Contaminated Products Insurance

With Lexington Insurance’s Contaminated Products Protector (CP2®) and Contaminated Products Protector Plus® (CP3®), policyholders can rest assured they have the comprehensive security they need if and when a product contamination or recall occurs. Developed in response to emerging market exposures, the combination of CP2 and CP3 provides a comprehensive coverage solution.

In the event that a contamination or a recall occurs, CP2 and CP3 provide not only critical coverage for key exposure areas, but also the expertise of independent consultants for guidance during the critical first few weeks through the conclusion of a recall.

NOVI℠ Product Recall Cost Estimator

In the food and beverage industry product recalls occur often, are expensive, and can be complicated.

On average, 30 product recalls occur every week in the United States, according to AIG’s analysis of U.S. Food and Drug Administration and Department of Agriculture data.1,2

Although more widely reported, a product recall is only one of the potential consequences of a product contamination.

Knowing the potential risk starts with knowing your client’s exposure. AIG’s free and confidential service, the NOVI Product Recall Cost Estimator, boils it down to one number.


CP2 Coverage Highlights

CP2 provides coverage for the business interruption costs, recall expenses, rehabilitation expenses, consultant and advisor costs, and extortion costs for the following covered events:

- Accidental contamination
- Malicious product tampering
- Product extortion

CP2 utilizes best in class, industry-recognized expert consultants to assist in quality audits, product safety education, and crisis response services for insureds.

CP3 Coverage Highlights

CP3 is a market leader in providing the following additional coverage options, including:

- **Product Refusal**: protects against the refusal of an insured product during a scheduled delivery because of a report to the public that it may cause bodily injury or because bodily injury has been caused by a similar product.

- **Third Party Recall**: covers the product recall liability of an insured product when consumption of use of the product may result in bodily injury or property damage within 365 days of that consumption or use.

- **Internationally Impaired Ingredients**: covers the contamination or impairment of an insured product that occurs due to an ingredient supplied to the insured where such contamination or impairment was intentional and wrongful, but not malicious. This coverage option may be available by endorsement to a malicious product tampering (MPT) policy.
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Strategic Expertise

In order to be certain your clients receive the most up to date and reliable security and safety information, Lexington has formed strategic relationships with best in class consultants, public relations, and quality assurance firms, including:

- A leading global public relations firm, with product contamination communications specialists to provide clients with the best possible strategy during the first 24 hours of a crisis, when a company’s reputation can be enhanced or irreparably damaged. Having handled crises of many sizes, from some of the largest product recalls in USDA history to smaller-sized national and international durable goods product issues, this consulting firm is well prepared for a broad range of situations.

- NSF is a market leading third party food safety and quality auditing and consulting company that specializes in customized audits of process systems, sanitation, manufacturing best practices, and facility biosafety programs. During an accidental contamination, product recall, or malicious product tampering situation, NSF can provide clients with food and safety consulting services immediately after a notice of loss.
