

Quaker Special Risk

P.O. Box 1350
Eatontown, NJ 07724
www.QSR-Insurance.com
1-800-447-4180

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. Products brochures, catalogs or labels
 - B. Audited Financial Statements (If Any)
 - C. Additional explanation to questions herein where appropriate

1. Applicant

Proposed Effective Date: _____

A. Full name of all entities of the applicant: _____

B. Principal address: _____

C. Contact: _____ Title: _____ Telephone: _____
E-Mail: _____ Website Address: _____

D. Corporation Partnership Proprietorship Other _____

E. Years in business under present name: _____

F. Description of your current operations: _____

G. Describe present or prior affiliation with other firms: _____

2. Specifications:

A. Total limits requested: _____

B. Current Insurance:	<u>Primary</u>	<u>Excess</u>
Carrier Name	_____	Carrier Name _____
Limits:		Limits: _____
Per Occurrence	_____	Per Occurrence _____
General Agg	_____	Aggregate _____
Products Agg	_____	
Deductible or SIR	_____	
Retroactive Date	_____	Retroactive Date _____
Premium	_____	Premium _____

C. Has any insurer ever cancelled, restricted, or refused to renew your products liability insurance? Yes No

If yes, please attach details.

3. Gross Sales History - 5 years

A. Gross Sales History	Gross Sales	Principal Product	Percent
Projected (next 12 months):	\$ _____	_____	_____
Past 12 months:	\$ _____	_____	_____
1st Previous Year:	\$ _____	_____	_____
2nd Previous Year:	\$ _____	_____	_____
3rd Previous Year:	\$ _____	_____	_____
4th Previous Year:	\$ _____	_____	_____

4. Products and Completed Operations

A. Are any of your products designed to promote weight gain, weight loss, muscle enhancement or increased metabolism?

Yes No

List all product names and total projected sales for these products, and attach all product labels for each product listed below. (Attach separate sheet if necessary to list additional products)

<u>Name</u>	<u>Projected Annual Sales</u>	<u>Labels Attached</u>
_____	_____	<input type="checkbox"/> Yes
_____	_____	<input type="checkbox"/> Yes
_____	_____	<input type="checkbox"/> Yes
_____	_____	<input type="checkbox"/> Yes

B. Are any of your products used for sexual enhancement and/or male enhancement? Yes No

List all product names and total projected sales for these products, and attach all product labels for each product listed below. (Attach separate sheet if necessary to list additional products)

<u>Name</u>	<u>Projected Annual Sales</u>	<u>Labels Attached</u>
_____	_____	<input type="checkbox"/> Yes
_____	_____	<input type="checkbox"/> Yes
_____	_____	<input type="checkbox"/> Yes
_____	_____	<input type="checkbox"/> Yes

C. Do you have any past, present, or planned association with the any of the following:

- Androsteredione Aristolochic Acid Bitter Orange (Citrus Aurantium) Butanediol
- Dehydroepiandrosterone (DHEA) Ephedra, Pseudoephedrine, or Ma Huang
- Gamma Butyrolactone (GBL) Gamma Hydroxybutyric Acid Hoodia Jin Bu Huan
- Pennyroyal Oil Steroids or anabolic hormones Synephrine Tiratricol
- Any derivatives of any of the preceding ingredients

What percentages of sales are derived from the products above? _____

D. Do you have any past, present, or planned association with the any of the following:

- Animal Derived products
- Chaparral
- Chomper
- Creatine
- Colloidal Silver
- Comfrey
- Germander
- Germanium
- Kava
- Lobelia
- L-Tryptophan
- Stephania or Magnolia
- Yohimbe
- 5-Hydroxytryptophan
- Any Derivatives of Any of the Preceding Ingredients

What percentages of sales are derived from the products above? _____

E. Do any of your sales come from cosmetics or products other then dietary supplements? If yes, please identify the products and what percentage of total sales they make up. _____

F. Do your labels indicate all appropriate warnings concerning safety information, and known side effects including contraindications known by you? Yes No

G. Have you discontinued any products? Yes No
 If yes, please list products, give reason for being discontinued and include the date(s) discontinued: _____

