

AM&T

A Company of Allianz 



CARGO INSURANCE WITHIN AUSTRALIA

POLICY DOCUMENT
AUSTRALIAN MARKET

REST EASY. OUR KNOWLEDGE RUNS DEEP.

AM&T is a specialist in marine and transit insurance.

The team at AM&T specialise in the complex world of marine and transit insurance.

At AM&T, We provide specialist knowledge, superior service and support, all with the security of knowing Your Policy is backed by the global strength of Allianz.

The insurer is Allianz Australia Insurance Limited (Allianz)
AFS Licence No. 234708, ABN 15 000 122 850
GPO Box 9870 Melbourne VIC 3000.



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Introduction and important notices

Introduction

Welcome and thank You for choosing Our Cargo Insurance Within Australia Policy.

This is an important document. You should read it carefully before making a decision to purchase this insurance. It will help You to:

- decide whether this insurance will meet Your needs; and
- compare it with other products You may be considering.

Please note that any recommendation or opinion in this document is of a general nature only and does not take into account Your objectives, financial situation or needs.

You need to decide if this insurance is right for You and You should read all of the documents that make up the Policy to ensure You have the cover You need.

About AM&T and Allianz

The insurer is Allianz Australia Insurance Limited AFS Licence No. 234708 ABN 15 000 122 850.

Allianz is one of Australia's largest general insurers. We utilise years of local expertise, combined with global experience to offer a wide range of products and services to Our customers. As a member of the worldwide Allianz Group, We are committed to continuous improvement of Our products and services and strive to achieve this through knowledge transfer within the Group, dedicated technical research units, sharing new product developments and a wide range of risk management services globally.

In the Policy document We refer to Allianz Australia Limited as "We", "Us", "Our" and "Allianz".

AM&T (Allianz Marine & Transit Underwriting Agency Pty Limited ABN 98 155 554 279, AFS Representative No. 423910 of Level 12, 80 Mount Street, North Sydney NSW 2060) is an Australian organisation specialising in Cargo, Commercial Hull and Marine Liability insurance. AM&T have been given a "binding" authority by Allianz to issue, vary and dispose of this insurance and settle claims as agents of Allianz as if they were Allianz the insurer.

Our contract with You

Where We agree to enter into a Policy with You it is a contract of insurance between Us and You (see the definition of "You" for details of who is covered by this term). We only cover those parties shown in the Schedule unless otherwise stated in the Policy as being a person or entity entitled to cover. If more than one person is insured under the Policy, a failure or wrongful action by one of those persons may adversely affect the rights of any other person insured under the Policy.

We cover You in accordance with the insurance as described in this Policy, for the Period of Insurance shown on the Schedule and for any subsequent period where renewal may be agreed. The maximum amount We will pay under the Policy will not exceed the Sum Insured shown on the Schedule unless otherwise specified herein.

You are required to comply with the terms and conditions of the Policy. Please remember that if You do not comply with any term or condition, We may (to the extent permitted by law) decline or reduce any claim payment to the extent We are prejudiced by Your noncompliance and/or cancel Your Policy.

The Policy consists of:

- this document which sets out the standard terms of Your cover and its limitations;
- Your current Schedule issued by Us. The Schedule is a separate document, which shows the insurance details relevant to You. It may include additional terms, conditions and exclusions relevant to You that amend the standard terms of this document; and
- any other change to the terms of the Policy otherwise advised by Us in writing (such as an Endorsement) specified before entry into the Policy. These written changes may vary or modify the above documents where required or permitted by law.

These are all important documents and should be carefully read together and kept in a safe place for future reference. When You enter into the Policy You confirm and warrant that You have read or will read the Policy documents when provided to You. Any new or replacement Schedule We may send You, detailing changes to Your insurance or the Period of Insurance, will become the current Schedule, which You should carefully read and retain.

We reserve the right to change the terms of this insurance where permitted to do so by law.

Understanding Your Policy and its important terms and conditions

To properly understand the significant features, benefits and risks of this insurance You need to carefully read:

- about the available type of cover and benefits and exclusions in the Policy, (the standard cover provided can be affected by the following);
- the rest of this “Introduction” section – this sets out how You apply for cover, the basis on which We insure You, the duty of disclosure You need to meet before We insure You, Our privacy information, Our dispute resolution procedures and other important information;
- the “Words with special meaning” section – this sets out what We mean by certain words used in the Policy. These words begin with a capital letter throughout this document;
- the “Exclusions” set out the general exclusions and limitations that apply to the cover and benefits;
- the “General Conditions” and “Claims Procedure” sections – these set out certain general rights and obligations that You and We have and other cover restrictions;
- all of the documents that make up the Policy, including the Policy Schedule and any Endorsements or other written changes to the cover We issue You with specified before entry into the Policy or issued where required or permitted by law – these contain specific details relevant to You and can affect the cover.

