



Willis Towers Watson Midwest, Inc - Chicago, IL
233 S Wacker Drive, Suite 1800
Chicago, IL 60606

RE: SP Global Inc.

Dear: Shawn McCleary

Thank you for the submission regarding the above captioned account and your interest in DUAL Crisis Management (DCM). Upon review of the submission, we are pleased to offer the enclosed quotation based on our subscription program. Our quotation is valid for 30 days.

Through the DCM subscription program your client will be insured by AM Best "A" rated, domestic E&S carriers and Lloyd's of London syndicates on a quota-share basis in the form of a single combined policy.

Our carrier partners are:

Summit Specialty Insurance Company

Certain Underwriters at Lloyd's:

Syndicate 0457 (Munich Re Syndicate Limited)

Syndicate 1225 (AEGIS Managing Agency Limited)

Syndicate 1886 (QBE Underwriting Limited)

Syndicate 1686 (AXIS Managing Agency Limited)

Arch Specialty Insurance Company

Once you have had a chance to review our quotation, please do not hesitate to let us know if you have any questions regarding the terms and conditions offered or the structure of our program.

Regards,

A handwritten signature in black ink, reading "Christine Marien". The signature is fluid and cursive, with the first name "Christine" written in a larger, more prominent script than the last name "Marien".

Christine Marien
cmarien@dualinsurance.com



Contaminated Products Insurance Program

COMBINED POLICY QUOTATION

Date of Issuance: January 8, 2025

Producer Name and Address: Willis Towers Watson Midwest, Inc - Chicago, IL
233 S Wacker Drive, Suite 1800 Chicago, IL 60606

Named Insured: SP Global Inc.

Named Insured Address: 13785 Research Blvd, Ste. 125 Austin, TX 78750

POLICY PERIOD: Inception Date: February 1, 2025
Expiration Date: February 1, 2026
Both dates are 12:01 a.m. Standard Time at the address of the Named Insured

Insurance is effective with certain Insurer(s) outlined in below Program Participation Schedule.

	OPTION 1	OPTION 2
LIMITS OF INSURANCE:		
Impairment each and every Covered Incident and in the Policy Period Aggregate	USD 1,000,000	USD 1,000,000
Adverse Publicity each and every Covered Incident and in the Policy Period Aggregate	USD 1,000,000	USD 1,000,000
Governmental Recall each and every Covered Incident and in the Policy Period Aggregate	USD 1,000,000	USD 1,000,000
Intentionally Impaired Ingredients each and every Covered Incident and in the Policy Period Aggregate	USD 250,000	USD 250,000
Malicious Product Tampering each and every Covered Incident and in the Policy Period Aggregate	USD 1,000,000	USD 1,000,000
Product Extortion each and every Covered Incident and in the Policy Period Aggregate	USD 1,000,000	USD 1,000,000
Policy Period Aggregate	USD 1,000,000	USD 2,000,000



DUAL Participation:	100.00%	100.00%
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Crisis Consultancy Costs are in addition to and not subject to the **Limit of Insurance**.

SELF-INSURED RETENTION:	USD 10,000	USD 10,000
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each and every **Covered Incident**

with the exception of the following:

Fungi, Rancidity & Pest Infestation:	USD 10,000	USD 10,000
Religious Non-Compliance:	USD 10,000	USD 10,000

each and every **Covered Incident**

Product Extortion Costs, Investigation Costs and **Crisis Consultancy Costs** are not subject to a **Self-Insured Retention**.

SUBLIMITS:

Rehabilitation Costs:	USD 1,000,000	USD 1,000,000
Investigation Costs:	USD 100,000	USD 100,000
Investigation Costs Co-Insurance:	10.00%	10.00%
Forensic Accounting Costs:	USD 100,000	USD 100,000
Fungi, Rancidity, and Pest Infestation:	USD 100,000	USD 100,000
Religious Non-Compliance:	USD 100,000	USD 100,000
Unsubstantiated Recall Costs and Unaffected Product:	USD 100,000	USD 100,000

each and every **Covered Incident** and in the **Policy Period**
Aggregate

POLICY PREMIUM:	USD 10,000	USD 12,000
TRIA:	USD 500	USD 600
TOTAL POLICY PREMIUM:	USD 10,500	USD 12,600

Indemnification Period:	18 Months	18 Months
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Insured Products:	As defined by the policy
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Exposure Base:	USD 20,000,000
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**Remarks:**

- NONE

Subjectivities *(due prior to binding):*

- Completed Surplus Lines Tax Form
- Copy of previously completed full form application
- Currently Dated Product Recall/Contamination Loss Runs

Governing Law:

New York

Arbitration

Seat:

ARIAS US

Appointer:

New York

Territory:

Worldwide

Approved Consultant:

Crisis24

Pre-Incident Consulting Services:

8% of the Gross Written Premium which can be used for Pre-Incident Services performed by the Crisis Consultants for the sole purpose of mitigating loss under this policy. All services must be pre-approved by the Insurers before services start and must be performed within 6 months of the inception of the policy, unless otherwise approved by the Insurers.

Commission:

17.50%

PROGRAM PARTICIPATION SCHEDULE**Insurers:****Share**

Arch Specialty Insurance Company	9.09%
Certain Underwriters at Lloyd's - 0132	54.54%
Summit Specialty Insurance Company	36.36%

Refer to Market Security page.

Program Participation Schedule is subject to change.

Signed By:



Christine Marien

Program Administrator for the Insurers stated above
DUAL North America

The Program Administrator is not an Insurer hereunder and not liable for any loss or claim.



REQUEST TO BIND/SURPLUS LINES FILING FORM

Your agency has agreed, as part of our offering a quote and subsequent issuance of this policy, to ensure that any required surplus lines filings are completed and payment of any required surplus lines taxes or stamping fees are paid.

Account/Named Insured:

SP Global Inc.

Policy Term:

2/1/2025 to 2/1/2026

THE SURPLUS LINES FILINGS AND ALL REQUIRED TAXES AND FEED INFORMATION IS AS FOLLOWS:

Premium:

USD

Surplus Lines Tax:

USD

Stamping Fee (if applicable):

USD

Other Fees:

Surplus Lines Licensee:

License Number:

SLA Number (NJ only):

State:

Expiration Date:



SCHEDULE OF FORMS AND ENDORSEMENTS

Policy Cover	DCM_COVER_12.21
Texas Surplus Lines Notice	LMA9079 0913
Texas Complaint Notice	TXS 5619123 SSIC 06 23
Contaminated Products Policy Declarations	DCM_CPIDEC_01.22
Schedule of Forms and Endorsements	DCM_SCHED_12.21
What to do before a Crisis	DCM_PRE_12.21
What to do in a Crisis	DCM_CRISIS_12.21
Contaminated Products Insurance Policy	DCM_CPI_05.22
Sanctions Suspension Clause	LMA 3200 1023
Financial Interest Clause Endorsement	DCM_FI_03.22
Fungi, Rancidity, and Pest Infestation Endorsement	DCM_CPI_FUNGI_05.22
Long Term Agreement Endorsement	DCM_CPI_LTA_12.21
Religious Certification Endorsement	DCM_CPI_REL_05.22
Unsubstantiated Recall Costs and Unaffected Product Endorsement	DCM_CPI_RET_05.22
Cyber Clarification Endorsement	DCM_CYBRAFRM_3.22
Market Security	DCM_PART_07.23
Subscription Allocation and Agreement	DCM_SAA_12.21
U.S. Terrorism Risk Insurance Act of 2002 as amended New and Renewal Business Endorsement	DCM_TRIAACPT_12.21
Several Liability Clause	LMA5096 0308
Service of Suit Endorsement	SSIC 04 006 11 20
Signature Provisions	SSIC 01 002 11 20

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

Insured: SP Global Inc.

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended ("TRIA"), that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, **as defined in Section 102(1) of the Act, as amended:** The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Any coverage you purchase for "acts of terrorism" shall expire at 12:00 midnight December 31, 2027, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES PAYS 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A USD100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS USD100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED USD100 BILLION, YOUR COVERAGE MAY BE REDUCED.

THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

	I hereby elect to purchase coverage for acts of terrorism for a prospective premium of USD "As outline on Quote"
	I hereby elect to have coverage for acts of terrorism excluded from my policy. I understand that I will have no coverage for losses arising from acts of terrorism.

Policyholder/Applicant's Signature

Print Name

Date

LMA9184

09 January 2020



MARKET SECURITY

Order Hereon 100% of 100%

Binding Authority

100% of 9.09090% Order

100.00% ARCH SPECIALTY INSURANCE COMPANY
100.00%

Binding Authority

100% of 36.36363% Order

100.00% SUMMIT SPECIALTY INSURANCE COMPANY
100.00%

Binding Authority Reference

B1868HG2400132

100% of 54.54547% Order

33.33% SYNDICATE 0457 MRS
16.67% SYNDICATE 1225 AES
33.33% SYNDICATE 1886 QBE
16.67% SYNDICATE 1686 AXS
100.00%



SUBSCRIPTION ALLOCATION AND AGREEMENT

It is understood and agreed that the policy includes the following:

This policy is effected with certain insurance underwriters (hereinafter called the Insurers). The following words shall be deemed to be synonymous: "Underwriters", "Insurers", "Companies", and "Carriers".

The liability of each Insurer on this contract with the Insured is limited to the participation amount shown in the schedule below. The liability of each separate contract listed and for each Insurer represented thereby for any loss or losses or amounts payable is several as to each and shall not exceed its participation percentage shown below and there is no joint liability of any Insurer pursuant to this contract. An Insurer shall not have its liability hereunder increased or decreased by reason of failure or delay of another Insurer, its successors, assigns, or legal representatives.

This contract shall be constructed as separate contracts between the Insured and each of the Insurers. This evidence of coverage consists of separate sections of a composite insurance for all Underwriter's at Lloyd's combined (if Lloyd's is listed below) and separate policies issued by the insurance company(ies), all as identified below. This evidence of coverage does not constitute in any manner or form a joint certificate of coverage by Underwriter's at Lloyd's (if Lloyd's is listed below) with any other insurance company(ies).

In witness whereof, the following Insurers execute and attest these presents, and subscribe for the amount of insurance provided.

NOTIFICATION AND COMMUNICATION

All notifications, representations, warranties, or communications which are required in the Terms and Conditions of the policy to Insurers shall be fulfilled upon notification, representations, warranties, or communications to DUAL.