H. Do any of your labels or advertisements make health claims? Yes No
 If yes, please identify the products. _____

I. Do you comply with Good Manufacturing Practices (GMP)? Yes No

J. Do all your products indicate the FDA has not evaluated them? Yes No

K. Do any of your products have names or labeling that are similar to any FDA approved drug? Yes No

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

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

	Carrier	Policy Term	# of Claims	Total Indemnity Paid	Total Expense Paid	Indemnity Reserved	Expense Reserved	Total Incurred
1								
2								
3								
4								
5								
6								

B. Are you aware of any other incidents, conditions, circumstances, defects or suspected defects which may result in claims against you? Yes No If yes, please give details: _____

6. Loss Prevention/Product Design/Quality Control/Product Recall

- A. Do you formulate your own products, if not please advise who does? _____

- B. Do you import any ingredients or finished products that you sell? Yes No
- C. Are imported products and ingredients tested for contamination and verification that they match what was ordered? Yes No
- D. Suppliers and Distributors:
 - i. Do you hold them harmless or insure them? Yes No
 - ii. Do they hold you harmless or insure you? Yes NoIf yes to either of above, please explain: _____

- E. Are your formulations subject to independent external review, testing or certification? Yes No
(If yes, attach details and dates)
- F. Can you determine based on available records for all products you have sold, when it was sold, and to whom it was sold? Yes No
- G. How long are quality control and testing records kept? _____
- H. Have you ever recalled products because of a potential product safety hazard? Yes No
If yes, provide details including percent of recovery: _____

- I. Are you aware of or have any knowledge of any current situation, fact or circumstance, which might lead to a claim under the coverage provided by the Limited Products Withdrawal Expense Endorsement?
If yes, please give full details: _____

8. Acknowledgements, Authorization and Signature

By signing this Application, you represent and agree to each of the following four (4) items:

1. You have made a comprehensive internal inquiry or investigation to determine whether anyone in your firm is aware of any actual or alleged fact, circumstance, situation, act, error or omission which may reasonably be expected to result in a claim, and have fully and completely divulged any and all such situations in this Application.
2. Each of the statements and answers given in this Application, are:
 - a. Accurate, true and complete to the best of your knowledge;
 - b. No material facts have been suppressed or misstated;
 - c. Representations you are making on behalf of all persons and entities proposed to be insured;
 - d. A material inducement to the insurance company to provide insurance, and any policy issued by the insurance company issued in specific reliance upon these representations.
3. This Application, along with any other Application or Supplemental Applications are hereby deemed to be attached to the policy contract, and incorporated into the policy contract, whether or not any of the other Supplemental Applications are physically attached to a particular copy of the policy contract, and regardless of whether any of the other Supplemental Applications are signed or dated.
4. You agree to promptly report to the Company, in writing, any material change in your operations, conditions, or answers provided in this Application, or any other Application or Supplemental Application, that may occur or be discovered after the completion date of said Application(s), but before the inception date of the policy. Upon receipt of any such written notice, the Company has the right, at its sole discretion, to modify or withdraw any proposal for insurance.

FRAUD WARNING

Notice to Applicants of all states except Colorado, New York, and Pennsylvania

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 material false information or conceals for the purposes of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects the person to criminal and civil penalties and denial of insurance benefits.

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 policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder 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.

Notice to New York Applicants:

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 be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Notice to Pennsylvania Applicants:

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 material false information or conceals for the purposes of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects the person to criminal and civil penalties.

IMPORTANT NOTICE: Failure to report any claim made against you during your current policy term, or facts, circumstances or events which may give rise to a claim against you to your current insurance company BEFORE expiration of your current policy term may create a lack of coverage.

COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. APPLICANT'S ACCEPTANCE OF COMPANY'S QUOTATION IS REQUIRED PRIOR TO BINDING COVERAGE AND POLICY ISSUANCE. IT IS AGREED THAT THIS FORM SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED, AND IT WILL ATTACH TO THE POLICY.

An authorized representative who is an active owner, officer, or partner of your firm must sign this Application within thirty (30) days prior to the policy inception date.

Signature: _____ Title: _____
(Owner, Partner or Officer)

Date: _____

THE APPLICANT UNDERSTANDS THAT COMPLETION OF THIS APPLICATION NEITHER BINDS COVERAGE NOR GUARANTEES THAT A POLICY WILL BE ISSUED.