

## Liberty General Insurance Limited

Corporate Identity Number: U66000MH2010PLC269656. IRDAI Registration No.150  
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Website: www.libertyinsurance.in  
UIN: IRDAN150CPLB0032V01202627



### LIBERTY CONTAMINATED PRODUCTS INSURANCE POLICY

#### BROCHURE

#### Contaminated Products Insurance Overview

The world is an unpredictable place, where a product contamination crisis can emerge rapidly and threaten your business, employees or customers. At Liberty, we know that while you can't always prevent a crisis, you can be prepared for one.

Contamination in products continues to create havoc for consumers and businesses around the globe. Whether the contamination is accidental or the result of product tampering, Liberty's Contaminated Product Insurance (CPI) policy coverage protects all aspects of the food and beverage industries in the event of:

- Accidental contamination
- Alleged contamination
- Malicious product tampering
- Product extortion
- Adverse publicity
- Government recall
- Intentionally impaired ingredients

Which losses are covered?

- Business interruption
- Replacement costs
- First and Third Party Recall costs
- Product extortion costs
- Rehabilitation expenses
- Crisis consultant cost

#### Comparing the coverage between a Recall Expenses Extension and CPI

	Standard Product liability	Liberty's Recall Endorsement	Liberty's CPI policy
Pre-recall costs including laboratory tests and chemical analysis	Û	û	ü
First party recall expenses	Û	ü	ü
Third party recall expenses	Û	ü	ü
Reworking and replacement costs	Û	û	ü
First party business interruption	Û	û	ü
Rehabilitation expenses	Û	û	ü
Consultants and advisors	Û	û	ü

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Costs associated with food spoilage	X	x	ü
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### Claim Examples

- **Recall of Malasa spices due to Salmonella contamination.**  
Salmonella is the primary microbial contaminant in dry spices due to its high desiccation tolerance, allowing it to survive for extended periods in the low-moisture environment of spices.
- **Recall of bottled drinking water due to presence of Escherichia coli (E.Coli).**  
The presence of E. coli indicates harmful pathogen contamination, which can pose significant health risks, especially to vulnerable populations.
- **Recall of Spice Seasoning Mix due to undeclared peanut allergen.**  
The manufacturer of a seasoning mix product was alerted to the presence of undeclared peanut in the seasoning by a customer who suffers from a peanut allergy. The peanut allergen testing revealed the presence of high levels of undeclared peanut in the ground cumin used as an ingredient of the mix.

Unique extension that Liberty provides:

#### Food Spoilage

Apart from food safety issues, Liberty understands that it may also be necessary to withdraw a product which has been deemed unfit for sale due to quality issues such as changes in taste, odour, texture or labelling. Non-pathogenic bacteria can also cause food to be unsuitable for consumption. In these circumstances, the product supplier will initiate a voluntary product withdrawal that incurs unexpected expenses.

Liberty provides a unique coverage extension in our CPI policy – Spoilage that offers our clients protection for product quality or spoilage issues including:

- Product inspection and testing costs
- Recall costs
- Product replacement costs
- Product disposal costs
- Retail slotting fees
- We offer a sublimit of xxxxx in our policy and will consider higher limits for Spoilage subject to additional premium.

#### Spoilage Claims:

- **Recall of Mithai sweets due to mould**

Faulty packaging of a range of Mithai sweets caused moisture to build up and mould was detected in the sweets.

- **Recall of UHT Milk due to taste of product**  
Consumers complained about the “bitter taste” of the product. Insured identified the source of the problem to be a faulty stabiliser added to the product in the premix.
- **Recall of Basmati Rice due to weevil infestation**  
A weevil outbreak in the manufacturing plant caused an infestation of beetles in multiple bags of raw materials and production lines.

### **INSURANCE ACT 1938 SECTION 41- Prohibition of Rebates**

No person shall allow or offer to allow, either directly or indirectly as an inducement to any person to take out or renew or continue an insurance in respect of any kind or risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy, accept any rebate except such rebate as may be allowed in accordance with the prospectuses or tables of the Insurer

Any person making default in complying with the provisions of this section shall be liable for a penalty, which may extend to Ten Lakh rupees.