SCHEDULE OF PARTICIPATING INSURERS

Insurer	% Share	Limits of Insurance	Premium	TRIA
Certain Underwriters at Lloyd's - 0132	54.54%	\$545,400	\$5,455	\$274
Arch Specialty Insurance Company	9.09%	\$90,900	\$909	\$45
Summit Specialty Insurance Company	36.36%	\$363,600	\$3,636	\$181

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of this policy except as set forth above.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

TEXAS SURPLUS LINES NOTICE

This insurance contract is with an insurer not licensed to transact insurance in this state and is issued and delivered as surplus line coverage under the Texas insurance statutes. The Texas Department of Insurance does not audit the finances or review the solvency of the surplus lines insurer providing this coverage, and the insurer is not a member of the property and casualty insurance guaranty association created under Chapter 462, Insurance Code. Chapter 225, Insurance Code, requires payment of a (insert appropriate tax rate) percent tax on gross premium.

LMA9079
01 September 2013

Where you can get information or make a complaint

If you have a problem with a claim or your premium, call your insurance company first. You can also get information or file a complaint with the Texas Department of Insurance.

Even if you file a complaint with the Texas Department of Insurance, you should also file a complaint or appeal through your insurance company or HMO. If you don't, you may lose your right to appeal.

Summit Specialty Insurance Company

To get information or file a complaint with your insurance company or HMO:

Call: Complaints Dept at (469) 357-9342

Toll-free: 800-749-6419

Online: www.ReAlignInsurance.com

Email: compliance@ReAlignInsurance.com

Mail: 325 N. St. Paul Street

Suite 900

Dallas, TX 75201

The Texas Department of Insurance

To get help with an insurance question or file a complaint with the state:

Call with a question: 1-800-252-3439

File a complaint: www.tdi.texas.gov

Email: ConsumerProtection@tdi.texas.gov

Mail: Consumer Protection, MC: CO-CP, Texas Department of Insurance, P.O. Box 12030, Austin, TX 78711-2030

¿Tiene una queja o necesita ayuda?

Si tiene un problema con una reclamación o con su prima de seguro, llame primero a su compañía de seguros o HMO. Si no puede resolver el problema, es posible que el Departamento de Seguros de Texas (Texas Department of Insurance, por su nombre en inglés) pueda ayudar.

Aun si usted presenta una queja ante el Departamento de Seguros de Texas, también debe presentar una queja a través del proceso de quejas o de apelaciones de su compañía de seguros o HMO. Si no lo hace, podría perder su derecho para apelar.

Summit Specialty Insurance Company

Para obtener información o para presentar una queja ante su compañía de seguros o para o HMO:

Llame a: Complaints Dept al (469) 357-9342

Teléfono gratuito: 800-749-6419

[optional] En línea: www.ReAlignInsurance.com

Correo electrónico: compliance@ReAlignInsurance.com

Dirección postal: 325 N. St. Paul Street

Suite 900

Dallas, TX 75201

El Departamento de Seguros de Texas

Para obtener ayuda con una pregunta relacionada con los seguros o para presentar una queja ante el estado:

Llame con sus preguntas al: 1-800-252-3439

Presente una queja en: www.tdi.texas.gov

Correo electrónico: ConsumerProtection@tdi.texas.gov

Dirección postal: Consumer Protection, MC: CO-CP, Texas Department of Insurance, P.O. Box 12030, Austin, TX 78711-2030



WHAT TO DO BEFORE A CRISIS

Loss Mitigation Services and the Use of Pre-Incident Funds

SP Global Inc.

As an additional benefit under this policy, we are proud to offer access to our retained Crisis Consultants.

The Insured has access to the Crisis Consultants on a Pre-Incident and Response basis.

The Insured has an allowance of 8% of the Gross Written Premium which can be used for Pre-Incident Services. Pre-Incident Services are services which are offered before the discovery of a potential Covered Incident. Such services are offered by the Crisis Consultants for the sole purpose of mitigating loss under this policy.

Services include, but are not limited to:

- Review & Development of Recall Plans and other relevant contingency planning
- Crisis Management training and Simulated Incidents (Malicious Product Tamper with Extortion (MPTE))
- Product Recall Simulations
- Product Risk Assessments

To access these services, Insured may have an introductory call with the Crisis Consultants to learn about the services offered and what would be the best fit their needs. All services must be pre-approved by the Insurers before services start and must be performed within 6 months of the inception of the policy, unless otherwise approved by the Insurers.

The Insurers may require the Pre-Incident funds be used to fulfill a subjectivity.

Invoicing for approved Pre-Incident Services at or below the provided allowance shall be paid directly by the Insurers to the Crisis Consultant. The Insured is responsible for any outstanding balance above the provided allowance. If the Pre-Incident Funds are not used during the Policy Period they can not be recouped in the future (i.e. put towards a future policy or future pre-incident work). If this is a quota share policy, the Insurers shall only be responsible for the proportional share of Pre-Incident Funds, as indicated on the Declarations.

Your privacy is important to us. Please note that in order to facilitate the above services the Insurers may share the contact information of the Insured and your broker with the Crisis Consultants.



WHAT TO DO IN A CRISIS

Hotline Procedure and Claim Notification Requirements

SP Global Inc.

Upon the discovery of a potential Covered Incident, you should:

1 Gather Information

Gather as much of the following basic information as possible about the actual or suspected Covered Incident:

- Date of first discovery
- What type of event occurred?
- How much product is potentially affected?
- Where in the production or distribution process is the affected product?
- Are there any other parties involved, including customers or suppliers?
- Have any corrective actions been taken or can be taken to mitigate the escalation the potential Covered Incident?
- Have you been in contact with any regulatory body in relation to the potential Covered Incident?
- Contact information for your key contact(s)

2 Call the Hotline

Notify the Crisis Consultant, Crisis24, at the telephone number noted below as soon as possible.

+ 1 443-569-6863

Please have your policy number available. During your initial call to the hotline Crisis24 will log the details of your situation. Within 20 minutes a regional Crisis24 technical specialist will reach out and provide an incident Questionnaire Form. Further support will be provided by experienced specialists to assess, manage, and mitigate the issue. Crisis Consultants are available 24 hours a day, seven days a week. Your discussion with the Crisis Consultant is confidential.

The Crisis Consultant's sole responsibility is to offer the Insured advice to assist in the handling of the incident. The Crisis Consultant does not advise the Insured on insurance matters, interpret coverage, or make coverage determination. Please note that establishing contact with the Crisis Consultants DOES NOT constitute putting the Insurers on Notice.



3 Notify the Insurers

As stipulated in Section 6. H Notice of Loss to Insurers, provide notice as follows:

Email: Claims_CrisisManagement@AlignClaimsServices.com

Address:

Align Claims Services, Inc.
ATTN: DUAL Crisis Management
350 10th Ave, Ste 1450
San Diego, CA 92101

Phone Number:

+1 973-631-7575 ext. 609





CONTAMINATED PRODUCTS INSURANCE POLICY

Preamble

This Policy is made between the **Insured** and Insurers identified in the Subscription Allocation and Agreement (collectively the "Parties"). In consideration of the **Premium** paid and in reliance of the warranties and representations made by the **Insured** in the application for this insurance, its attachments and all underwriting information submitted which is incorporated into and forms a part of this insurance, the parties agree as follows:

This policy consists of the Declarations, this Preamble and the following General Terms and Conditions and the attached endorsements, if any.

Words and phrases appearing in boldface type in the text of this Preamble and the following General Terms and Conditions shall have the meanings set forth in the "Definitions" sections of this policy.

General Terms and Conditions

1. Insuring Agreement

Subject to the terms, conditions, exclusions and other provisions set forth in this policy,

- A. The Insurers will indemnify the **Insured** for **Loss** in respect of a **Covered Incident** in excess of the **Self- Insured Retention** and subject always to the **Limits of Insurance** set forth in the Declarations; and
- B. The Insurers will pay the **Crisis Consultants** for **Crisis Consultancy Costs** resulting directly and solely from a **Covered Incident**,

provided that the **Covered Incident** is first discovered during the **Policy Period** and first reported to the Insurers during the **Policy Period** or within thirty (30) days thereafter in accordance with Section 6 Conditions H. Notice of Loss to Insurers. The Insurers shall provide indemnification under this Policy provided that the **Insured** has complied with all of the terms and conditions of this Policy.

2. Definitions of Covered Incidents

Covered Incidents shall mean the occurrence of any of the following events:

- A. **Adverse Publicity**
The reporting of alleged, but not actual, **Impairment** or **Malicious Product Tampering** during the **Policy Period** in local, regional, national print or electronic media or governmental publication wherein **Insured Product(s)** is specifically named.
- B. **Governmental Recall**

- i A voluntary recall initiated by the **Insured** in order to comply with food safety regulations as a direct result of an investigation or reporting by a **Regulatory Body** and which has been classified as either Class I or Class II, or an equivalent classification, by a **Regulatory Body**; or
- ii The issuance of an official recall order by a **Regulatory Body** based on their determination that a contamination or **Mislabeling** of the **Insured Product(s)** has occurred or where such issuance is imminent; or
- iii The **Regulatory Body**'s suspension of the registration of the **Insured**'s facility or operation based on the **Regulatory Body**'s determination of the existence of a reasonable probability that the consumption of the **Insured Product(s)** would result in **Bodily Injury**.

C. Impairment

Any accidental or unintentional contamination; or **Mislabeling**, error, omission, deficiency or inadequacy of an **Insured Product(s)** which causes such **Insured Product(s)** to differ from its usual condition, provided that:

- i the **Impairment** occurs during or as a result of the production, preparation, manufacture, packaging, storage, labeling or distribution of the affected **Insured Product(s)**; and
- ii the use or consumption of the affected **Insured Product(s)** has resulted in **Bodily Injury** or **Property Damage**, or poses actual or imminent danger of resulting in **Bodily Injury** or **Property Damage**.

Defects or shortcomings of any sort in the design or in the research and development of the **Insured Product** shall not be included.

D. Intentionally Impaired Ingredients

The actual, alleged, or threatened, purposeful, but not **Malicious** alteration, misrepresentation, or adulteration of an ingredient or component of the **Insured(s) Product(s)** by a direct supplier, which renders the **Insured(s) Product(s)** unfit for its intended use, but does not pose actual or imminent danger of **Bodily Injury** or **Property Damage**. The **Sub-limit** for **Intentionally Impaired Ingredients** is stated in the Declarations.

