

Contaminated Product Insurance Policy - Prospectus

Food and drink, cosmetics, pharmaceuticals, tobacco products, packers and distributors are susceptible to product contamination. This can be either accidental or deliberate - through malicious product tampering. Such incidents are increasingly common. When they occur they can attract media interest with potentially disastrous impact on the public's confidence in the affected product or brand.

Considerable costs can be incurred in recalling, replacing or destroying the contaminated product, and in rebuilding confidence. However the long term costs, eg loss of profits, brand rehabilitation and the loss of a major customer, are even more substantial and will hit the company's balance sheet.

HDFC ERGOs Contaminated Products Insurance provides cover for recall costs, loss of gross profits and rehabilitation costs following either accidental or malicious contamination (whether actual or threatened). Adverse publicity and governmental recall are additional triggers also provided under the policy.

INSURED EVENTS

The insured events covered under the policy are:

- a) Accidental Contamination
- b) Malicious Product Tamper
- c) Adverse Publicity
- d) Government Recall
- e) Intentionally Impaired Ingredients

Also covers Insured Events arising from a Cyber Event

Costs Indemnified

- a. Examination costs
- b. Media and general advertising costs
- c. Finding tracing and sorting
- d. Examination costs after an Insured Event
- e. Transportation
- f. Storage
- g. Disposal and/or destruction where necessary
- h. Reworking, repacking, relabeling and redistribution
- i. Additional staffing costs
- j. Retail slotting fees and cancellation fees
- k. Out-of-pocket expenses
- l. Cost of independent consultants
- m. Costs incurred by public authority
- n. Third Party Recall
- o. Legal costs
- p. Replacement costs
- q. Loss of Gross Profit
- r. Rehabilitation and Marketing costs
- s. Decontamination Costs
- t. Loss reduction

ENDORSEMENT

- Product Extortion

EXCLUSIONS

This policy will not pay for any loss arising out of, or in any way connected with

- a. Asbestos -asbestos or asbestos containing materials.
- b. Breach of warranty - any breach of warranty or any breach of guarantee of fitness for purpose whether written or implied when caused solely by such breach.
- c. Carcinogens - any accidental contamination arising out of carcinogens, regardless of whether such carcinogens are shown to have other non-carcinogenic effects.

- d. Cross liabilities
- e. Deterioration, decomposition, or transformation
- f. Employees - Injury to any Employee arising out of and in the course of the employment or engagement of such person by the Named Insured.
- g. Excess - the amount of the Excess specified in the policy schedule
- h. Failure of documentation - any failure to maintain documentation of the manufacturing process required by any existing governmental or regulatory standards.
- i. Fines or penalties
- j. First Discovery prior to sale
- k. Fraudulent or Illegal Acts
- l. Genetic engineering, hormone treatment
- m. Intentional breach of regulation
- n. Knowledge prior to Inception Date
- o. Liability for third party losses - any compensation or damages payable to any third party (including without limitation claimant cost and expenses and defence costs) solely in respect of Injury or Property Damage (including any economic or financial loss suffered by a third party arising out of the Injury or Property Damage).
- p. Nuclear radiation
- q. Products in air and water craft
- r. Punitive damages
- s. Redesign
- t. Terrorism
- u. War

CLAIMS PROCEDURE

It is a condition precedent to cover under the Policy that as soon as the Insured becomes aware of a Claim during the Policy Period, the Insured must notify the Company in writing of the Claim.

Where the Insured becomes aware of facts that might give rise to a Claim against the Insured, or an Inquiry that might involve the Insured, during the Policy Period then the Insured may elect to report those facts in writing to the Company as soon as the Insured becomes aware of those facts but before the end of the Policy Period in which case any Claim that subsequently arises out of those facts shall be deemed to have been reported to the Company at the time those facts were reported to the Company.

All notices must be sent to:

HDFC ERGO GENERAL INSURANCE COMPANY LIMITED

Corporate Claims Department
6th Floor, Leela Business Park,
Andheri Kurla Road, Andheri(E), Mumbai – 400059
Contact us - 022 6158 2020/ 022 6234 6234

If the Insured reports a Claim, or facts that might give rise to a Claim, to the Company then the Insured must give the Company such information and co-operation as it may reasonably require including but not limited to:

- a) A description of the Claim or Inquiry;
- b) When was the incident first discovered?
- c) What is the effect of the incident discovered? (e.g. potential allergen)
- d) A broad description of the various costs incurred or expected to be incurred due to the incident
- e) Other details required as per claim form

If Loss, Defence Costs or any other amounts Insured under the Policy are also potentially Insured under any other insurance policy or policies, then the Insured must advise the Company at the time of making a claim under the Policy, and provide the Company with details of the other insurance.

- An acknowledgement with respect to the claim intimation is given to the insured, once we are in receipt of any claim intimation from the insured A list of preliminary documents is requested from the Insured.

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- Surveyor / Investigator may be appointed, if required.
- In case of surveyor appointment, the same will be appointed within 72 hrs from the date of intimation and the details of the appointment is conveyed to the Insured
- Within 48 hrs of appointment, the surveyor will start the survey and will request the list of preliminary documents within 7 days of appointment from the insured
- Final survey report will be provided by the surveyor within 90 days of appointment except where special circumstance exist in respect of a claim due to its special complicated nature or due to difficulties associated with replacement/reinstatement, the surveyor will seek an extension from Insurers for submission of report
- In case of settlement, offer of claim settlement will be made to the Insured within 30 days of receipt of the last document
- In case of settlement, Claim will be settled by the Insurer within 30 days from the receipt of last, relevant & necessary document from the Insured.
- In case of rejection, the same will be conveyed to the Insured within 30 days from the receipt of the final report and/or documents
- Based on the information submitted in the claim intimation letter / claim form, if required, we may procure more information from the insured depending on the facts mentioned therein up to the satisfaction of the Company.
- Apart from surveyor, an investigator and/or forensic investigator can be appointed and Legal counsel opinions can be sought, if required.