Headings are provided for reference only and do not form part of Your Policy for interpretation purposes.

Applying for cover

When You apply by completing Our application process You need to provide the information We require to determine whether to issue a Policy and if so, on what terms, including (to the extent they are optional):

- the covers and benefits You want (including the property You wish to cover);
- the limits You want;
- the period of cover You want;
- whether You want any third parties to be noted as having an interest;
- the Excesses that You agree to contribute for certain claims;
- whether any standard terms need to be varied (this may be by way of an Endorsement).

Where We agree to issue a Policy, cover is provided on the basis:

- that You have paid or agreed to pay Us the Premium for the cover provided;
- of the verbal and/or written information provided by You which must have given in accordance with Your Duty of Disclosure.

Your Duty of Disclosure and the consequences of nondisclosure, are provided under the heading ‘Your Duty of Disclosure’ on page 4.

Renewal procedure

Before Your Policy expires, We will advise You whether We intend to offer renewal and if so on what terms. This also applies for any other renewal We make, unless We tell You otherwise.

It is important that You check the terms of any renewal before renewing to satisfy Yourself that the details are correct. In particular check the Sum Insured amounts to ensure the levels of cover are appropriate for You and that the covers selected suit Your needs, allowing for any changes in Your business since the Policy was originally taken out.

Please note that You need to comply with Your Duty of Disclosure (see page 4) before each renewal. In particular, You must inform Us regarding any changes to the Goods being shipped, maximum limit any one Conveyance, Geographical Limits or Sendings/Turnover.

Contact for assistance or confirmation of cover

If You need to confirm any Policy transaction or clarify any of the information contained in this Policy or, if You have any other queries, please contact Your intermediary.

Your Duty of Disclosure

Before entering into a contract of general insurance with Us, You have a duty, under the Insurance Contracts Act 1984 and the Marine Insurance Act 1909 (as applicable) to disclose to Us every matter which:

- You know; or
- a reasonable person in the circumstances could be expected to know,

is relevant to Our decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to Us before You renew, extend, vary or reinstate a contract of general insurance.

This duty of disclosure applies until the contract is entered into (or renewed, extended, varied or reinstated as applicable).

Your duty however does not require disclosure of any matter:

- that diminishes the risk to be undertaken by Us; or
- that is of common knowledge; or
- that We know or, in the ordinary course of Our business as an insurer, ought to know; or
- as to which compliance with Your duty is waived by Us.

Non-disclosure

Where the Insurance Contracts Act applies

Where the Insurance Contracts Act applies, if:

- You fail to comply with Your duty of disclosure, We may be entitled to reduce our liability under the contract in respect of a claim to the extent our interests are prejudiced by your failure to comply with the duty of disclosure cancel the contract or both;
- Your non-disclosure is fraudulent, We may also have the option of avoiding the contract from its beginning.

Where the Marine Insurance Act 1909 applies

Where the Marine Insurance Act 1909 applies, if You fail to comply with Your duty of disclosure, We may avoid the contract from its beginning.

Who must tell Us?

Everyone who is insured under the Policy must answer the questions in this way.

Alteration of Risk

Where the Insurance Contracts Act applies

If You become aware of any changes to the facts or circumstances which existed when this insurance commenced that You know or ought reasonably to have known is relevant to Our decision to insure You and the terms on which We will insure You (for example, the nature of Your business operations, or other circumstances that affect the Insured Goods carried) in a way that would increase the risk of loss or damage occurring You must notify Us as soon as reasonably possible in writing. If We agree to the change We will do so in writing and You must pay Us any additional Premium We require.

We may cancel Your Policy if there is a change and We can't reach an agreement with You on altered terms and conditions or premium; or We are no longer prepared to insure You because there has been a material change to the risk.

Where the Marine Insurance Act applies

You must give Us notice in writing as soon as reasonably possible if there is any material change in the circumstances or nature of the risks covered by this Policy that You know, or ought reasonably to have known that is relevant to Our decision to insure You and the terms on which We will insure You. If you do not, We may refuse or reduce a claim to the extent We are prejudiced by that non-disclosure.