E. Malicious Product Tampering

Any actual or threatened intentional, **Malicious**, and/or illegal alteration or contamination of an **Insured Product(s)** committed by any person (including any employee of the **Insured**), so as to render such **Insured Product(s)** unfit or dangerous for its intended use or consumption. **Malicious Product Tampering** shall not include any incidents as defined in **Intentionally Impaired Ingredients**.

F. Product Extortion

Any threat or connected series of threats to commit a **Malicious Product Tampering** for the purpose of demanding **Product Extortion Monies** communicated to the **Insured**.

3. Definition of Loss

Loss shall mean only the following reasonable and necessary costs or expenses paid or sustained by the

Insured directly and solely as a result of a **Covered Incident**:

- A. **Extra Expense;**
- B. **Forensic Accounting Costs;**
- C. **Investigation Costs;**
- D. **Loss of Gross Profit;**
- E. **Product Extortion Costs;**
- F. **Recall Costs;**
- G. **Rehabilitation Costs;**
- H. **Replacement Costs;**
- I. **Third Party Recall Liability Damages.**

The amount of **Loss** is limited to costs or expenses incurred during the **Indemnification Period**, unless otherwise provided within the Definitions of **Extra Expense** and **Product Extortion Costs**.

In no event will any amounts claimed and paid in relation to one **Covered Incident** be recoverable in relation to another **Covered Incident**. All insured **Loss** resulting from a **Covered Incident** and arising from the same, continuous, related or repeated conditions or events shall be treated as arising out of one **Covered Incident**.

4. Definitions

- A. **"Bodily Injury"** shall mean death, or clear, identifiable physical symptoms of injury, sickness or disease sustained by a person.
- B. **"Change in Exposures"** shall mean changes in the overall risk limited to the changing exposure arising from:
 - i. consolidation or merger with;
 - ii. acquisition of the majority stock ownership from or by;
 - iii. acquisition of the assets from or by;
 - iv. creation of; or

- v. divestiture of;
- any other entity whose gross revenues are in excess of 10% of the gross revenue of the **Insured(s)** as of the date of consolidation, merger, acquisition or divestiture.
- C. "**Claim**" shall mean a written demand for **Compensatory Damages** alleging the **Insured's** liability as a direct result of a **Covered Incident**.
- D. "**Compensatory Damages**" shall mean the monetary value the **Insured** becomes legally obliged to pay a third party, other than an end-user or consumer, for actual economic loss incurred by that third party solely and directly as a result of the **Covered Incident**. **Compensatory Damages** does not include fees, fines, penalties imposed by law, punitive or exemplary damages.
- E. "**Crisis Consultants**" shall mean the **Crisis Consultants** identified in the Declarations as such or any independent consultants, subject to the Insurers' prior written consent thereto, engaged to advise the **Insured** in responding to a **Covered Incident**.
- F. "**Crisis Consultancy Costs**" shall mean reasonable and necessary fees and costs of **Crisis Consultants** as listed in the Declarations to advise the **Insured** in responding to an actual or potential **Covered Incident** whether such costs are incurred before or after a recall and/or withdrawal is initiated. **Crisis Consultancy Costs** are in addition to and not subject to the **Limits of Insurance**. The Insurers' obligation to pay **Crisis Consultancy Costs** ends upon:
- i notice by Insurers to the **Insured** in writing that the coverage does not apply;
 - ii conclusion of the **Indemnification Period** stated in the Declarations, or,
 - iii exhaustion the **Limits of Insurance** by payment of **Loss**,
- whichever occurs first.
- I. "**Defense Costs**" shall mean reasonable and necessary fees, costs and expenses incurred by on or on behalf of the **Insured** in connection with the defense of an actual or anticipated **Suit** or **Claim**. Such expenses include attorney's fees and disbursements, pre- and post-judgment interest, law costs, premiums on attachment or appeal bonds, expenses for experts and investigation, adjustment appraisal and settlement. **Defense Costs** does not include salaries, wages or benefits of the **Insured's** employees and attorneys, general overhead, or other administrative expenses.
- J. "**Executive Officer**" shall mean any past or present director, officer, partner, trustee, or any manager in the Risk Management, Legal, Compliance, Internal Audit, or Insurance department of the **Insured**; if any of such designations are not applicable, the equivalent level personnel shall be substituted.

- K. **"Extra Expense"** shall mean the following reasonable and necessary expenses paid by the **Insured** in excess of the total cost of conducting usual business activities during the period necessary to clean or repair the **Insured's** owned or operated location where the **Covered Incident** has occurred, for the sole purpose of reducing **Loss**. This policy only covers those expenses over and above the total cost of conducting business activities during the same period of time had no **Covered Incident** occurred. **Extra Expense** is limited to the following reasonable costs and expenses paid for the sole purpose of reducing **Loss**:
- i. the cost necessary to clean the machinery or location involved in the **Covered Incident** or the handling of the affected **Insured Product** in order to recreate an environment in which safe products can be manufactured or handled;
 - ii. the cost required to maintain the salaries of the workforce as required by state laws, union or other work contract for a maximum period of six (6) months;
 - iii. the cost to maintain a minimum workforce at a minimal percentage of salary in order to be able to open the plant without delay as soon as possible after a shutdown ordered by **Regulatory Body**;
 - iv. the increased cost of:
 - (a) subcontracting some or all of the manufacturing process to a contract manufacturer; or
 - (b) additional production runs in facilities owned by the **Insured** for some or all of the manufacturing process,
 in excess of **Insured's** usual manufacturing cost, for a period of time necessary to restore the facilities that are owned and operated by the **Insured** to a state in which products can be manufactured or handled safely.
- Extra Expense** does not include the cost to replace or upgrade defective or inadequately performing machinery or to make capital improvements or enhancements to meet consumer demands or requirements.
- L. **"Forensic Accounting Costs"** shall mean reasonable expenses incurred by the **Insured** or by the **Insured's** representatives for assessing, preparing and / or certifying details of a claim arising solely and directly from a **Covered Incident** under this policy. Expenses of Public Adjustors or attorneys are not included.

Forensic Accounting Costs are subject to the **Sub-limit** stated in the Declarations and shall be part of, and not in addition to, the **Limits of Insurance** such that payment by the Insurers of **Forensic Accounting Costs** shall reduce the **Limits of Insurance** stated in the Declarations

- M. **"Gross Profit"** shall mean the amount produced by adding to the **Net Operating Profit** the amount of the **Non-Incremental Costs**. If there is no **Net Operating Profit**, **Gross Profit** shall mean the amount of the **Non-Incremental Costs** less the amount of any **Net Operating Loss**.
- N. **"Indemnification Period"** shall mean the period of time specified in the Declarations. This policy shall only provide indemnification for **Loss** amounts paid after the date of discovery of the **Covered Incident** and ending upon completion of the **Indemnification Period** stated in the Declarations. For **Loss of Gross Profit** only, the **Indemnification Period** shall commence on the date that any **Executive Officer** of the **Insured** becomes aware of an ascertainable reduction in **Sales Revenue**.
- O. **"Incremental Costs"** shall mean the increase(s) in production costs directly and solely resulting from a **Covered Incident** for the **Insured(s)** to produce the **Insured Product(s)**.
- P. **"Informant"** shall mean any person, other than an **Executive Officer** or employee of the **Insured**, or any individual holding similar responsibilities, providing information not otherwise obtainable, in return for a **Reward** offered by the **Insured**.
- Q. **"Insured"** shall mean:
- i. the Named Insured listed in the Declarations, and
 - ii. all consolidated subsidiaries and affiliates of the Named Insured provided that such entity is located in, or organized under laws of, a country or political subdivision, in which the Insurers are permitted to insure risks and where doing so would not violate the insurance laws and regulations of such country or political subdivision.
- This policy shall cover joint ventures of the **Insured** only if the **Insured** has management control of the joint venture and/or has a fifty (50%) percent or more ownership interest in the joint venture, but always only to the extent of the **Insured's** percentage of ownership interest in such joint venture.
- R. **"Insured Product(s)"** shall mean all topical or ingestible products of the **Insured**, including any of their ingredients, components or packaging, as represented or reported in the submission and application on file with the Insurers, in accordance with Section 6. Conditions, Item D of General Terms and Conditions, that:
- i. have been manufactured, handled, stored, distributed or prepared for sale by the **Insured**;
 - ii. have been manufactured by a contract manufacturer for the **Insured**; or

- iii. are in production or are being prepared for sale by the **Insured**; or
- iv. were produced by the **Insured** on behalf of a customer specifically for resale under the customer's own brand or were provided by the **Insured** to a customer of the **Insured** and have become an ingredient in a product manufactured, distributed or handled by such customer.

Any product(s) which are newly introduced or newly developed by the **Insured** after the Inception Date of this policy shall be an **Insured Product**, provided written notice is given to the Insurers no less than sixty (60) days prior to the introduction for sale and the Insurers have given written acceptance of such new product(s) within thirty (30) days of receipt. Notwithstanding, the Insurers may condition such acceptance upon changes in one or more of the terms, conditions or premium of this policy.

Variations of existing products and/or new blends are not considered a newly developed product.

- S. **"Investigation Costs"** shall mean the reasonable and necessary costs of chemical analysis and/or physical examination of an **Insured Product** to determine if there has been a contamination and/or to ascertain the potential effect of a **Covered Incident**. **Investigation Costs** are subject to the **Sub-Limit** stated in the Declarations and shall be part of, and not in addition to the **Limits of Insurance** and will accordingly reduce the **Limits of Insurance** stated in the Declarations. **Investigation Costs** shall not be subject to the **Self Insured Retention** and are subject to the Co-Insurance stated in the Declarations. **Investigation Costs** will be covered until the Insurers have determined a **Covered Incident** has not occurred.
- T. **"Limits of Insurance"** shall mean the amount specified in the Declarations, which is the maximum amount that the Insurers will pay the **Insured** for **Loss** on account of a **Covered Incident** and in the **Policy Period** aggregate. **Crisis Consultancy Costs** are not subject to a limit.
- U. **"Loss of Gross Profits"** shall mean the actual reduction in **Gross Profit** sustained by the **Insured** during the **Indemnification Period** as a result of an ascertainable reduction in **Sales Revenue** caused solely and directly by a **Covered Incident**. For the purposes of calculating any **Loss of Gross Profit**, the **Indemnification Period** shall commence on the date that any **Executive Officer** of the **Insured** becomes aware of an ascertainable reduction in **Sales Revenue** caused directly and solely by a **Covered Incident** and shall expire upon the earlier of:
 - i. the expiration of the **Indemnification Period** set forth in the Declarations; or
 - ii. the date the **Insured's Sales Revenue** recovers to the level that could have been reasonably projected had the **Covered Incident** not occurred.

