



Crisis Solution

# Products Loss Endorsement

## Schedule:

### Limit of Liability

Limit of Liability in respect of Products Loss cover is in addition to main Policy limits:

Limits of Liability in respect of Products Loss cover: USD [ ] in the aggregate per **Policy Period** with the following sub-limits:

Recall expenses: USD [ ] per **Insured Event**

Examination and Destruction Expenses: USD [ ] per **Insured Event**

Loss of Value: USD [ ] per **Insured Event**

Fees and expenses of **Investigating Accountants**: UNLIMITED

**Indemnity Period**: [ ] consecutive days commencing from time of the **Product Extortion**.  
**Investigating Accountants**: to be agreed at time of loss.

In consideration of the premium charged and subject to all Policy terms, conditions and exclusions, the Policy is extended to include **Products Loss** cover as specified below:

- For the purpose of this Endorsement only, Section 1 -- **INSURANCE COVERS** is extended to the following expenses, fees and/or losses:
  - Expenses incurred by the **Insured** in recalling **Products**;
  - Expenses incurred by the **Insured** examining or destroying **Products**;
  - Fees and expenses of **Investigating Accountants**; and
  - The Loss of Value on, or the costs of making good, whichever is less, **Products** which are destroyed, disposed of or sold as substandard due to a **Products Extortion**,

in the event of a **Products Extortion**.

- For the purposes of this Endorsement only, Section 2 -- **DEFINITIONS** is amended and extended as follows:

**Investigating Accountants** means the firm of accountants specified in the Schedule above. In the event that this firm declares itself unable to act in this capacity for any reason including potential conflict of interest, the **Insurer** will appoint another firm of similar standing in the accountancy profession.

**Products** means products or goods manufactured or distributed by the **Policyholder**.

**Products Extortion** means the making of illegal threats to the **Policyholder** or the production of publicity that the **Policyholder's Products** will be or have been contaminated, polluted or rendered substandard, by persons who demand **Ransom** from the **Policyholder**, either:

- as a condition of not carrying out such threats; or
- before providing further information about the affected **Policyholder's Products**.

3. For the purposes of this Endorsement only, Section 3 -- **CONDITIONS** is extended as follows:

The **Investigating Accountants** will determine the amount of the loss of value, taking into account any savings or recoveries or offsetting of losses which have been made or which the **Insured** could reasonably have been expected to make, and the **Insured's** ability to resume operations.

In the event of loss, claims for payment by the **Insurer** shall be made as soon as possible and will be accompanied by a Statement of Loss, prepared by a recognised firm of accountants using standard accounting procedures, which sets out in detail how the loss has been calculated and what assumptions have been made. The **Insured** will produce any documentary evidence which the **Investigating Accountants** may require and will afford them every assistance in their investigations including reasonable access to the **Insured's** premises for the inspection of goods and products and the removal of samples for testing.

4. For the purposes of this Endorsement only, Section 4 -- **EXCLUSIONS** is extended as follows:

The **Insurer** will not be liable in respect of any expenses incurred in the recall, examination and destruction of products, loss of value of **Products** or in respect of fees and expenses of **Investigating Accountants** which for any reason other than contamination or pollution of **Products** or rendering **Products** substandard during an **Extortion** incident, or are surplus to requirements, or fail to meet original **Product** specification, or are not of saleable quality, or not suited for the purpose for which they are intended.

The **Insurer** shall not be liable in respect of any costs, expenses, standing charges or other real or presumed losses attributable to business interruption incurred by the **Insured**.

5. **LIMITS OF LIABILITY** shall be extended as specified in the Schedule above.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