Premium

Your Premium – the base Premium We charge is calculated based on a number of factors such as:

- type of Insured Goods to be insured, where they are to be transported to and from, the Sendings or Turnover, the cover and Sum Insured required, Your insurance history etc;
- Our obligation to pay relevant government taxes and charges. For example, GST payable in relation to the Policy.

Minimum Premiums may apply. When You apply for this insurance, You will be advised of the total Premium amount payable, when it needs to be paid and how it can be paid.

This amount will be set out in the Schedule, which will be sent to You after the entry into the Policy. If You fail to pay the Premium We may reduce any claim payment by the amount of Premium owing and/or cancel the Policy in accordance with the process set out in the "How We may cancel this Policy" section. Special rights and obligations apply to instalment Premium payments as set out below.

Non payment of Premium by instalments – Right to refuse a claim and/or cancel Your Policy

Where You pay Your premium by instalments, You must ensure that they are paid on time. We will notify You if an instalment has not been paid and we will try to deduct the overdue amount along with your next regular payment. If the next attempt to deduct the outstanding amount fails, we will cancel your policy for non-payment. We will send You a notice advising You of cancellation, and cancellation will be effective 14 days from the date on this notice.

Instalment Premium service fee

In some cases a service fee will apply where You select to pay Your Premium by instalments. We tell You the total amount payable when You apply and when and how it can be paid. This is confirmed in the Schedule We issue to You.

How to make a claim

If You need to make a claim under the Policy, please refer to the "Claims procedure" section on page 22.

Cancellation

- (a) You may cancel the Policy at any time by notifying Us in writing;
- (b) We have the right to cancel the Policy where permitted by law.

Where the Insurance Contracts Act applies

Where the Insurance Contracts Act 1984 applies We can cancel the Policy in accordance with that Act, including where:

- if You failed to comply with the duty of the utmost good faith;
- if You failed to comply with Your Duty of Disclosure;
- where You have made a misrepresentation to Us during negotiations prior to the issue of the Policy;
- where You have failed to comply with a provision of the Policy, including payment of Premium; or
- where You have made a fraudulent claim under Your Policy or under some other contract of insurance that provides cover during the same period of time that Our Policy covers You.

Where the Marine Insurance Act applies

Where the Marine Insurance Act 1909 applies, We may cancel the Policy in the event of any non-payment of the Premium or for any other reason available at law.

Marine Risks

Subject to 30 days notice of cancellation.

War Risks

Subject to 7 days notice of cancellation.

Strikes Riots and Civil Commotions Risks

Subject to 7 days notice in writing, except for consignments to and/or from the United States of America which is subject to 48 hours notice in writing.

- (c) If We decide to cancel Your Policy We will give written notice to You personally or by post to Your last known address or Your intermediary as may be appropriate. Such notice will be effective from the expiry of the stipulated period calculated from midnight of the day on which notice of the cancellation is issued by or to Us but shall not apply to any Goods which have commenced Transit in accordance with the conditions of this Policy before cancellation becomes effective. A posted notice is deemed given to You at the time it would have been delivered in the normal course of the postal service.

- (d) In the event that You or Us cancelling the Policy, We may elect to apply the minimum Premium provision set out in the Declaration Of Actual Turnover Clause or deduct a pro rata proportion of the Premium for time on risk and any government taxes or duties We cannot recover. In the event that You have made a claim under the Policy and We have agreed to pay the full Sum Insured, no return of Premium will be made.
- (e) If the Premium has been funded by a Premium funding company which holds a legal right over the Policy by virtue of a notice of assignment and/or irrevocable power of attorney, a refund will be made to the Premium funding company in accordance with the provisions set out above.

Privacy notice

At Allianz, We give priority to protecting the privacy of Your personal information. We do this by handling personal information in a responsible manner and in accordance with the *Privacy Act 1988 (Cth)*.

How We collect Your personal information

We usually collect Your personal information from You or Your agents. We may also collect it from Our agents and service providers; other insurers and insurance reference bureaus; people who are involved in a claim or assist Us in investigating or processing claims, including third parties claiming under Your Policy, witnesses and medical practitioners; third parties who may be arranging insurance cover for a group that You are a part of; law enforcement, dispute resolution, statutory and regulatory bodies; marketing lists and industry databases; and publicly available sources.