If during such period the **Loss of Gross Profit** of the **Insured Product(s)** is offset by increased sales of another **Insured Product(s)** within the same product line as the affected product(s) claimed in the **Loss** as a result of a **Covered Incident**, such offset will be considered to reduce the actual **Loss** sustained.

- V. **"Malicious"** shall mean circumstances where there is clear evidence that the persons committing the act or threat to alter or contaminate the **Insured Product(s)** has an intention to cause financial loss or damage to the **Insured** or **Insured Product(s)** or where a person uses any such **Insured Product(s)** as a means to attempt to or to cause **Bodily Injury** or **Property Damage**.

Malicious does not mean circumstances involving the use of any counterfeit or fraudulent or substandard ingredient or component of an **Insured Product(s)** supplied to the **Insured** by any other party without **Malicious** intent.

- W. **"Mislabeling"** shall mean the accidental or unintentional

- i. affixing or dispatching of the wrong label, tag, printed packaging or other related documentation, including but not limited to brochures and product information inserts, to or with the **Insured Product**; or
- ii. errors or omissions in the text or format of any such material or any other literature relating to the **Insured Product(s)**; or
- iii. furnishing of incorrect instructions relating to the **Insured Product**.

- X. **"Net Operating Profit" or "Net Operating Loss"** shall mean the net profit or loss (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the **Insured** after due provision has been made for all **Non-Incremental Costs** and other expenses including depreciation but before the deduction of any taxes on profits.

- Y. **"Non-Incremental Costs"** shall mean the fixed cost to produce the **Insured Product** directly associated with the production of one unit of **Insured Product** during normal operations prior to a **Covered Incident**.

- Z. **"Policy Period"** shall mean the period of time from and including the Inception Date to the earlier of either the Expiration Date specified in the Declarations or the effective date of cancellation of this policy.

- AA. **"Premium"** shall mean the amount specified in the Declarations.

- BB. **"Product Extortion Costs"** shall mean the following costs, expenses, fees or monies, provided that the **Insured** has appointed independent security consultant with the prior written consent of the Insurers:

- i. **Product Extortion Monies** paid by the **Insured** in direct response to a **Product Extortion** made and reported during the **Policy Period**;
 - ii. In transit/delivery loss due to the destruction, disappearance, confiscation or wrongful appropriation of **Product Extortion Monies** while being handled or conveyed by anyone who is authorized by the **Insured** to have custody thereof; provided, however, that the **Product Extortion** which gave rise to the transit/delivery is covered hereunder;
 - iii. Reasonable and necessary extortion expenses or fees which are paid by the **Insured** solely as a direct result of a **Product Extortion**. Such expenses shall be limited to:
 - (a) the amount paid by the **Insured** as a **Reward** to an **Informant** for information relating to a specific **Product Extortion**;
 - (b) interest costs for a loan from a financial institution granted to the **Insured** for the purpose of paying **Product Extortion Monies**;
 - (c) costs of travel and accommodation paid for by or on behalf of the **Insured** while attempting to negotiate in relation to a **Product Extortion**;
 - (d) medical services and hospitalization costs paid by any person(s) directly involved in the handling or negotiating in connection with a **Product Extortion** and/or the handling of **Product Extortion Monies**, and paid by the **Insured** as the direct result of a **Product Extortion** within thirty-six (36) months following the last credible product extortion threat discovered during the **Policy Period**, including but not limited to any costs for treatment by a neurologist or psychiatrist, costs for cosmetic surgery, and expense of confinement for such treatment;
 - (e) costs of an independent forensic analyst engaged by the **Insured** with the Insurers' prior written approval;
 - (f) costs of a qualified interpreter assisting the **Insured** in connection with a **Product Extortion**;
 - (g) increased costs of security due to a **Product Extortion** which shall be limited to the hiring of security guards, the hiring of armored vehicles, and overtime pay to existing security staff for a period of up to ninety (90) days, provided however that the pre-approved security consultant has specifically recommended such security measures.
- CC. **"Product Extortion Monies"** shall mean any monies which the **Insured** has paid or lost in transit due to a **Product Extortion**. For the purpose of this policy the term monies includes cash, monetary instruments, bullion, or the fair market value of any securities, tangible property or services.

DD. **"Property Damage"** shall mean physical damage to or destruction of tangible property (other than to the **Insured Product(s)** itself) and/or animals and/or livestock.

Property Damage does not include damage to or alteration in organoleptic properties including but not limited to appearance, taste, shape, color or other physical attributes of the **Insured Product(s)** itself and/or products or property into which the **Insured Product(s)** have been incorporated as an ingredient or component.

EE. **"Recall Costs"** shall mean the reasonable and necessary costs paid by the **Insured** to recall, inspect, collect, withdraw and/or destroy the affected **Insured Product(s)** including:

- i. the cost of publishing the recall in newspapers, magazines or any other printed media, in radio and/or television broadcasts, or any other announcements (whether electronic or otherwise), as well as the cost of correspondence exclusively made for the purpose of announcing and/or implementing the recall of the affected **Insured Product(s)** as well as reasonable costs of emergency incident response hotlines;
- ii. essential transportation costs of the affected **Insured Product**;
- iii. the cost of hiring additional persons necessary for the analysis, research, inspection, collection or withdrawal of such affected **Insured Product(s)**, including any reasonable costs paid for additional accommodation for such persons during the product recall process, if so required;
- iv. the remuneration paid to regular employees for overtime dedicated exclusively to the recall of the affected **Insured Product(s)** including transportation and accommodation costs;
- v. the cost of renting additional warehouse and/or storage space paid directly as the result of the recall of the affected **Insured Product(s)**;
- vi. the cost of properly disposing of the affected **Insured Product(s)**;
- vii. retail slotting fees and cancellation fees for any advertising and/or promotion programs, which were scheduled but were unable to be executed solely because of a **Covered Incident**;
- viii. other reasonable similar, directly related expenses.

FF. **"Replacement Costs"** shall mean:

- i. refunds given to purchasers of affected **Insured Product(s)**, not to exceed the cost of the goods sold; or

- ii. the cost to repair, recondition, or replace the affected **Insured Product(s)**, including unsold stock and work in progress, and related labor costs; or
- iii. the cost to produce or acquire a like replacement product not to exceed the cost of goods sold, if the affected **Insured Product(s)** cannot be repaired or replaced; or
- iv. the cost of unsold finished stock if the affected **Insured Product(s)** cannot be repaired, reconditioned, decontaminated or otherwise treated so as to render it marketable; and
- v. the actual direct costs paid by the **Insured** to redistribute the restored, repaired, reconditioned or replaced **Insured Product(s)** to the destination the **Insured Product** originated from before the **Covered Incident**.

Replacement Costs shall not include any form of profit.

GG. **"Regulatory Body"** shall mean a legally constituted federal, state or local regulatory or administrative body with authority over food safety, including but not limited to the US Department of Agriculture (USDA), the US Food and Drug Administration (FDA), the Canadian Food Inspection Agency (CFIA), the European Food Safety Authority (EFSA), the United Kingdom Food Standards Agency (UK FSA).

HH. **"Rehabilitation Costs"** shall mean the reasonable advertising or promotional expenses paid directly by the **Insured** solely to restore or re-establish the **Sales Revenue** generated from the **Insured Product(s)** subject of the **Covered Incident** to the reasonably projected level or market share anticipated prior to any **Covered Incident**.

Rehabilitation Costs are subject to the **Sub-limit** stated in the Declarations and shall be part of, and not in addition to, the **Limits of Insurance** such that payment by the Insurers of **Rehabilitation Costs** shall reduce the **Limits of Insurance** stated in the Declarations.

II. **"Reward"** shall mean monies paid to an **Informant** for information not otherwise obtainable which results in mitigation of the loss.

JJ. **"Sales Revenue"** shall mean the money paid or payable (less discounts allowed) to the **Insured** for the **Insured Product(s)** sold and delivered in the course of the business.

KK. **"Self-Insured Retention"** shall mean the amount referred to in the Declarations.

LL. **"Sub-limit"** shall mean the maximum amount the **Insured** can collect under a specific section of this policy as referred to in the Declarations. Such **Sub-limit** shall be within and not in addition to the **Limits of Insurance** referred to in the Declarations and shall serve to reduce the **Limits of Insurance**.

MM. **"Suit"** shall mean a civil proceeding, including but not limited to litigation, arbitration or other alternative dispute resolution proceedings, commenced against the **Insured** alleging the **Insured's** liability for **Compensatory Damages** as a direct result of a **Covered Incident**. The **Insured** must obtain the Insurers' prior written consent prior to agreeing to any settlement or resolution for coverage to be contemplated.

NN. **"Terrorism"** shall mean an act of actual, alleged or threatened, intentional, **Malicious** and wrongful alteration or contamination of any product(s), not limited to **Insured Product(s)**, undertaken by any person or group, whether or not acting on behalf of or in any connection with any organization, government, power, authority or military force, when the effect is to intimidate, coerce or harm a government, civilian population or any segment thereof, or to disrupt any segment of the economy. **Terrorism** shall also include any act which is certified or otherwise officially recognized by the United States Government or any other government as an act of terrorism.

OO. **"Third Party Recall Liability Damages"** shall mean **Compensatory Damages** and **Defense Costs** as a direct result of a **Claim** or **Suit** made by a third party against the **Insured** solely and directly as a result of a **Covered Incident**.

