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Draft list of clauses

Cover of ingredients and components

Notwithstanding the contents of s. 3, subs. 4 in the insurance conditions, cover shall be provided for damage to or loss concerning property:

a) which the insured’s product or service is made a part of, mixed with or incorporated into, joined with, used as packaging for, or with which it is otherwise connected,

b) which the insured’s product or service is processed for, used in the processing of, or for which it is used as feedstuff,

c) where the insured’s product or service is used in the manufacturing, processing or other kinds of treatment of such property.

Cover shall be provided for any of the instances mentioned in (a) to (c) above whether the claim arises out of such bodily injury or property damage as is specified in subs.1 or out of a pecuniary or financial loss as stated in the first sentence of subs. 3, always subject, however, to the conditions stated in subs. 1, and only up to the indemnity limit specified in the Policy for the above claim.

However, at the same time the above extension of cover in the form of liability for loss concerning property shall be limited in keeping with the other Policy provisions which relate to losses, even if they only mention the concept of ‘injury or damage’.

Cover shall be limited to the insured’s liability for any direct loss incurred whenever, as a result of his product or service, a manufactured or processed object has to be discarded, scrapped or repaired, its manufacturing or processing costs increase or its value decreases.

Cover shall only be provided for the decrease in value of the manufactured or processed object, for additional manufactur­ing or processing costs, or for the repair cost itself.

Cover shall not be provided for other costs, expenses, or losses including such as arise out of the sending out of staff, the recall, tracing, examination, analysis or transportation of the manufactured or processed object, or the issue of notices relating to the same object.

Where the insured’s product or service has caused damage to or loss concerning property as specified in (a) and (b) above, cover shall be provided with deduction of the value of the insured’s product or service without any defect.

Cover of treatment and processing

Notwithstanding the contents of s. 3, subs. 2 (f) in the insurance conditions, cover shall be provided for damage to property which the insured has undertaken to make ready, install, repair, mount or in any other way treat or process, where such damage occurs after the performance of the task as a result thereof.