Why We collect Your personal information

We collect Your personal information to enable Us to provide Our products and services, including to process and settle claims; make offers of products and services provided by Us, Our related companies, brokers, intermediaries, business partners and others that We have an association with that may interest You; and conduct market or customer research to determine those products or services that may suit You. You can choose not to receive product or service offerings from Us (including product or service offerings from Us on behalf of Our brokers, intermediaries and/or Our business partners) or Our related companies by calling the Allianz Direct Marketing Privacy Service Line on 1300 360 529, EST 8am-6pm Monday to Friday, or going to our website's Privacy section at www.allianz.com.au.

If You do not provide Your personal information We require, We may not be able to provide You with Our services, including settlement of claims.

Who We disclose Your personal information to

We may disclose Your personal information to others with whom We have business arrangements for the purposes listed in the paragraph above or to enable them to offer their products and services to You. These parties may include insurers, intermediaries, reinsurers, insurance reference bureaus, related companies, our advisers, persons involved in claims, external claims data collectors and verifiers, parties that We have an insurance scheme in place with under which you purchased your policy (such as a financier or motor vehicle manufacturer and/or dealer). Disclosure may also be made to government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law.

Disclosure overseas

Your personal information may be disclosed to other companies in the Allianz Group, business partners, reinsurers and service providers that may be located in Australia or overseas. The countries this information may be disclosed to will vary from time to time, but may include Canada, Germany, New Zealand, United Kingdom, United States of America and other countries where the Allianz Group has a presence or engages subcontractors. We regularly review the security of Our systems used for sending personal information overseas. Any information disclosed may only be used for the purposes of collection detailed above and system administration.

Access to Your personal information and complaints

You may ask for access to the personal information We hold about You and seek correction by calling 1300 360 529 EST 8am–6pm, Monday to Friday. Our Privacy Policy contains details about how You may make a complaint about a breach of the privacy principles contained in the Privacy Act 1988 (Cth) and how We deal with complaints. Our Privacy Policy is available at www.allianz.com.au.

Telephone call recording

We may record incoming and/or outgoing telephone calls for training or verification purposes. Where We have recorded a telephone call, We can provide You with a copy at Your request, where it is reasonable to do so.

Your consent

By providing Us with personal information You and any other person You provide personal information for, consent to these uses and disclosures until You tell Us otherwise. If You wish to withdraw Your consent, including for things such as receiving information on products and offers by Us or persons We have an association with, please contact Us.

General Insurance Code of Practice

The General Insurance Code of Practice was developed by the Insurance Council of Australia to further raise standards of practice and service across the insurance industry.

The Code Governance Committee (CGC) is an independent body that monitors and enforces insurers' compliance with the Code.

You can obtain more information on the Code of Practice and how it assists You by contacting Us. Contact details are provided on the back cover of this PDS.

For more information on the Code Governance Committee (CGC) go to <https://insurancecode.org.au/>

Dispute resolution process – helping You solve any problems

If you are dissatisfied with our service in any way, please contact us and we will attempt to resolve the matter in accordance with our internal dispute resolution procedures.

Here is what to do if a complaint or dispute arises

Regardless of whether the complaint or dispute involves Our staff, an agent, loss adjuster, assessor, investigator or the service We provide, simply contact Us on 13 2664 EST 8am–6pm, Monday to Friday, speak to one of Our operators and provide them with the details of the issue concerning You. They will attempt to resolve the complaint or dispute; if they are unable to do so they will log it and refer it to the appropriate business unit for resolution.

Within Our organisation We have established a complaints and disputes resolution process. This is a free service. It is a system designed to log, track, escalate and monitor complaints received from clients and customers about Our services and products. A staff member involved in the complaints and disputes resolution process will write to You within 15 working days advising the outcome of the review and reasons for their decision. We do not consider a complaint or dispute to be resolved until a proposed resolution or solution has been communicated to You and You have accepted the resolution or solution.

If You are not satisfied with the outcome of this process

If we do not make a decision within the period that we tell you we will respond, we will tell you about your right to lodge a complaint with an external dispute resolution scheme.

If you are not happy with our response, you can refer your complaint to AFCA subject to its terms of reference. AFCA provides a free and independent dispute resolution service for consumers who have general insurance disputes falling within its terms.