5. Exclusions

This policy does not apply to any loss (including **Loss** as defined) directly or indirectly arising out of, based upon, attributable to:

- A. any **Claim** for
 - i. **Bodily Injury**, or
 - ii. **Property Damage** or any other claim made by a third party directly against this policy arising out of or in connection with the use or consumption of the **Insured Product(s)**

including any defense costs related thereto;
- B. any **Adverse Publicity, Governmental Recall, Impairment or Malicious Product Tampering** of a competitor's product that is similar to the **Insured Product(s)**;
- C. any dishonest, fraudulent, illegal or criminal act or omission committed by any of the **Insured's Executive Officers**, trustees or assigns;
- D. any failure by any party other than the **Insured** to adhere to procedures prescribed by the **Insured** regarding the storage, consumption, or use of an **Insured Product(s)**. This exclusion applies only to **Adverse Publicity, Governmental Recall, Impairment and Intentionally Impaired Ingredients**;

- E. any intentional violation of governmental or regulatory requirements by any employee of **the Insured** in connection with the manufacture, sale or distribution of any **Insured Product(s)** or any intentional use by such employee of any material or substance in the manufacturing process which has been banned or declared unsafe by any governmental agency. This exclusion does not apply to **Malicious Product Tampering**;
- F. any nuclear reaction or nuclear radiation or radioactive contamination howsoever caused, except in the case of a **Malicious Product Tampering** specifically targeting an **Insured Product**, whether controlled or uncontrolled, or resulting from any act or condition incidental to any of the foregoing, whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by a **Covered Incident** or otherwise;
- G. any direct or indirect consequences of war, invasion, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, riot, civil commotion, or military or usurped power;
- H. any deterioration, decomposition, or transformation of the chemical structure of the **Insured Product(s)** (or ingredients or components thereof) unless such deterioration, decomposition, or transformation is the result of a **Covered Incident**;
- I. any changes in population, customer tastes, economic conditions, seasonal sales variations, market share, or competitive environment affecting the **Insured Product(s)**;
- J. any costs and expenses of any litigation or any proceedings before any governmental body as a result of a **Covered Incident** or otherwise;
- K. any liability assumed by the **Insured** under any oral or written contract or agreement that may not have otherwise been covered under the terms of this policy.
- L. any diminution in value of land (including land on which property is located), water, growing crops or lawns, crop failure due to weather, pest or other cause or contamination of livestock;
- M. any costs associated with the expense to design or redesign, engineer or re-engineer any product or **Insured Product(s)**;
- N. any **Covered Incident**, except for **Malicious Product Tampering**, arising directly and solely out of:
 - i. Genetically Modified Organisms (or "**GMOs**"), including organisms or micro-organisms, or the organisms or micro-organisms from which they have been derived, which have been subject to a genetic engineering process which resulted in their genetic change and shall also mean and include, without limitation, every biological or molecular unit with self replication potential, or biological or molecular unit with self replication potential from which they have been derived, which has been subject to a genetic engineering process which resulted in its

genetic change. In the event that in a particular case the definition of **GMO** or equivalent term in the applicable law and/or official regulations dealing with genetic engineering is different from the definition of **GMO** given in the preceding sentence, then such definition shall apply to this policy in addition to, and without limitation of, the definition in the preceding sentence.

- ii. hormone treatment of any **Insured Product(s)** unless approved by a legally constituted federal, state or local regulatory or administrative body, including but not limited to the US Department of Agriculture (USDA), the US Food and Drug Administration (FDA), or the Canadian Food Inspection Agency (CFIA), or an equivalent classification by a national regulatory body;
 - iii. unapproved use of irradiation of any **Insured Product(s)**;
 - iv. Transmissible Spongiform Encephalopathy (TSE), including, but not limited to Bovine Spongiform Encephalopathy (BSE), Chronic Wasting Disease (CWD), Creutzfeldt-Jakob Disease, New Variant Creutzfeldt Jakob Disease (nv-CJD), Scrapie or Transmissible Mink Encephalopathy;
 - v. foot and mouth disease;
 - vi. any form of avian flu or bird influenza viruses including any other nomenclature, scientific (e.g. AH5N1, AH5N2, AH7N1, A H9N2) or otherwise (e.g. "bird flu") devised or used to describe the viruses regardless of any genetic features or differences, subtype or strain, and whether or not partnered with any neuraminidase surface proteins; and any progression, mutation or recombination thereof, including but not limited to progression, mutation or recombination of any subtype or strain, and/or any changes in the antigenic composition thereof;
 - vii. any carcinogens, unless listed as a Group 1, 2A or 2B carcinogen by the International Agency for Research on Cancer (IARC),
- O. actual or alleged acts of **Terrorism**, except where the **Insured** or an **Insured Product** is the direct target or vehicle of the actual or alleged act or **Terrorism**;
- P. any **Adverse Publicity** generated by any of the **Insured's Executive Officers**, trustees or assigns;
- Q. any event or circumstance that occurs after an **Executive Officer** of the **Insured** has knowledge of a defect or deviation in the production, preparation or manufacturing of **Insured Product(s)**, or circumstance(s) which have resulted or are reasonably likely to result in such deviation or defect, and the **Insured** fails to take reasonable corrective action;

- R. any change in governmental regulations or public perceptions with respect to the safety of any **Insured Product(s)** or intended ingredients. This exclusion does not apply to **Malicious Product Tampering**;
- S. any product recall:
 - i. that is initiated due to the failure of an **Insured Product** to accomplish its intended purpose, including any breach of warranty of fitness or quality, whether written or implied; or,
 - ii. that is initiated due to the expiration of the designated life of the **Insured Product**,
 which would not have otherwise been covered under the terms of this policy.
- T. any event, series of events, information or circumstances of which any **Executive Officer** of the **Insured** had actual or constructive knowledge prior to the Inception Date of this policy and which may result in a claim or potential claim, or materially change the information previously provided to the Insurers.
- U. defects, errors, or omissions of any sort in the design of the **Insured Product** or in the research and development leading up to it.
- V. any fines or penalties imposed by third parties, courts or governmental organizations or agencies;

6. Conditions

A. Confidentiality

The **Insured** shall keep the existence of this policy confidential and shall use all reasonable efforts not to disclose its existence unless required to do so by law or is contractually required or for the purposes of obtaining any excess or other insurance.

B. Premium

The **Insured** shall pay to the Insurers an annual premium net of taxes as set forth in the Declarations. The **Insured** is liable for all taxes on or arising from the **Premium** paid for this policy, including but not limited to insurance premium taxes, excises, stamp duties, withholdings, charges, impositions, assessments or similar items imposed by the law of any jurisdiction. Any and all such amounts are in addition to the **Premium**.

If the **Premium** due under this policy is not paid to the Insurers within sixty (60) calendar days after the Inception Date of the **Policy Period** (or, in respect of any additional premium or installment premium, by the date it is due), then the Insurers shall have the right to cancel the policy by giving not less than ten (10) days prior written notice of cancellation to the **Insured**.

C. Cancellation

This policy may be cancelled:

- i by the Insurers, including but not limited to cancellation for non-payment of **Premium**, whereby the Insurers shall retain the pro rata proportion of the **Premium** for the period of time that this policy has been in force;
- ii by the **Insured** by giving notice to the Insurers ten (10) days advance written notice stating when the cancellation will be effective thereafter, whereby the Insurers shall retain the short rate **Premium** of one hundred and ten percent (110%) of the pro rata earned **Premium**, provided no **Covered Event** has been reported to the Insurers. If a **Covered Event** has been reported, the Insurers shall retain one hundred percent (100%) of the total **Premium**.
- iii by either party if the **Insured** is acquired or comes under control of a third party, in which case cancellation shall be effective on the date written notice of such cancellation is received by the non-cancelling party or at any future date specified within such notice. The Insurers shall retain the pro-rata proportion of the **Premium** for the period of time that this policy has been in force.

Payment or tender of any unearned premium by the Insurers will not be required for cancellation to be effective, but such payment will be made as soon as practicable. No minimum earned premium applies.

D. Representations, Warranties and Covenants of the **Insured**

- i. No Material Misstatements, Disclosures to the Insurers

In order to induce the Insurers to enter into this policy, the **Insured** represents, warrants and covenants to the Insurers that the application for this Insurance, as well as any reports, financial statements, or any other exhibits furnished by or on behalf of the **Insured** to the Insurers in connection with this policy or the procurement thereof, did not, do not and will not conceal, misrepresent or fail to disclose any material fact concerning this insurance, the procurement thereof, the **Insured Product(s)**, or any **Covered Incident** or claim under this policy. The **Insured** has made full disclosure to the Insurers of all information that is material to the risks being assumed by the Insurers under this policy. Any concealment, misrepresentation or non-disclosure by the **Insured** of a material fact concerning this policy or its procurement, the

Insured Product(s), or any **Covered Incident** or **Loss**, shall render this policy null and void with immediate effect.

ii. Disclosures and Approvals

With respect to this policy, the **Insured** has made all disclosures to and obtained all approvals from any applicable governmental entity as required under any applicable law, rule, order, decree or regulation.

iii. Reporting of **Change in Exposure**

The **Insured** shall give the Insurers written notice as soon as practicable (but in no event later than thirty (30) days) following any **Change in Exposures**.

For products which are materially similar to the **Insured Products(s)** declared in the application and on file with the Insurers, **Change in Exposure** due to consolidation, merger, or acquisition will be covered from the date of consolidation, merger or acquisition, but only until:

- (a) the Insurers notifies the **Insured** in writing of its election to reject such additional exposure; or
- (b) the **Insured** and the Insurers agree to new terms and conditions (including but not limited to additional premium) for the permanent cover of the **Change in Exposure** computed from the date of consolidation, merger or acquisition to the end of the current period, or
- (c) sixty (60) calendar days have elapsed,

whichever occurs first.

For products which are not materially similar to the **Insured Product(s)** declared in the application and on file with the Insurers coverage shall only apply if the **Insured** and the Insurers agree to new terms and conditions (including but not limited to additional premium) for the permanent cover of the **Change in Exposure** effective at the time of agreement of such new terms and conditions to the end of the current **Policy Period**. At the Insurers' discretion the Insurers may agree to retroactively apply coverage to the date of consolidation, merger or acquisition.

Any potential situation, liability, or **Loss** arising out of the **Change in Exposure** will not be covered if any **Executive Officer** of the **Insured** knew or could reasonably have been expected to know of the **Covered Incident** giving rise to the **Loss**.

Change in Exposure due to divestiture will be covered under this policy until the date of sale of the divested exposure. If liabilities for divested exposures are not sold, such divested exposures may be covered, if agreed to in writing at the discretion of the Insurers. As a result of **Change in Exposure** due to divestiture, the Insurers may offer new terms and conditions on the policy (including but not limited to a return premium).

