

# NUTRACEUTICAL INDUSTRY APPLICATION

**RT Specialty of Illinois, LLC**  
200 South Wacker Drive  
32nd Floor, Suite 3272  
Chicago, IL 60606

Revised 05/06

## APPLICANT'S INSTRUCTIONS

1. Answer all questions. If the answer to any question is **NONE**, please state **NONE**.  
**Unanswered questions will result in no quote.**
2. Application must be signed and dated by owner, partner or officer.

## APPLICANT

1. Full name and description of operations (including products) of all entities to be named insured:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Business Location & Mailing Address:

Street: \_\_\_\_\_

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

City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

3. Contact Person: \_\_\_\_\_ Position: \_\_\_\_\_

Phone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_

Website address: \_\_\_\_\_ E-mail: \_\_\_\_\_

4. \_\_\_\_\_ Corporation \_\_\_\_\_ Partnership \_\_\_\_\_ Proprietorship \_\_\_\_\_ Other

5. Organization:

a. Length of time in business: \_\_\_\_\_

b. Considering any mergers, acquisitions or divestitures? \_\_\_\_\_ Y \_\_\_\_\_ N

c. Any mergers in the last 5 years? \_\_\_\_\_ Y \_\_\_\_\_ N

d. Any acquisitions in last 5 years? \_\_\_\_\_ Y \_\_\_\_\_ N

with liabilities? \_\_\_\_\_ Y \_\_\_\_\_ N

e. Any divestitures in the last 5 years? \_\_\_\_\_ Y \_\_\_\_\_ N

*Explain all "Yes" responses*

6. a. Proposed effective date of insurance  
 b. Retroactive date requested

\_\_\_\_/\_\_\_\_/\_\_\_\_  
 \_\_\_\_/\_\_\_\_/\_\_\_\_

**SALES and DISTRIBUTION**

| Products | On Market Since | Current year \$ | 1 <sup>st</sup> Prior Year \$ (*) | 2 <sup>nd</sup> Prior Year \$ (*) | 3 <sup>rd</sup> Prior Year \$ (*) | 4 <sup>th</sup> Prior Years \$ (*) |
|----------|-----------------|-----------------|-----------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
|          |                 |                 |                                   |                                   |                                   |                                    |
|          |                 |                 |                                   |                                   |                                   |                                    |
|          |                 |                 |                                   |                                   |                                   |                                    |

*\* include any discontinued products*

Total Estimated Sales for the coming year \_\_\_\_\_

7. Indicate percent each of the following areas:

\_\_\_\_\_ Manufacturing                      \_\_\_\_\_ Distribution                      \_\_\_\_\_ Packaging

8. Indicates percent sales:

\_\_\_\_\_ Wholesale                      \_\_\_\_\_ Retail                      \_\_\_\_\_ Mfg. Rep.

**PRODUCT IDENTIFICATION**

1. Please attached your catalog of products or copies of your product labels. (All products must be included. Coverage consideration will only be given to those products presented.)

2. What percentage of your products are manufactured overseas? \_\_\_\_\_

a. % of total goods purchased from foreign suppliers: \_\_\_\_\_

b. Of total, indicate % that is end product: \_\_\_\_\_

c. Of total, indicate % that is Component: \_\_\_\_\_

3. Do you export products or have foreign operations:                      \_\_\_ Y \_\_\_ N  
 If **Yes** please explain including percentage (%) of goods and sales volume

\_\_\_\_\_  
 \_\_\_\_\_

4. Have you discontinued or are you considering discontinuing any product?                      \_\_\_ Y \_\_\_ N  
 If **Yes**, please describe the product (s), when it was discontinued and why it was discontinued:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

## MANUFACTURERS

1. Are written quality control and testing procedures followed?  Y  N  
If so, please attach a copy.
2. How long are quality control and resting records kept? \_\_\_\_\_ Years
3. Do you have a full time quality control manager that reports to senior management?  Y  N
4. Can you identify your product from those of competitors?  Y  N
5. Do your records indicate when each product was manufactured?  Y  N
6. Do your records show to whom and the date each product was sold?  Y  N
7. Do your records show who supplied the ingredients going into your products?  Y  N
8. Do you obtain certificates evidencing Products Liability insurance from suppliers?  Y  N
9. Do you have a formal product recall plan? (Please attach a copy)  Y  N

