applicant maintain records of all design changes and reasons?	Yes	No
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Does the Applicant obtain sign off from Customers before any design changes are implemented?	Yes	No
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Does the Applicant subject all designs to independent external review, testing or certification? If Yes, please provide details	Yes	No
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Are the Applicant's products designed:

– to meet or exceed all government and industry standards of the countries / territories the Applicant is supplying to?	Yes	No
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– for optimum safety in spite of misuse or abuse?	Yes	No
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What is the life expectancy of the Applicant's products?		
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## 7. PRODUCT TESTING & TRACEABILITY

Is a batch coding system utilised?	Yes	No
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Please provide details of coding (e.g. by date, shift line, operator, etc)

Does the Applicant's products carry:

– the Applicant's company name?	Yes	No
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– the Applicant's trade mark?	Yes	No
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– a part number?	Yes	No
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– a production batch number?	Yes	No
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Can all products be tracked so that the source and destination of individual batches can be identified?	Yes	No
What is the maximum batch size?		
Does the Applicant perform product testing on all: raw materials?	Yes	No
end products?	Yes	No
How often does product testing occur?		
What % of products are tested?		

**8. SUPPLIERS**

Please list the 5 largest (in AUD) materials or components you purchase from others:

Component	Value (AUD)

Does the Applicant provide written specifications for all material or components purchased from third parties?	Yes	No
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Does the Applicant import any products or components?	Yes	No
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If yes, please list the 5 largest (in AUD) materials or components you import:

Component	Supplier Name	Value (AUD)

Have you determined which components are critical to the safety of your final product?	Yes	No
If yes, please list these components:		

Component	Value (AUD)

What testing is performed on these components?

Does the Applicant retain samples of components manufactured by suppliers?	Yes	No
How many suppliers does the Applicant have?		
How many of these suppliers has the Applicant been using for only less than 18 months?		

Does the client perform site visits on all their major suppliers?	Yes	No
Does the client require all Suppliers to be accredited with internationally recognised standards? Please provide details	Yes	No
Does the Applicant have a written Vendor Quality Assurance Plan in place?	Yes	No
Does the Applicant have full recovery rights (including cost of goods and any consequential loss) against all suppliers?	Yes	No

### 9. RECALL PREPAREDNESS

Does the Applicant have an in-force recall plan?	Yes	No
Has the Applicant conducted a mock recall in the last 18 months?	Yes	No
Has the Applicant had any strikes / riots / work stoppages or plant closures in the past 3 years?	Yes	No

### 10. HISTORY

Have any products or any of the Applicant's premises been the subject of comment or complaint by any government agency or department in the past 5 years?	Yes	No
Has the Applicant or any of its division or subsidiary companies had any actual, threatened or suspected errors in manufacturing, design, labeling or packaging in the past 5 years?	Yes	No
Has the Applicant or any of its division or subsidiary companies had any actual, threatened or suspected tamperings, extortions, Kidnappings, Wrongful Detention or Hijackings in the last 5 years?	Yes	No
Does the Applicant, its directors, officers or any other person to the knowledge of the Applicant, have knowledge of or information about any fact or circumstance which may reasonably give rise to a claim under the proposed policy?	Yes	No
Has the Applicant had any statutory fines or penalties during the last 5 years?	Yes	No
Has the Applicant had any product recalls or withdrawals during the last 5 years? If yes, please provide details	Yes	No
Has any Insurer:		
(i) declined to insure the Applicant in respect of any coverage(s) proposed for herein?	Yes	No
(ii) cancelled or refused to renew the Applicant's insurance?	Yes	No
(iii) imposed special terms to insure the Applicant?	Yes	No

The answers you have provide to the above questions 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 must disclose those facts to us in the space provided below.

## 6. DECLARATION AND SIGNATURE

I declare that I have made all necessary enquiries into the accuracy of the responses given in this Proposal Form and confirm that the statements and particulars in this Proposal Form are true and complete and that no material facts have been omitted, misstated or suppressed. I acknowledge receipt of the Important Notices and confirm that I have read and understood them. I confirm that I am authorised by the Applicant to complete, sign, and submit this Proposal Form on behalf of the Applicant.

Signature

Date

Name (please print)

Title

### Privacy Notice

Liberty Specialty Markets (Liberty) is a trading name of Liberty Mutual Insurance Company, which is a company incorporated in the United States. It is a member of Boston-based Liberty Mutual Group (LMG). Liberty Australia's head office contact details are:

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