E. Territory

This policy applies to **Covered Incidents** occurring in the territories specified in the Declarations provided that the Insurers are permitted to insure such risks and doing so would not violate the insurance laws and regulations of any applicable country or political subdivision.

F. Excess Insurance

The **Insured** may purchase excess insurance over the **Limit of Liability** set forth in this policy without prejudice to this policy. The existence of such insurance, if any, will not reduce the Insurers' liability under this policy.

G. Other Insurance

This insurance is excess over any other insurance available to the **Insured** for a **Covered Incident** covered by this policy, whether primary, excess, contingent or on any other basis, except other insurance written specifically to apply on a proportional basis to the **Limits of Insurance**. This provision shall not apply to other insurance written specifically to be excess over this policy. Nothing herein shall be construed to make this policy subject to the terms, conditions or limitations of any such other insurance.

H. Notice of **Loss** to Insurers

The **Insured** must provide to the Insurers written notice of a potential **Covered Incident** as soon as practicable but in no event later than thirty (30) days after an **Executive Officer** knew or reasonably should have known of the discovery of the potential **Covered Incident**.

The written notice of a **Covered Incident** to the Insurers shall include, but not be limited to, a description of the circumstances of the **Covered Incident**, the nature of the **Covered Incident**, the nature of the alleged or potential damage, and the date and manner in which the **Insured** first became aware of the **Covered Incident**. The **Insured** shall also promptly provide any additional information which the Insurers may reasonably require to determine the existence or amount of any **Loss** hereunder. The **Insured** shall further preserve all physical evidence of the **Insured Product(s)** for which the claim is being made. If it appears to be in the best interest of the **Insured** or to be required by law, the **Insured** shall notify law enforcement authorities or any other governmental agencies having jurisdiction over the matter.

In the event of any **Loss**, the **Insured** as soon as practicable shall provide a computation of loss for the Insurers, which sets out in detail how the loss has been calculated and what assumptions have been made. The **Insured** shall produce any documentary evidence, including but not limited to **Incremental** versus **Non-Incremental Costs** paid by the **Insured** and/or its direct customer with consideration of normal activity and profit.

For the avoidance of doubt, any information (including, without limitation, information about pending and/or prior incidents, events, losses, reserves or payments, loss runs, etc.) submitted in any way to the Insurers in an initial or annual renewal application and/or submission or similar shall not constitute notice of **Loss** hereunder.

I. Notice of **Loss** to **Crisis Consultants**

In the event of the discovery of a potential **Covered Incident** and in fulfillment of the **Insured's** responsibility to mitigate **Loss**, per section 6, Item M. Due Diligence and Duty to Mitigate, the **Insured** is encouraged to notify as soon as practicable the Crisis Consultant Call Center described in the "WHAT TO DO IN A CRISIS" notice attached to this policy. Notice to the **Crisis Consultants** does not constitute notice to the Insurers.

J. Statement of Loss

i. Initial Statement of Loss

In addition to the requirements set out in Condition H. Notice of Loss, within forty-five (45) days of first notice, the **Insured** shall submit to the Insurers an initial statement of loss, stating the full particulars of the **Loss** and its initial calculations and/or projections of the elements and composition of the **Loss**.

ii. Final Statement of Loss

Whether or not any partial payments have been made, a final statement of **Loss** with respect to all items of **Loss** shall be submitted with reasonable promptness, but in no event later than eighteen (18) months after the end of the **Indemnification Period**. **Loss** to be indemnified hereunder shall be payable by the Insurers, to the Named Insured, within thirty (30) days after the Insurers' formal agreement to the amounts claimed in the statement of **Loss**.

K. Valuation Clause

In determining the amount of **Loss of Gross Profits**, **Extra Expense** or **Rehabilitation Costs**, due consideration will be given to the experience of the business before the **Covered Incident** and the probable experience thereafter, had the **Covered Incident** not occurred, as well as any changes in

circumstance. This takes into account any savings or recoveries or offset for make-up of **Loss** which has been made or which the **Insured** could reasonably have been expected to make. It also takes into account the ability of the **Insured** to resume operations. The probable level of sales and experience of the business had the **Loss** not occurred must be demonstrated by the **Insured**.

L. Assistance and Cooperation

- i. The **Insured** shall fully cooperate with the Insurers or its authorized representatives, including forensic accountants in all matters relating to this insurance. This may include, but is not limited to, the investigation, evaluation, settlement, defense and/or handling of any **Loss**, claim or proceeding, securing evidence, obtaining the attendance of witnesses, producing any documentary evidence, book of account, bill, invoices and other vouchers and copies of the same that the Insurers or its authorized representatives, including forensic accountants, may require to investigate the **Loss**, affording the Insurers or its authorized representatives, including forensic accountants, reasonable access to the **Insured's** premises, personnel and necessary documents and providing any other information pertinent to the **Covered Incident** and/or **Loss**.
- ii. With respect to any coverage for **Product Extortion** under this policy, in addition to any other obligations contained in this policy, the **Insured** shall:
 - (a) immediately notify the approved **Crisis Consultant** as soon as the **Insured** becomes aware of the occurrence of any **Product Extortion**;
 - (b) take all reasonable measures necessary in response to such **Product Extortion** in close cooperation with the approved **Crisis Consultant**; and
 - (c) make every reasonable effort to determine that the threat of **Product Extortion** is genuine.
- iii. If liabilities, **Loss**, costs and/or expenses are in part covered by this policy and in part not covered by this policy, the **Insured** and the Insurers shall use their best efforts to agree upon a fair and proper allocation to determine which part thereof is covered hereunder. The **Insured** shall cooperate with such efforts by providing all pertinent information with respect thereto.
- iv. Any expenses paid by the Insurers on its own behalf in connection with the defense and control of any claim or as a consequence of the **Insured's** obligations pursuant to this Condition L shall be borne by the Insurers and shall not be considered part of the **Loss**.

M. Due Diligence and Duty to Mitigate

The **Insured** will exercise due diligence and take all steps reasonable and practical to prevent any **Covered Incident** and to make all reasonable efforts to prevent or mitigate any **Loss** arising out of a **Covered Incident**. The **Insured** will take the most efficient decision as respects all possible **Loss**.

N. Subrogation

In the event of any payment hereunder, the Insurers shall be entitled to exercise rights of subrogation and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. In such case, the Insurers will act in concert with all other parties, including the **Insured**, interested in the exercise of rights of recovery. The apportioning of any amounts which may be so recovered, net of expenses, shall follow the principle that any parties, including the **Insured**, that shall have paid an amount over and above any payment hereunder shall first be reimbursed up to the amount paid by them. The Insurers are then to be reimbursed out of any balance then remaining up to the amount paid by it; lastly, the parties of whose interests this coverage is in excess, including the **Insured**, are entitled to claim the residue, if any.

O. Salvage

Any salvage or other recovery, after expenses paid for salvage or recovery are deducted, shall accrue entirely to the benefit of the Insurers until the sum paid by the Insurers have been recovered. In case of damage to property bearing a brand or trademark, or which in any way carries or implies the guarantee or the responsibility of the **Insured**, the salvage value of such damaged property will be determined after removal in the customary manner of all such brands or trademarks or other identifying characteristics, the costs of which will be borne by the **Insured**. The **Insured** will have full right to the possession of all goods involved in any **Loss** under this policy and will retain control of all damaged goods. There can be no abandonment of any property to the Insurers.

P. Inspection and Audit

i. **Inspection of Books and Records.** The Insurers and its authorized representatives shall have the right, at any reasonable time, to inspect, examine, and copy at its own expense all books and records of any kind of the **Insured**, its agents and representatives which relate to the underwriting of risks under this policy; or to any **Covered Incident**, including all non-privileged reports of loss adjusters and legal counsel appointed by the **Insured** with respect to any **Loss** amount which potentially could exceed the applicable **Self-Insured Retention**. This right of inspection shall survive the cancellation or termination of this policy for as long as one of the Parties has a claim arising under this policy against the other.

ii. **Inspection of Properties and Operations.** The Insurers and its authorized representatives shall have the right but not the duty to inspect the properties and operations of the **Insured** at any reasonable time. No act, omission, advice or report by the Insurers with regard to any inspection of the **Insured's** properties or operations shall constitute an undertaking by the Insurers to determine or warrant the safety of those properties or the **Insured's** compliance with law. The Insurers shall bear any expenses paid in making inspections pursuant hereto.

Q. Notices

All notices and other communications under this policy shall, unless otherwise stated herein, be in writing (including fax or email communication) and shall be personally delivered or sent by certified mail with postage prepaid, or overnight courier or fax, to the intended party at the address or fax number of such party set forth in the Declarations or at such other address or fax number as shall be designated by such party in a written notice to the other party hereto. All such notices and communications shall be effective:

- i. if personally delivered, emailed, or faxed when received,
- ii. if sent by certified mail, five (5) Business Days after having been deposited in the mail, postage prepaid,
- iii. if sent by overnight courier, two (2) Business Days after having been given to such courier, unless sooner received by the addressee.

Notices and communications sent hereunder on a day that is not a Business Day shall be deemed to have been sent on the next succeeding Business Day.

R. Miscellaneous

- i. **Amendments.** This policy may only be amended by mutual consent of the Parties expressed in a written addendum, and executed by the Parties with the same formalities as this policy. Such addendum shall form an integral part of this policy and be binding upon the parties hereto.
- ii. **Assignment.** This policy shall be binding upon all successors, assignees and transferees of the Parties to this policy, provided, however, that neither this policy nor any rights or obligations under this policy may be assigned or transferred by either party without the prior written consent of the other party.
- iii. **Errors and Omissions.** Inadvertent errors and omissions of any nature made by either party shall neither increase nor reduce the liability of either party from what that liability would have been had no such error or omission occurred. Upon discovery, the party committing an error or omission shall promptly correct such error or rectify such omission and advise the other party thereof as soon as possible.
- iv. **Waiver.** No failure to exercise and no delay in exercising any right, remedy, power or privilege hereunder by any party, shall operate as a waiver thereof by that party; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. No waiver of any

provision of this policy or consent to any departure by a party therefrom shall in any event be effective unless the same shall be made in writing by two authorized representatives of that party, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which it is given. The rights, remedies, powers and privileges herein provided are cumulative and not exhaustive of any rights, remedies, powers and privileges provided by law.

