

# RM SPECIALTY PRODUCT RANGE



SPECIALTY



This document is intended for informational purposes only and nothing contained within should be read to replace or alter the cover provided under the policy wordings.

For advice on what is right for your business please speak to your broker.

# PRODUCT RECALL, CONTAMINATION AND PACKAGING DEFECT INSURANCE

The safety of a product is at the forefront of a brand and irreparable damage can be done with just the smallest of errors in the manufacturing process. Traditional Product Liability insurance will not provide the depth and breadth of cover provided here, potentially leaving a client with substantial uninsured losses. RM Specialty's leading *Product Recall, Contamination and Packaging Defect Insurance* policy can provide cover against contaminated or maliciously tampered products causing harm and subsequently protecting the company's revenue, balance sheet and customer contracts.

This product is designed for topical and ingestible products for human consumption throughout the supply chain, from manufacturers to retailers. RM Specialty is able to offer a unique tailored solution to clients ranging from start-ups to multi-billion dollar companies.



## COVERAGE

- Accidental Contamination, Adverse Publicity, Government Recall, Malicious Tampering, Economic Adulteration and Product Extortion.
- Experienced, Crisis Consultants available 24/7 via our crisis hotline.
- Standard covered costs include pre recall expenses, recall costs, replacement costs, business interruption, brand rehabilitation, third party recall costs, extortion monies, crisis consultant & advisor costs.
- Additional, tailored coverage is available by endorsement (eg. customer loss of profits).



## CAPACITY

Our maximum capacity is AUD 30m.



## TARGET MARKETS

- Manufacturers, processors, retailers, distributors, importers, exporters, ingredient suppliers, wholesalers, co-packers and bottlers.
- Food, beverage, cosmetics, tobacco, and over the counter pharmaceutical products.
- Restaurants.

## PRODUCT RECALL, CONTAMINATION AND PACKAGING DEFECT INSURANCE

# WHAT ARE SOME OF THE BENEFITS OF THE RM SPECIALTY OFFERING?

### Packaging Defect

These types of losses are on the increase. Our policy has a stand-alone trigger for losses of this nature (including design error by the Insured) with cover available up to the full policy limit.

### Additional Covered Losses

These include Fines and Penalties cover, Customer Loss of Profits, Customers Recall Costs (including retailers' fees), Claims preparation costs (not just limited to the Business Interruption element of the claim) as well as those costs incurred in engaging temporary security measures in the event of a threatened Malicious Tampering

### Price competitiveness

By offering a tailored solution, this allows clients to purchase a very cost effective product that provides balance sheet protection and assists with any contractual obligations the client may have.

### Government Recall

With companies exporting to more and more countries around the world (especially into Asia), RM Specialty's Government Recall trigger alleviates the client from having to prove that their product has or would cause bodily injury.

### Long Term Relationships

RM Specialty is keen to develop long terms relationships with clients and as such is able to offer multi-year deals.

### Crisis Consultants

With brand protection being at the top of many CEO's concerns, RM Specialty is proud to be associated with two of the leading global firms in the Crisis Management space.

RQA Group and Security Exchange have been assisting clients throughout the world for the past 20 years in all areas of Crisis Management including incident response, risk mitigation and analysis and simulation training.

Policyholders will automatically receive the support of these firms with 24/7 access to local consultants experienced in the various jurisdictions the client operates in.

## PRODUCT RECALL, CONTAMINATION AND PACKAGING DEFECT INSURANCE

### Q&A BASED ON QUESTIONS WE HAVE RECEIVED REGARDING THIS PRODUCT

**1. If my client has a full limit loss, are your Crisis Consultants costs payable in addition to the limit or will my client have to wear these costs?**

Our policy provides unlimited cover for Crisis Consultants costs in addition to the aggregate limit purchased.

**2. If my client has product rejected by a Government entity in China because they believe that a product supplied by the client would cause bodily injury even though there is no definitive evidence implying such, does this trigger the policy?**

Yes, under the Government Recall Insured event trigger, if the entity is deemed to be a Competent Authority as defined under the policy, then this would trigger the policy.

**3. If my client has incorrectly designed some packaging material that results in the ink on the packaging leaving the ingredient list illegible, would this trigger the policy?**

If the fact that the customer cannot read the ingredient list results in the bodily injury definition being met (for example if the product contains an allergen), then the policy would be triggered.

