

HCC SPECIALTY UNDERWRITERS, INC.



A SUBSIDIARY OF HCC INSURANCE HOLDINGS, INC.

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OVER REDEMPTION INSURANCE APPLICATION

SECTION 1

PROPOSER/PROMOTIONAL CONSULTANCY

1. Name of Person or Organization applying for insurance:

Address: _____

Telephone: _____ Fax: _____

2. What is the usual business of the Applicant and how long engaged therein:

3. Marketing/Promotion Agency: _____

Address: _____

How Long Established: _____

SECTION 2

PRODUCT/PROMOTION/DISTRIBUTION

1. Product Name: _____

2. Description: _____

3. Is product new or re-launched? _____

4. Will extra stocks be used for the promotion? _____
If so state amount/volume: _____

5. Normal shelf life: _____

6. Geographical distribution of product: _____

7. Please advise sales and costing of product:

Size	Annual Units Sold	Consumer Price	
_____	_____	Min.\$ _____	Max:\$ _____
_____	_____	Min.\$ _____	Max:\$ _____
_____	_____	Min.\$ _____	Max:\$ _____
_____	_____	Min.\$ _____	Max:\$ _____

8. How is the promotion communicated? (e.g. FSI on pack) _____

9. Promotion commencement date: _____

10. Closing date: _____

11. Final redemption date: _____

12. Number of units of product applicable to promotion

Packet Size	Number Of Units
_____	_____
_____	_____
_____	_____
_____	_____

SECTION 3

OFFER

1. Please Describe Nature of offer to consumer _____

2. Please provide copies of all promotional catalogs, redemption forms, and other material that describe the offer and the redeemable prizes.

3. Number of proofs of purchase required: _____

4. Is the offer promoted on product packet? _____

5. Is the offer restricted exclusively to promotional products? _____

6. If no, please advise total universe of packs available during promotional period? _____

7. Is it possible to remove the proof of purchase without purchasing the product? _____

8. Is the offer restricted to one per household? _____

9. If no, give full details of any restrictions applicable: _____

10. How many offers will be distributed? _____

11. How will they be distributed? _____

12. What will be the value of the coupon? _____

13. Will retailers be able to increase the value? _____

14. If yes, provide complete details? _____

15. Cost Worksheet:

Intrinsic cost per redemption to proposer: \$ _____
Handling cost (package/postage etc.): \$ _____
Total cost per redemption: \$ _____
Perceived value to consumer: \$ _____

SECTION 4 **DETAILS OF ALL ADVERTISING**

1. Will the promotion be communicated via any of the following:

Television:	Yes/No	Amount Spent \$	_____
Radio	Yes/No	Amount Spent \$	_____
Newspapers	Yes/No	Amount Spent \$	_____
Magazines:	Yes/No	Amount Spent \$	_____
Point of Sale:	Yes/No	Amount Spent \$	_____
Others (Please Specify)	Yes/No	Amount Spent \$	_____

2. If yes to any of the above, please give full details: _____

SECTION 5 **HANDLING HOUSE**

1. Is a handling house involved in the promotion? _____

2. If yes, please advise:

Name: _____
Address: _____

3. Have they had some experience in handling similar promotions?
Explain: _____

4. What systems do they use to ensure compliance with the promotional rules and detect fraud? _____

5. How often, and in what fashion, do they report the levels of redemption? _____

6. Have you used the handling house before? _____

7. If a handling house is not used to process redemption, please provide details on who will be processing redemptions, their experience, and security measures to enforce compliance and detect fraud: _____

SECTION 6

REDEMPTION HISTORY

1. Expected redemption in terms of units, percentage and/or cost: _____

2. How did you arrive at this number: _____

3. Briefly describe other similar promotions that you have run, and include redemption results of such programs (attach pages if necessary): _____

4. Excess what Deductible Level, do you request the insurance to cover: _____

5. Amount of insurance requested: _____

DECLARATION

To the best of my knowledge and belief, the information provided in this application, whether in my own hand or not, is true and I have not withheld any material facts. I understand that non-disclosure or misrepresentation of a material fact will entitle the company to void the insurance.

I understand that signing this application does not bind me to complete the insurance but agree that, should an insurance policy be issued, this application and the statements made therein shall form the basis of the insurance policy.

Print Name and Title:

Signature: _____

Date: _____