- v. **Right of Offset.** Both the Insurers and the **Insured** shall have and may exercise at any time the right to offset any balance or balances due the other. Such offset may include balances due under this policy and any other policies heretofore or hereafter entered into between the Parties, regardless of whether such balances are in respect of premium or **Loss** amounts or otherwise and regardless of the capacity of any party, whether as Insurers or **Insured** or otherwise. This provision shall not be affected by the insolvency of either the Insurers or the **Insured**.
- vi. **Currency of Loss Payment.** It is agreed that **Loss**, if any, shall be payable in the same currency in which the **Premium** has been paid. In the event that a **Loss** involving local currency must be converted to the currency listed in the Declarations (or any other currency) in order to effect a **Loss** settlement, conversion shall be at the foreign exchange selling rate published in the Wall Street Journal as of the date the **Covered Incident** was first discovered. For the purposes of this paragraph, the term "local currency" shall mean the currency of the country where the **Loss** occurs, if other than the currency listed in the Declarations.
- vii. **Authorization Clause.** By the acceptance of this policy, the **Insured** named in the Declarations agrees to act on behalf of any entities defined herein as an **Insured** with respect to the giving and receiving of any return premium that may become due under this policy, the acceptance of endorsements, the giving or receiving of any other notice provided for in this policy and the submission and adjustment of claims, and all entities defined herein as an **Insured** agree that the **Insured** named in the Declarations will act on their behalf.
- viii. **Severability.** If any provision of this policy is held to be illegal, invalid or unenforceable in whole or in part, this policy shall continue to be valid as to its other provisions and the remainder of the affected provisions. Any provision declared null or void is in this case to be understood in such way that their intended purpose is still fulfilled as far as possible.

S. Choice of Law and Construction

This policy, and any dispute, controversy or claim arising out of or relating to this policy, shall be governed by and construed in accordance with the laws stated in the Declarations. The language used in this policy shall be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

T. Arbitration

- i. Any dispute, controversy or claim arising out of or relating to this policy or the breach, termination or invalidity thereof shall be finally and fully determined by a Board composed of three arbitrators to be selected for each controversy as follows:

Any Party may, in the event of such a dispute, controversy or claim, notify the other Party or parties to such dispute, controversy or claim of its desire to arbitrate the matter, and at the time of such notification the Party desiring arbitration shall notify any other party or parties of the name of the arbitrator selected by it. The other Party who has been so notified shall within thirty

(30) calendar days thereafter select an arbitrator and notify the Party desiring arbitration of the name of such second arbitrator. If the Party notified of a desire for arbitration shall fail or refuse to nominate the second arbitrator within thirty (30) calendar days following the receipt of such notification, the party who first served notice of a desire to arbitrate will, within an additional period of thirty (30) calendar days, apply to the Appointer set forth in the Declarations for the appointment of a second arbitrator and in such a case the arbitrator so appointed shall be deemed to have been nominated by the Party or parties who failed to select the second arbitrator. The two arbitrators, chosen as above provided, shall within thirty (30) calendar days after the appointment of the second arbitrator choose a third arbitrator. In the event of the failure of the first two arbitrators to agree on a third arbitrator within said thirty (30) calendar day period, either of the parties may within a period of thirty (30) calendar days thereafter, after notice to the other Party or parties, apply to the Appointer for the appointment of a third arbitrator and in such case the person so appointed shall be deemed and shall act as the third arbitrator. Upon acceptance of the appointment by said third arbitrator, the Board of Arbitration for the controversy in question shall be deemed fixed. The seat of the Board of Arbitration shall be as set out in the Declarations. All claims, demands, denials of claims and notices pursuant to this Arbitration clause shall be given in accordance with the notice provisions of the policy.

- ii. The Board of Arbitration shall fix, by a notice in writing to the parties involved, a reasonable time and place for the hearing and may prescribe reasonable rules and regulations governing the course and conduct of the arbitration proceeding, including, without limitation, discovery by the parties.
- iii. The Board shall, within ninety (90) calendar days following the conclusion of the hearing, render its decision on the matter or matters in controversy in writing and shall cause a copy thereof to be served on all the parties thereto. In case the Board fails to reach a unanimous decision, the decision of the majority of the members of the Board shall be deemed to be the decision of the Board and the same shall be final and binding on the parties thereto. Such decision shall be a complete defense to any attempted appeal or litigation of such decision in the absence of fraud or collusion. Without limiting the foregoing, the Parties waive any right to appeal to, and/or seek collateral review of the decision of the Board of Arbitration by, any court or other body to the fullest extent permitted by applicable law.

- iv. Any order as to the costs of the arbitration shall be in the sole discretion of the Board, who may direct to whom and by whom and in what manner they shall be paid.

The Insurers and the **Insured** agree that in the event that claims for indemnity or contribution are asserted in any action or proceeding against the Insurers by any of the **Insured's** other Insurers in any jurisdiction or forum other than that set forth in this Arbitration clause, the **Insured** will in good faith take all reasonable steps requested by the Insurers to assist the Insurers in obtaining a dismissal of these claims (other than on the merits) and will, without limitation, undertake to the court or other tribunal to reduce any judgment or award against such other insurers to the extent that the court or tribunal determines that the Insurers would have been liable to such insurers for indemnity or contribution pursuant to this policy. The **Insured** shall be entitled to assert claims against the Insurers for coverage under this policy, including, without limitation, for amounts by which the **Insured** reduced its judgment against such other insurers in respect of such claims for indemnity or contribution, in an arbitration between the Insurers and the **Insured** pursuant to this Arbitration clause, which arbitration may take place before, concurrently with and/or after the action or proceeding involving such other insurers; provided, however, that the Insurers in such arbitration in respect of such reduction of any judgment shall be entitled to raise any defenses under this policy and any other defenses (other than jurisdictional defenses) as it would have been entitled to raise in the action or proceeding with such insurers (and no determination in any such action or proceeding involving such other insurers shall have collateral estoppel, res judicata or other issue preclusion or estoppel effect against the Insurers in such arbitration, irrespective of whether or not the Insurers remained a party to such action or proceeding).

U. Trade Sanctions

The Insurers shall not provide any cover, pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Insurers to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the United States, the United Kingdom, the European Union or any jurisdiction applicable to the Insurers.

V. Self-Insured Retention

The **Self-Insured Retention** stated in the Declarations will apply separately to each and every **Covered Incident**. The **Self-Insured Retention** is to be borne by **Insured** and remain uninsured. **Crisis Consultancy Costs, Investigation Costs and Product Extortion Costs** are not subject to a **Self-Insured Retention**.

SANCTIONS SUSPENSION CLAUSE

It is a condition of this (re)insurance, and the (re)insured agrees, that the provision of any cover, the payment of any claim and the provision of any benefit hereunder shall be suspended, to the extent that the provision of such cover, payment of such claim or provision of such benefit by the (re)insurer would expose that (re)insurer to any sanction, prohibition or restriction under any:

- a. United Nations' resolution(s); or
- b. the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Such suspension shall continue until such time as the (re)insurer would no longer be exposed to any such sanction, prohibition or restriction.

LMA3200
5 October 2023



FINANCIAL INTEREST CLAUSE ENDORSEMENT

It is understood and agreed that the **Conditions** of policy is amended to include the following:

Financial Interest Clause

Coverage under this policy is provided to the Named Insured listed in the Declarations for its financial interest in any entity which would otherwise be covered under this Policy but which is located in a jurisdiction where:

- a. Applicable laws and regulations do not allow the Insurers to provide coverage; or
- b. The Named Insured has elected that the Policy will not cover such entity directly but will cover the Named Insured's own financial interest in such entity.

Any entity falling within the sub-paragraphs above is considered an uncovered entity.

Where financial interest coverage is triggered, this Policy will not provide any coverage for the uncovered entity, and the Reinsurer and Company further agree that:

- a. the Named Insured has a financial interest in the uncovered entity because it benefits financially from the continued operation of the uncovered entity and/or would be prejudiced by **Loss** to, or damage to, or liability incurred by the uncovered entity in the operation of its business; and
- b. the Insurers shall indemnify the Named Insured in respect of any **Loss** to its financial interest, by way of agreed valuation calculated as the amount which would have been payable to the uncovered entity if it had been permitted and agreed for this Policy to provide cover for such uncovered entity.

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of this policy except as set forth above.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.



FUNGI, RANCIDITY, AND PEST INFESTATION ENDORSEMENT

This endorsement modifies insurance provided under the following:

CONTAMINATED PRODUCTS INSURANCE POLICY

It is understood and agreed that the policy is amended as follows:

- I. Section 2, **Definitions of Covered Incidents**, is amended to include the following:

Fungi, Rancidity, and Pest Infestation

Any accidental or unintentional contamination error, omission, deficiency or inadequacy of **Insured Product** which causes such **Insured Product(s)** to differ from its usual condition due to:

- i. **Fungi Contamination,**
- ii. **Rancidity, or**
- iii. **Pest Infestation**

and as a result such affected **Insured Product** is not fit for its intended use and where the consumption of such **Insured Product** would not result in **Bodily Injury** or **Property Damage**.

- II. Solely for purposes of this endorsement, Section 3 Definition of Loss is deleted in its entirety and replaced with the following:

Loss shall mean only the following reasonable and necessary costs or expenses paid or sustained by the **Insured** directly and solely as a result of a **Covered Incident**.

- i. **Forensic Accounting Costs**
- ii. **Investigation Costs;**
- iii. **Recall Costs**
- iv. **Replacement Costs**

The amount of **Loss** is limited to costs or expenses incurred during the **Indemnification Period**.

In no event will any amounts claimed and paid in relation to one **Covered Incident** be recoverable in relation to another **Covered Incident**. All insured **Loss** resulting from a **Covered Incident** and arising from the same, continuous, related or repeated conditions or events shall be treated as arising out of one **Covered Incident**.

- III. Section 4, **Definitions**, is amended to include the following.



Fungi Contamination shall mean the contamination of **Insured Product** with fungi (including but not limited to mold or yeast) above guidance and allowances set by a **Regulatory Body**.

Rancidity shall mean the **Insured Product** becoming rancid prior to the end of the expected shelf life of the **Insured Product** resulting in premature spoilage of **Insured Product**.

Pest Infestation shall mean the clear and identifiable presence of pests (including but not limited to insects and rodents) within the **Insured Product**, above guidance and allowances set by a **Regulatory Body**.