AFCA's contact details are:

The Australian Financial Complaints Authority

Online: www.afca.org.au

Phone: 1800 931 678

Email: info@afca.org.au

Mail: GPO Box 3 Melbourne VIC 3001

For more information on how we handle complaints you can request a copy of our procedures, using our contact details at amandtaustralia.com.au

If this insurance has been issued through an insurance intermediary

If Your Policy has been issued through Our agent, or a broker who is acting under an agency arrangement such as a binder with Us, then they are acting as Our agent and not as Your agent.

If Your Policy has been issued by a broker, other than a broker acting under such an agency arrangement with Us, then the broker is acting as Your agent.

Where this Policy has been arranged through an intermediary a commission is payable by Us to them for arranging the insurance.

Words with special meaning

Accident or Accidental means an event or occurrence which results in loss or damage to the Goods that You did not intend or expect to happen or could not reasonably have been expected by a person with actual knowledge of the Goods and method of transport.

Average or Coinsurance means, if the value of the Insured Goods insured under this Policy shall at the time of loss or damage be of greater value than the Sum Insured specified in the Schedule, We shall only pay You the proportional amount that the total value of the loss bears to the Sum Insured specified in the Schedule.

Basis of Valuation means the agreed formula that We will use to calculate how much We will pay You in the event of loss or damage. This is as stated in this Policy on pages 13 and 14, unless otherwise agreed and specified in the Policy Schedule.

Conditions of Cover means the cover We are providing under this Policy as specified in the Schedule.

Constructive Total Loss means either:

- a) the actual total loss of the Goods appears to be unavoidable or,
- b) to prevent the Goods from being a total loss would cost more than their value when preserved.

Conveying Vehicle, Conveyance means any ship, vessel, aircraft, registered postal service (or equivalent), rail and road transport used to transport the Insured Goods, including Your own vehicles where applicable.

Deliberate Third Party Act This includes:

- deliberate damage by Federal, State or Local authorities exercising their rights under current legislation in order to prevent or minimise an environmental hazard/ pollution resulting from an Insured Event and provided this has not resulted from Your lack of due diligence;
- the deliberate act of any party other than You which was committed without Your knowledge or connivance.

Due Care means the exercising by You of appropriate levels of prudence and caution in:

- the selection of, and provision of handling instructions to, third party transport service providers;
- the selection of packaging appropriate to protect the Goods;
- the handling, storage and movement of Goods by You including:
 - (i) security measures to protect the Goods against theft where appropriate based on the nature of the Goods whilst either in Your Conveying Vehicle or whilst temporarily removed from the Conveying Vehicle;

- (ii) the maintenance of Your Conveying Vehicles (including refrigeration machinery and security devices) in proper repair and sound working conditions;
- (iii) the employment of competent drivers and other employees involved in transport or handling of Goods; and
- (iv) taking reasonable steps to comply with all statutory obligations, by-laws, regulations and standards imposed by public authorities.

Endorsement means documentary evidence of an alteration to this Policy or the Schedule which forms part of the Policy.

Excess means the amount payable by You for each and every loss recoverable under this Policy, the Schedule, or any Endorsement to this Policy. Where an Excess is expressed as a specified sum it means the amount specified. Where the Excess is expressed as a percentage it means the monetary equivalent of such percentage of each loss. Where a claim is made in respect of more than one occurrence, the Excess will apply as though a claim was made for each separate occurrence.

Flood means the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:

- a lake (whether or not it has been altered or modified);
- a river (whether or not it has been altered or modified);
- a creek (whether or not it has been altered or modified);
- another natural watercourse (whether or not it has been altered or modified);
- a reservoir;
- a canal;
- a dam.

General Average means the maritime legal principle by which, should the shipowner, one or more cargo owners, or other parties with an interest in property on board a sea going vessel, make an extraordinary sacrifice or expenditure for the purposes of preserving all property at risk at a time of peril, all parties with property that has been preserved by such sacrifice or expenditure can be called upon to contribute a proportion of loss incurred.

Geographical Limit(s) means the geographical area of operation specified in the Schedule, but always limited to transits starting and terminating within Australia including, where applicable, sea voyages within Australian Territorial waters between Australian ports or places.

Insurable Interest means that You have a legal or equitable interest in the Insured Goods in consequence of which You may benefit by their safety and be prejudiced by their loss.

Insured, You or Your means any party specified in the Policy Schedule.

Where You are comprised of more than one entity, the term "You" will be considered as applying to each entity in the same manner as though a separate Policy had been issued to each entity, however, Our limit of liability shall not exceed the Sum Insured specified in the Schedule and Our liability to make supplementary payments will apply as though there were not separate policies issued to each entity.

