

PRODUCTS LIABILITY

Key Underwriting/Qualifying

Factors (Including but not limited to):

- Vendor status/certificates of insurance
- U.S.-based operations
- Deductible versus SIR requirements
- Stand alone products coverage available
- General liability must include products coverage
- Experience evaluation
- \$7,500 minimum account premium

Ineligible for this program:

- Aviation
- Latex gloves
- Tobacco products

K&K Benefits:

- Experienced & professional staff dedicated exclusively to servicing K&K's Products Liability clients
- Excellent relationships with several leading insurance carriers
- Active participation in product trade associations such as The International Boat Builders Exhibition & Conference (IBEX), International Health, Racquet & Sportclub Association (IHRSA), Specialty Equipment Market Association (SEMA) and International Association of Amusement Parks and Attractions (IAAPA)
- 24-hour emergency claims phone service
- Insurance carriers rated "A" or higher by A.M. Best
- Premium financing available
- Assistance with surplus lines tax filings

K&K's Product Liability Program was developed for the sports, leisure and entertainment industry with emphasis on automobile, motorcycle, sports equipment, boat, trailer and amusement ride manufacturers. The program includes most support industries and other tough product liability classes.

Coverages Available & Program Highlights:

Products Liability

- Vendors as Additional Insureds
- Worldwide coverage
- Occurrence or Claims Made policy forms
- Deductible and SIR Options Available

General Liability (including products coverage)

Umbrella/Excess Liability

Eligible Operations:

- Auto, motorcycle, truck parts
- Baby products
- Boats & marine equipment
- Camping equipment
- Collector car kits, street rods, kit cars
- Custom motorcycle manufacturers
- Distributors
- Exercise equipment
- Furniture
- Gymnastic & martial art equipment
- Industrial products
- Importers
- Manufacturers
- Medical equipment
- New Ventures
- Nutraceuticals
- Racing equipment and parts
- Ski equipment, snow boards, skate boards
- Sports equipment
- Trailers & recreational vehicles
- Vitamins & Supplements

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Contact Information:

1712 Magnavox Way
P.O. Box 2338
Fort Wayne, IN 46801-2338

Products Liability Program

PHONE: 800.927.4756

FAX: 847.953.2901

EMAIL:

KK.General@kandkinsurance.com

WEB SITE:

kandkinsurance.com

K&K Insurance Group, Inc. is a licensed insurance producer in all states (TX license #13924); operating in CA, NY and MI as K&K Insurance Agency (CA license #0334819)

Submission Instructions:

To request an insurance quotation through this program, please submit the appropriate applications along with the preliminary underwriting information listed. In some cases, requested coverages may not be offered or available due to underwriting criteria and/or carrier guidelines. It is important to carefully review the terms and conditions of any insurance quotations received. Please contact a K&K representative at (800) 927-4756 if you have any questions.

Preliminary Underwriting Information Required:

- K&K Application(s) (see below)
- ACORD application(s) for other requested coverages
- Five years of current valued loss runs or equivalent
- Website address, brochure or narrative describing products and operations

Products Liability Application(s):

(Applications can be obtained from our web site: kandkinsurance.com)

K&K Application(s)

- Application for Product Liability Insurance

ACORD Application(s)

- Commercial Information
- General Liability
- Umbrella/Excess

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 www.kandkinsurance.com
 CA# 0334819

APPLICATION FOR MANUFACTURER'S PRODUCT LIABILITY INSURANCE

Applicant's Instructions:

1. Answer all questions. If the answer to any question is NONE, please state NONE. Do not use N/A or Not Applicable.
2. Please read carefully the statement at the end of this application.
3. Please attach the following information:
 - A. Product brochures, catalogs, service agreements, labels, instructions and/or website address.
 - B. Current audited financial statement (or pro forma) - if requested.

1. Applicant

Please type or print. Proposed effective date: _____

- A. Full name of applicant: _____
- B. Principal address: _____

- C. Website Address: _____
- D. Contact: _____ Title: _____ Telephone: _____
- E. E-mail Address: _____
- F. Corporation Partnership Proprietorship Other _____
- G. Years in business under present name: _____
- H. Describe present or prior affiliation with other firms: _____

- I. Estimate for upcoming year: Domestic Sales/Receipts: \$ _____
 Foreign Sales/Receipts: \$ _____
- J. Payroll estimate: \$ _____
- K. Manufacturer Wholesaler Retailer Importer Exporter Other _____

2. Specifications

- | | Requested | Present |
|---|------------------|----------------|
| A. Limits of liability: | \$ _____ | \$ _____ |
| B. Self-insured retention or deductible (specify): | \$ _____ | \$ _____ |
| C. Retroactive date (If applicable): | _____ | _____ |
| D. Present insurer: _____ and premium \$ _____ | | |
| E. Has any insurer ever cancelled, restricted or refused to renew your products liability insurance? <input type="checkbox"/> Yes <input type="checkbox"/> No | | |
| If yes, please attach details. _____ | | |

3. Products and Completed Operations

A. Describe your products and services. Show the number of years involved with each product. Indicate which products you distribute, install, service or repair: _____