- IV. Solely for purposes of this endorsement, Section 5, **Exclusions**, is amended to include the following.

Any **Pest Infestation** where regular Pest Control preventative measures are not completed at **Insured's** facilities in a timely manner.

- V. The **Sublimits** and **Self Insured Retention** for **Fungi, Rancidity, and Pest Infestation** shall be as listed on the Declarations.

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of this policy except as set forth above.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.





LONG TERM AGREEMENT

This endorsement modifies insurance provided under the following:

CONTAMINATED PRODUCTS INSURANCE POLICY

1. It is understood and agreed that Section 4, **Definitions** is amended to include the following:

Renewal Policy Periods shall mean:

1st Renewal: 02/01/2026 – 02/01/2027

2nd Renewal: 02/01/2027 – 02/01/2028

2. It is understood and agreed that Section 6, **Conditions**, is amended to include the following:

Renewal Agreement

This policy shall be renewed for the **Renewal Policy Periods** with the same terms and conditions as policy subject to the following:

- 1) Projected revenues for the **Renewal Policy Periods** are within 10% of the revenues used to underwrite this policy;
- 2) There are no material changes in operations or products from when this policy was underwritten;
- 3) There have been no claim payments during the **Policy Period** and no open claims which are expected to exceed the **Self Insured Retention** of this policy;
- 4) No change in the Reinsurance of the Insurers which would require changes in Terms and Conditions; or;
- 5) The **Insured** is not insolvent or in a state of bankruptcy.

A Renewal Application or Long Term Agreement Affidavit is required to renew per the terms and conditions of this Long Term Agreement.

PREVIEW

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of this policy except as set forth above.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

RELIGIOUS CERTIFICATION ENDORSEMENT

This endorsement modifies insurance provided under the following:

CONTAMINATED PRODUCTS INSURANCE POLICY

It is understood and agreed that the policy is amended as follows:

- I. Section 2, **Definitions of Covered Incidents**, is amended to include the following:

Religious Certification

Any accidental or unintentional contamination; or **Mislabeling**, error, omission, deficiency or inadequacy of an **Insured Product(s)** provided that:

- a) the **Insured Product(s)** is intended to be **Kosher** and is labeled with a certified **Kosher** trademark label or symbol and the **Insured Product(s)** is deemed to be non-compliant by a **Kosher Certifying Agent**, or
- b) the **Insured Product(s)** is intended to be **Halal** and is labeled with a certified **Halal** trademark label or symbol and the **Insured Product(s)** is deemed to be non-compliant by a **Halal Certifying Agent**.

But does not pose actual or imminent danger of **Bodily Injury** or **Property Damage**.

- II. Solely for purposes of this endorsement, Section 3 **Definition of Loss** is deleted in its entirety and replaced with the following:

Loss shall mean only the following reasonable and necessary costs or expenses paid or sustained by the

Insured directly and solely as a result of a **Covered Incident**.

- i **Forensic Accounting Costs**
- ii **Investigation Costs;**
- iii **Recall Costs**
- iv **Replacement Costs**

The amount of **Loss** is limited to costs or expenses incurred during the **Indemnification Period**.

In no event will any amounts claimed and paid in relation to one **Covered Incident** be recoverable in relation to another **Covered Incident**. All insured **Loss** resulting from a **Covered Incident** and arising from

the same, continuous, related or repeated conditions or events shall be treated as arising out of one

Covered Incident.

- III. Section 4, **Definitions**, is amended to include the following.

"Halal" shall mean acceptable or permissible according to Islamic law.

"Halal Certifying Agency" shall mean a recognized organization or agency which certifies products are
Halal.

"Kosher" shall mean acceptable or fit according to Jewish Dietary Law.

"Kosher Certifying Agency" shall mean a recognized organization or agency that certifies products are
Kosher.

- IV. The **Sublimit** and **Self Insured Retention** for **Religious Certification** shall be as listed on the Declarations.

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of this policy except as set forth above.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

PREVIEW



UNSUBSTANTIATED RECALL COSTS AND UNAFFECTED PRODUCT ENDORSEMENT

This endorsement modifies insurance provided under the following:

CONTAMINATED PRODUCTS INSURANCE POLICY

It is understood and agreed that the policy is amended as follows:

- I. Solely for purposes of this endorsement, Section 3, **Definition of Loss** is amended to include the following:

Retailer Costs

- II. Section 4, **Definitions** is amended to include the following:

"Retailer Costs" shall mean:

- i. **Unsubstantiated Recall Costs,**
- ii. **Unaffected Product Recall Costs,** or
- iii. **Unaffected Product Replacement Costs.**

"Unaffected Product Recall Costs" shall mean the amounts paid by the **Insured** to retailers or distributors of affected **Insured Product** to arbitrarily recall, inspect, collect, withdraw and/or destroy **Unaffected Product(s)** solely and directly in response to a **Covered Incident**, including:

1. essential transportation costs of the **Unaffected Product**;
2. the cost of renting additional warehouse and/or storage space paid directly as the result of the recall of the **Unaffected Product(s)**; and
3. the cost of properly disposing of the **Unaffected Product(s)**.

"Unaffected Product Replacement Costs" shall mean:

- i. refunds given to retailers or distributors of **Unaffected Product(s)**, not to exceed the cost of the goods sold; or
- ii. the cost to replace the **Unaffected Product(s)**; or
- iii. the actual direct costs paid by the **Insured** to redistribute the replaced **Unaffected Product(s)** to the destination the **Insured Product** originated from before the **Covered Incident**

which are paid by the **Insured** solely and directly as a result of an arbitrary withdrawal or destruction of **Unaffected Product(s)** by a retailer or distributor in direct response to a **Covered Incident**.



“Unsubstantiated Recall Costs” shall mean the amounts paid by the **Insured** to retailers or distributors of **Insured Product(s)** for costs which are:

- i. not supported by receipts or documentation and
- ii. solely and directly as a result of the **Covered Incident**.

Such expenses shall include fines, fees, or penalties if specifically outlined and agreed to in a fully executed contract prior to the **Covered Incident**.

“Unaffected Product” shall mean **Insured Product** which is not subject to a **Covered Incident** but is within the same product line as the affected **Insured Product** which is subject to the **Covered Incident**.

III. Section 5, Exclusions, Item V shall be removed in its entirety and replaced with the following:

v. any fines or penalties imposed by third parties, courts or governmental organizations or agencies, unless otherwise covered under **Unsubstantiated Recall Costs**;

IV. The **Sublimit** and **Self Insured Retention** for **Retailer Costs** shall be listed on the Declarations.

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of this policy except as set forth above.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.





Cyber Clarification Endorsement

For the purpose of clarifying coverage under the policy, it is understood and agreed that subject always to its terms, conditions, exclusions and limitations, this policy will respond where an insured event or claim arises from a Cyber Loss.

Nothing in this clause shall operate to change or increase the scope or amount of coverage under the policy beyond that which would have existed in the absence of this clause.

Definitions

- 1 **Computer System** means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.
- 2 **Cyber Act** means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.
- 3 **Cyber Incident** means:
 - 3.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer System**; or
 - 3.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System**.
- 4 **Cyber Loss** means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any **Cyber Act** or **Cyber Incident** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **Cyber Act** or **Cyber Incident**.
- 5 **Data** means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**.

LMA5480

13 November 2020

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of this policy except as set forth above.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.



U.S. Terrorism Risk Insurance Act of 2002 as amended New and Renewal Business Endorsement

It is understood and agreed that the policy includes the following:

This Endorsement is issued in accordance with the terms and conditions of the "U.S. Terrorism Risk Insurance Act of 2002" as amended, as summarized in the disclosure notice.

In consideration of an additional premium of USD \$500.00 paid, it is hereby noted and agreed with effect from inception that the Terrorism exclusion to which this Insurance is subject, shall not apply to any "insured loss" directly resulting from any "act of terrorism" as defined in the "U.S. Terrorism Risk Insurance Act of 2002", as amended ("TRIA").

The coverage afforded by this Endorsement is only in respect of any "insured loss" of the type insured by this Insurance directly resulting from an "act of terrorism" as defined in TRIA. The coverage provided by this Endorsement shall expire at 12:00 midnight December 31, 2027, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates. The Terrorism exclusion, to which this Insurance is subject, applies in full force and effect to any other losses and any act or events that are not included in said definition of "act of terrorism".

This Endorsement only affects the Terrorism exclusion to which this Insurance is subject. All other terms, conditions, insured coverage and exclusions of this Insurance including applicable limits and deductibles remain unchanged and apply in full force and effect to the coverage provided by this Insurance.

Furthermore the Underwriter(s) will not be liable for any amounts for which they are not responsible under the terms of TRIA (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on the Underwriter's liability for payment for terrorism losses.

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of this policy except as set forth above.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

SEVERAL LIABILITY CLAUSE

PLEASE NOTE - This notice contains important information. PLEASE READ CAREFULLY

The liability of an insurer under this contract is several and not joint with other insurers party to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

LMA5096 (Combined Certificate)

7 March 2008

SERVICE OF SUIT ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The party named below is authorized and directed to accept service of process on our behalf in any action, suit or proceeding instituted by or on behalf of any Insured or beneficiary under this policy against us arising out of this policy:

CT Corporation System

Further, pursuant to any statute of any state, territory or District of the United States which makes provision therefor, the Company hereby designates the Superintendent, Commissioner, Director of Insurance, Secretary of State or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder, arising out of this contract of insurance. Upon such service, process should be forwarded to CT Corporation at the above address.

The most current address for **CT Corporation System** applicable to your state may be provided by your agent or found at the web address below:

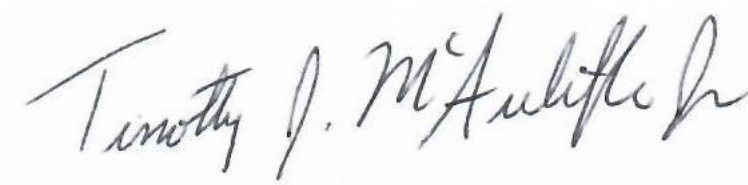
<https://ct.wolterskluwer.com/sop-locations>

SIGNATURE PROVISIONS

Signatures

This policy is signed at Dallas, Texas on behalf of the Company by the President of the Company indicated below:

Summit Specialty Insurance Company

A handwritten signature in black ink, reading "Timothy J. McAuliffe Jr." in a cursive script.

President