CLAIM DOCUMENTS

The documents required for processing of claims are:

1. Detailed description of the incident in chronological order and the manner by which insured first became aware of the circumstance/ claim right from the date of discovery until the current status
2. Brief description of the product and its usage including the details of the manufacturer
3. Details of quantum of loss with supporting
4. Actions taken by the insured in connection to its product post discovery of contamination.
5. Copy of any demand and/or compliant made by third party along with loss supporting
6. Detailed Internal Investigation report, indicating the cause of contamination What are the implication on the usage of the contaminated product
7. Copy of other Insurance covering the same risk
8. Any other documents which could be construed as material information to the case
9. Policy/Underwriting documents.
10. Survey Report along with annexure and/or Photographs wherever applicable
11. All documents and/or information relevant to the claim
12. Discharge voucher of the Insured accepting full and final settlement
13. KYC documents are compulsory

Apart from above Standard documents some other documents may be called for based on the nature of claim.

RENEWAL

The Company shall be under no obligation to renew the policy on expiry of the period for which premium has been paid. The Company reserves the right to offer revised rates, terms and conditions at renewal based on claim experience and a fresh assessment of the risk. This policy may be renewed only by mutual consent and subject to payment in advance of the total premium at the rate in force at the time of renewal. The Company, however, shall not be bound to give notice that the policy is due for renewal

or to accept any renewal premium. Unless renewed as herein provided, this policy shall automatically terminate at the expiry of the period for which premium has already been paid.

CANCELLATION

The Insured can cancel the policy at any time during the policy term, by informing the Company. The Company can cancel the policy only on the grounds of established fraud, by giving minimum notice of 7 days to the Insured. The Company shall refund proportion premium for unexpired policy period subject to no claim(s) made during the policy period.

THIS PROSPECTUS

This prospectus gives information only. This is not an insurance contract. Each insurance cover is subject to terms and conditions, which You can read in the **Contaminated Product Insurance Policy** document. You must read the policy document to know the insurance cover fully. You can get a copy of the **Contaminated Product Insurance Policy** from Our branch or from Our website: www.hdfcergo.com. For any legal interpretation, policy document will hold.

GRIEVANCES

If You have any grievance about any matter relating to the policy, or Our decision on any matter, or Our decision about Your claim, You can pursue Your grievance with Company's Grievance Redressal Officer.

If you have a grievance that you wish us to redress, you may contact us with the details of your grievance through:

- Contact us - 022 6158 2020/ 022 6234 6234
- Emails – grievance@hdfcergo.com
- Contact Details for Senior Citizens: 022 6242 6226
- Email ID- seniorcitizen@hdfcergo.com
- Designated Grievance Officer in each branch.
- Company Website – www.hdfcergo.com
- Courier - Any of our Branch office or corporate office

You may also approach the Complaint & Grievance (C&G) Redressal Cell at any of our branches with the details of your grievance during our working hours from Monday to Friday.

If you are not satisfied with our redressal of your grievance through one of the above methods, you may contact our Head of Customer Service at:

**The Complaint & Grievance Redressal Cell,
HDFC ERGO General Insurance Company Limited
D-301, 3rd Floor, Eastern Business District (Magnet Mall),
LBS Marg, Bhandup (West),
Mumbai – 400078, Maharashtra**

In case you are not satisfied with the response / resolution given / offered by the C&G cell, then you can write to the Chief Grievance Officer of the Company at the following address:

**To the Chief Grievance Officer
HDFC ERGO General Insurance Company Limited
D-301, 3rd Floor, Eastern Business District (Magnet Mall),
LBS Marg, Bhandup (West),
Mumbai - 400078, Maharashtra,
e-mail: cgo@hdfcergo.com**

Grievance may also be lodged at IRDAI Integrated Grievance Management System- <https://bimabharosa.irdai.gov.in>

You may also approach the nearest Insurance Ombudsman for resolution, if your grievance is not redressed by the Company. The contact details of Ombudsman offices are below if your grievance pertains to:

- Insurance claim that has been rejected or dispute of a claim on legal construction of the policy
- Delay in settlement of claim
- Dispute with regard to premium
- Non-receipt of your insurance document

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You may also refer Our website www.hdfcergo.com -
<https://www.hdfcergo.com/customer-voice/grievances> for detailed
grievance redressal procedure.

ABOUT OUR COMPANY

Name of the company – HDFC ERGO General Insurance Company Limited
(IRDAI Reg No 146)

Registered & Corporate Office- 6th Floor, Leela Business Park, Andheri-Kurla Road,
Andheri (East), Mumbai – 400 059.

Website – www.hdfcergo.com

Contact us - 022 6158 2020/ 022 6234 6234

Email – care@hdfcergo.com

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 of 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 a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer.

ANY PERSON MAKING DEFAULT IN COMPLYING WITH THE PROVISIONS OF THIS SECTION SHALL BE PUNISHABLE WITH FINE WHICH MAY EXTEND TO TEN LAKHS RUPEES.

Disclaimer: In the event of any question relating to interpretation of the insurance coverage, the policy document will prevail.