**4. My client supplies to major retailers like Woolworths, Coles and Aldi. If they had to recall their product and these retailers charged a per store administration fee to remove the product from supermarket shelves, would these charges be covered?**

Yes they would. The Policy covers all reasonable and necessary costs to inspect, withdraw and destroy affected product in the event of a contamination or other issue that triggers the Policy. These costs are specifically noted as covered under the Recall Costs section and are also covered under Customers Recall Costs.

The above questions are just a snapshot of the many that we have received relating to our Product Recall Insurance offering, proving that tailoring the product to meet the client's exposure is paramount in order to protect a clients' reputation and balance sheet.

# AUTOMOTIVE PRODUCT RECALL INSURANCE

This product has been designed for manufacturers, importers and distributors of component parts for the automotive industry and provides cover for both Product Safety and Product Guarantee.



## COVERAGE

- Standard cover includes first and third party recall expenses, replacement expenses, defence costs and consultant costs. Third party financial loss is available by endorsement.



## CAPACITY

Our maximum capacity is AUD 10m.



## TARGET MARKETS

- Tier 1- 4 suppliers.
- Safety and non-safety critical components.



# PRODUCT DEFECT INSURANCE

## (FOR FINISHED PRODUCTS)

This policy has been designed for manufacturers, importers, wholesalers and retailers of non-topical or ingestible finished goods. Our comprehensive policy covers the reasonable and necessary costs incurred as a result of Manufacturing or Design Defect, Government Recall or a Malicious Product Tamper/Product Extortion.



### COVERAGE

- Standard cover includes Pre-incident expenses, recall and replacement costs, business interruption, brand rehabilitation expenses and consultants costs.
- Crisis consultants available 24/7 via our crisis hotline.



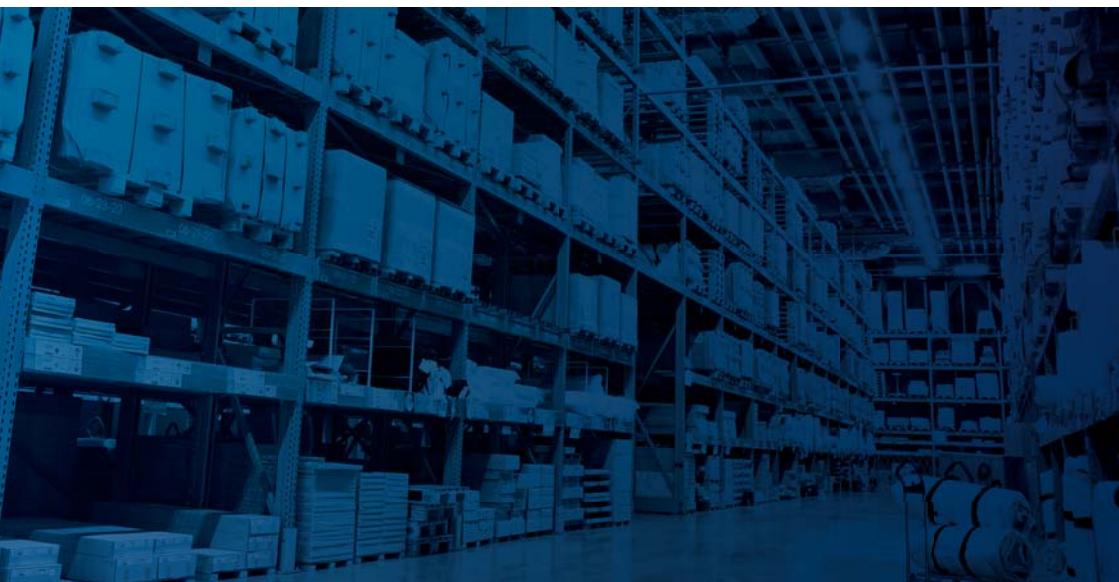
### CAPACITY

Our maximum capacity is AUD 5m.



### TARGET MARKETS

- Finished consumer goods such as children's products, electrical appliances, furniture, sports or exercise equipment, clothing and household products.



## **Specialists in Product Recall Insurance**

With over 30 years' insurance experience, the team at RM Specialty has the experience to assist you and your clients in designing a product that addresses the exposures faced in today's changing world.

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