Please explain any "NO" answers: \_\_\_\_\_

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## DISTRIBUTORS

1. Do you get certificates of insurance from manufacturers naming you a vendor?  Y  N  
If Yes, please attach copies.
2. Please provide a list of manufacturers and where they are located: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
3. Do your records indicate when each product was manufactured?  Y  N
4. Do your records show to whom and the date each product was sold?  Y  N
5. Do you obtain certificates evidencing Products Liability insurance from suppliers?  Y  N
6. Do you have a formal product recall plan? (Please attach a copy)  Y  N

## PROCESSING AND QUALITY CONTROL

1. Do others manufacture or package products under your name or label?  Y  N
  - a) Who is doing the formulating? \_\_\_\_\_
  - b) Do you obtain certificates of insurance named as an additional insured?  Y  N
  - c) What percentage (%) are manufactured or packaged by others? \_\_\_\_\_ %
2. Do you manufacture or package products for others under their name or label?  Y  N
  - a) What percentage (%) of your revenue does this reflect? \_\_\_\_\_ %
  - b) Is a mutual hold harmless executed?  Y  N  
If not, please advise the nature of the agreement \_\_\_\_\_

3. Are you involved with acupuncture?  Y  N  
 If **Yes**, please provide details: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**LOSS PREVENTION, LOSS CONTROL, CLAIM DEFENSE**

1. Do you formulate your own products, if not advise name and address of formulator?  
 \_\_\_\_\_
2. Are formulas reviewed, tested and verified by outside labs?  Y  N
3. Do you maintain records of change in formula?  Y  N
4. Do you maintain record of changes in advertisements and sales brochures?  Y  N
5. Are all labels, advertisements and warranties reviewed by Legal Counsel to avoid misunderstandings relative to product safety or intended use?  Y  N
6. Do you obtain certificates of insurance from all manufacturers making products that you sell or distribute?  Y  N
7. Are you named as an additional insured/vendor on the manufacturers or supplier's products liability policy?  Y  N
8. Are your products formulated, tested, labeled and manufactured to meet or exceed all applicable government and industry standards?  Y  N
9. Are any of your products subject to FDA approval?  Y  N  
 If **Yes**: a. voluntary or mandatory? \_\_\_\_\_  
 b. what products? \_\_\_\_\_  
 c. attach copy of most recent FDA inspection.
10. Are you products or operations subject to any other regulatory approval?  Y  N  
 If **Yes**, please provide name(s) of regulatory agencies. \_\_\_\_\_  
 \_\_\_\_\_

11. Are you a member of any of the following organizations:

NNFA \_\_\_\_\_ AHPA \_\_\_\_\_ ABC \_\_\_\_\_

12. Do you have a specific program to withdraw known or suspected defective products from the market?  Y  N
13. Have you ever recalled or are you considering recalling any know or suspected defective products from the market?  Y  N

Please explain any **"YES"** answers:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**HISTORICAL INFORMATION**

|   | Prior Carrier | Occ/CM | Limits | Policy Term | Premium | SIR/Ded. |
|---|---------------|--------|--------|-------------|---------|----------|
| 1 |               |        |        |             |         |          |
| 2 |               |        |        |             |         |          |
| 3 |               |        |        |             |         |          |
| 4 |               |        |        |             |         |          |
| 5 |               |        |        |             |         |          |

**CLAIM HISTORY**

|   | Years(s) | No. of Claims | Total Paid | Total Reserve | Incurred | Date of Loss |
|---|----------|---------------|------------|---------------|----------|--------------|
| 1 |          |               |            |               |          |              |
| 2 |          |               |            |               |          |              |
| 3 |          |               |            |               |          |              |
| 4 |          |               |            |               |          |              |
| 5 |          |               |            |               |          |              |

- a. Please attach description of any losses over \$10,000
- b. Are you aware of any other incidents, conditions, circumstances, defects, or suspected defects which may result in claims against you?  Y  N  
(If yes, please attach an explanation)

1. Please attach 5-year currently valued hard copy company loss runs. Including injury sustained and status of each claim.
2. Has any insurance company ever cancelled, restricted or refused to renew your product liability insurance?  Y  N

