



LIU's CPI policy vs recall expense extension

What is the difference?

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

Contamination of products continues to create havoc for consumers and businesses around the globe. Whether the contamination is accidental or the result of product tampering, LIU's Contaminated Products Insurance (CPI) policy aims to help protect clients in the food, beverage, cosmetics and pharmaceutical industries.

This document outlines the key differences between coverage offered by a standard Product Liability insurance policy with a Recall Expense Extension which typically only provides coverage for recall expense incurred by the insured compared to LIU's CPI policy.

	Standard Product Liability insurance	LIU's CPI policy
Recall costs	✓	✓
Third party recall costs	✗	✓
Replacement costs	✗	✓
Business interruption	✗	✓
Rehabilitation expense	✗	✓
Product extortion monies	✗	✓
Statutory fines and penalties	✗	✓
Consultant and advisor costs	✗	✓

Additional endorsements and extensions

LIU has endorsements and extensions available that provide significant protection for incidents not normally covered under a standard CPI policy or by Product Liability insurance. These include LIU's Contract Manufacturer's Liability Endorsement and extensions for Consumer Recall and Retailers Recall costs.

Target market

LIU's CPI policy is specially designed for clients involved in the food, beverage, pharmaceutical and cosmetic industry, including manufacturers, importers, wholesalers and retailers.

Experience when it matters

Financial coverage is only one part of a CPI policy solution. The other part is how an insurer handles an incident when your clients are under stress and dealing with short deadlines from retailers, regulators and customers. Fast, specialised assistance is vital.

LIU responds quickly because:

- our claims team has over 10 years' experience with recall claims - they know the importance of receiving a fast response and have authority to handle and settle claims.
- our consultants have over 20 years' experience in the food industry and 10 years' working with insurers and their clients - they have the experience necessary to assist as required in recall situations.
- our consultants and claims team are in Australia, so they are able to offer immediate advice and guidance - there's no waiting for overseas response or approval.

To find out more, call LIU's Crisis Management team:

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Want to know more? Contact one of our specialist underwriters or visit www.liuaustralia.com.au