B. Products acquired via acquisition or merger: _____

Did you assume liability for these products? Yes No

If yes, please explain: _____

C. Do you retain liability for products or divisions that you no longer control? Yes No

If yes, please explain: _____

D. Do you plan the introduction of any new products? Yes No

If yes, please explain: _____

E. Have you discontinued any products? Yes No

If yes, please explain and include the date(s) discontinued: _____

F. Sales History	Sales	Units Sold	Principal product(s) and/or service(s)	Percent of total sales
Estimated (next 12 months):	\$ _____	_____	_____	_____
Past 12 months:	\$ _____	_____	_____	_____
1st previous year:	\$ _____	_____	_____	_____
2nd previous year	\$ _____	_____	_____	_____
3rd previous year	\$ _____	_____	_____	_____
4th previous year	\$ _____	_____	_____	_____

Replacement parts are what percentage of total sales? _____%

G. Has there been a significant change in product mix? Yes No

H. Do you import products or component parts? Yes No

I. Do you export products or have foreign operations? Yes No

J. Could any of your products or services be used on or in connection with:

Pharmaceuticals/cosmetics/vitamins/herbs? Yes No

Aircraft/missile/aerospace? Yes No

Watercraft or offshore? Yes No

Transportation/pollution/waste treatment? Yes No

K. Do you make or handle any product that is explosive, flammable or poisonous, either by itself or in combination with other materials? Yes No

L. Are any of your products sold under another company's name or label? Yes No

M. Do you purchase materials or components for others? Yes No

N. Do you assemble your products? Yes No

O. If your product is assembled by others, do you supervise? Yes No

P. Do you install your product? Yes No

Q. Have you ever manufactured or distributed asbestos-containing products? Yes No

R. If your product is installed by others, do you supervise or furnish instructions as to installation? Yes No

If yes, please attach a copy.

S. Percent of total sales to: Wholesalers _____ % Retailers _____ % Consumers _____ %
 East _____ % Midwest _____ % West _____ %

T. Suppliers and distributors:

Do you hold them harmless or insure them? Yes No

Do they hold you harmless or insure you? Yes No

If yes to either of the above, please explain: _____

4. Claim History- 5 years or more (attach a hard copy from prior carriers.)

A. Total aggregate losses, from first dollar, including expenses:

Evaluation Date	Carrier	Policy Period	No. of Claims	Total Amounts Paid Indemnity	Total Amounts Paid Expense	Amount Reserved Indemnity	Amount Reserved Expense	Total Incurred
_____	_____	_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

B. Individual losses valued at \$10,000 or more, from first dollar including expenses:

Date of Claim	Product Involved	Describe Occurrence and Injury or Damage	Total Amounts Paid Indemnity	Total Amounts Paid Expense	Amounts Reserved Indemnity	Amounts Reserved Expense
_____	_____	_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____	\$ _____	\$ _____

C. Are you aware of any other incidents, conditions, circumstances, defects or suspected defects which may result in claims against you? Yes No

If yes, give details: _____

5. Loss Prevention • Product Design • Quality Control

- A. Have your products ever been subject to inquiry or investigation relative to product safety by any government agency? If yes, please attach details. Yes No
- B. Do you have a written product recall plan? If yes, please attach a copy. Yes No
- C. Have you ever recalled products because of a potential product safety hazard? If yes, attach details indicating percent of recovery. Yes No
- D. Do you do your own design work? Yes No
- E. Do you maintain records of design changes and reasons justifying these changes? Yes No
- F. Are your designs subject to independent external review, testing or certification? Yes No
- G. Are your products designed, tested, labeled and manufactured to meet or exceed all government and industry standards? Yes No
- H. Are written testing procedures followed? Yes No
- I. How long are quality control and testing records kept? _____
- J. Supplies and components:
1. Are they ordered to your specifications? Yes No
 2. Have you determined which ones are critical to the safety of your final product? Yes No
 3. List those critical items, indicate whether testing is on a sample basis or on all units: _____

 4. Are warranties obtained from all suppliers? Yes No

6. Instructions • Warnings • Loss Control • Defense

- A. Do you provide any specific training/instruction for the ultimate user in the proper use of your product? Yes No
If yes, please describe: _____

- B. Explain how you identify your products and parts from similar competitors' products and parts: _____

- C. Can you determine based on available records for all products you have sold:
1. When any given product item was manufactured? Yes No
 2. To whom it was sold, and the date of sale? Yes No
 3. Who supplied parts and supplies? Yes No
- D. Accident procedure:
1. Do you have a written procedure for obtaining information about product complaints, accidents and injuries involving your product(s)? Yes No
 2. Does your procedure provide for examining and preserving any allegedly defective product, with the results of such examination recorded? Yes No

I understand that the insurance company in determining whether to provide a quotation for insurance coverage will rely on the information contained in the application and all other information being submitted. I hereby warrant, represent and confirm that, to the best of my knowledge, all information provided is complete, true and correct.

Applicant's Signature

Producer's Signature (if applicable)

Applicant's Name (print)

Producer's Name (print)

Date (MM/DD/YY)

Date (MM/DD/YY)