If **Yes**, please explain: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**SPECIFIC PRODUCT INFORMATION:**

- 1. Do you have any or plan on having any Ephedra, Kava, Yohimbe, Magnolia, Green Tea, Synephrine, Organ/Glandular Extracts, Colloidial Silver, Bitter Orange or Lobelia Products? \_\_\_\_\_  
\_\_\_\_\_
- 2. If so what percentage (%) of your sales is applicable for each type of product and how many milligrams go into the products? Also provide the specific product names and labels of these products. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**PRODUCTS & COMPLETED OPERATIONS**

- 1. Do you install, service or demonstrate products? \_\_\_ Y \_\_\_ N
- 2. Is research & development conducted or new products planned? \_\_\_ Y \_\_\_ N
- 3. Do you have guarantees, warranties or hold harmless agreements? \_\_\_ Y \_\_\_ N
- 4. Does any named insured sell to other named insured's? \_\_\_ Y \_\_\_ N

**IF EMPLOYEE BENEFITS IS TO BE COVERED, PLEASE SUBMIT THE FOLLOWING:**

*(This information MUST accompany this application or no coverage will be affordable.)*

- 1. No. of employees,
- 2. Copy of employee handbook,
- 3. Retro date of current EBL coverage if claims made,
- 4. Loss history.

**PLEASE ATTACH THE FOLLOWING INFORMATION TO THIS APPLICATION:**

- 1. Current financial statements  
(Latest annual Income Statement and Balance Sheet or , if a new company, estimated first years sales),
- 2. Resume of key employees, risk manager and executive management,
- 3. Product advertising material,
- 4. Product labels, (actual labels, not copies),
- 5. Quality control document, if available,
- 6. A brief history of the company.

**Fraud Warnings**

Various state regulations require us to inform you of fraud warnings.

**To insureds in:**  
 Alaska, Arkansas, Alabama, Arizona, California, Connecticut, Delaware, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Massachusetts, Maryland, Michigan, Missouri, Mississippi, Montana, Nebraska, New Hampshire, Nevada, North Carolina, North Dakota, Oregon, South Carolina, South Dakota, Texas, Utah, Vermont, Washington, Wisconsin, West Virginia, Wyoming:

**NOTICE:** In some states, any person who knowingly, and with the intent to defraud any insurance company or other person, files an application for insurance or statement of claim containing any materially false information, or, for the purpose of misleading, conceals information concerning

any fact material thereto, may commit a fraudulent insurance act which is a crime in many states.

**Colorado**

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 policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claiming with regard to a settlement or award payable for insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies. (CO)

**District of Columbia**

WARNING: 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. (DC)

**Florida**

Any person who knowingly and with intent to injure, defraud or deceive any insurance company files a statement of claim containing any false, incomplete, or misleading information is guilty of a felony of the third degree. (FL)

**Hawaii**

For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both. (HI)

**Kentucky**

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. (KY)

**Louisiana**

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. (LA)

**New Jersey**

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties

**New Mexico**

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. (NM)

**New York**

Any person who knowingly and with intent to defraud any insurance company or any other person files an application or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any other fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed \$5,000 and the stated value of the claim for each such violation.

**Ohio**

Any person who, with intent to defraud or knowing that he/she 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. (OH)

**Oklahoma**

WARNING: 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. (OK)

**Pennsylvania**

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 act, which is a crime, and subjects such person to criminal and civil penalties. (PA)

**Rhode Island**

**NOTICE:** Under Rhode Island law, there is a criminal penalty for failure to disclose a conviction of arson. In some states, 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, for the purpose of misleading, conceals information concerning any fact material thereto, may commit a fraudulent insurance act, which is a crime in many states.

**Tennessee**

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. (TN)

**Virginia**

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. (VA)

Application must be signed and dated by principal, partner, officer or director of the firm.

Applicant's Signature\_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

**PLEASE NOTE:** COMPLETION AND SUBMISSION OF THIS APPLICATION IS FOR THE PURPOSE OF SECURING A PREMIUM QUOTATION ONLY.

AGENT OR  
BROKER\_\_\_\_\_