Insured Events means an event shown under the heading "Insured Events" and for which cover is available under the Policy.

Insured Goods or Goods means the goods specified in the Schedule which You own or which You have contractually accepted responsibility to insure and includes:

- all retail and sales packaging;
- Your stock transfers;
- any return Goods, inwards or outwards, where You have the responsibility to insure the Goods in transit, or have assumed that responsibility prior to any loss or damage to the Goods being reported to You; shipping containers;
- Travellers Samples and Tools of Trade (subject to any limits expressed for these categories of Goods in this Policy or the Schedule).

The following are not covered unless You have declared them to Us and they are shown on the Schedule:

- Bloodstock or stud or prize animals;
- Live plants and trees;
- Works of art or antiques;
- Cigarettes, tobacco/tobacco products;
- Dangerous Goods as defined by the current Australian Dangerous Goods Code or any government agency or authority which by their nature require special licencing of the driver or vehicle and/or are defined as a "Placard Load". This exclusion does not apply to small consignments, limited quantities or retail distribution loads of dangerous Goods where concession is provided under the current Australian Dangerous Goods Code;
- Precious metals and stones, or jewellery;
- Home contents and personal effects (domestic removals);
- Money (which means any coin or banknote), bullion, cheques, credit or other card sales vouchers, securities or shares, bonds, deeds, bills of exchange or any document that represents or is exchangeable for money;
- Radioactive Goods or explosive Goods.

Livestock means sheep, cattle, goats and pigs and/or other herd animals as identified in the Policy, but excluding horses, birds or other animals.

Period of Insurance means the period commencing on the effective date and ending at 4pm in the State or Territory of Australia in which the Policy is issued and ending on the expiry date as shown in the Schedule.

Personal Property means bedding, CB/UHF and scanner radios, food and drink and its containers (including thermos-flasks, eskies and mobile fridge), clothing and personal accessories and hygiene items, footwear and personal entertainment equipment (e.g. DVD/CD players, iPods or MP3 players).

Personal Property excludes: money or any negotiable documents/documents that represent money, credit cards, watches and jewellery, mobile phones, pagers, laptop computers or PDAs/tablets, mobile GPRS units, precious metals or stones.

Policy means this document the Schedule and any other documents that parties agree in writing will form part of the Policy (e.g. an Endorsement) specified before entry into the contract or issued where required or permitted by law.

Premium means the Premium specified in the current Schedule, any Endorsement Premium and any adjustment in accordance with General Conditions – Declarations of Actual Turnover plus any applicable Government charges.

Proposal means the application form completed by You or the quotation slip submitted on Your behalf in which You provided the information upon which We relied to enter into the Policy.

Salvage has two meanings subject to context, being either:

- what is left of the Goods or Property after it has suffered loss or damage; or
- the physical act of recovering Goods or Property which has been lost or damaged, but which has residual commercial value.

Schedule means the relevant Schedule We have provided to You which specifies important information such as the Policy number, Geographical Limits, the details of the Insured Goods, the Sums Insured and any Excess payable.

Sendings means the gross value of Insured Goods received, consigned, transferred or otherwise moved during the Period of Insurance.

Sum Insured means the amounts to which Our liability is limited being the amounts stated in this Policy or the Policy Schedule for any one loss or series of losses arising out of the same event.

Terrorism means any act(s) of any person(s) or organisation(s) involving:

- the causing, occasioning or threatening of harm of whatever nature and by whatever means;
- putting the public or any section of the public in fear;

in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) concerned are wholly or partly of a political, religious, ideological or similar nature.

Terrorism shall also include steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, anticipated, threatened, suspected or perceived terrorism.

Tools of Trade Tools which enable You or Your employees to carry out Your normal business operation, but excluding: mobile phones, pagers, laptops/notebooks/handheld or other personal computers, Personal Property, cash and credit cards.

Transit means the voyages specified in the Cover section of this document that occur within the Geographical Limits set out in the Schedule.

Traveller's Samples Portions, pieces or samples of Your Goods carried by Your sales employees for the purpose of demonstration to prospective customers.

Turnover means the gross revenue of Your business during the Period of Insurance.

Warranty(ies) means You will undertake that some particular thing shall or shall not be done or that some conditions shall be fulfilled or that You affirm or negative the existence of a particular state of facts. The Warranty may be express or implied.

We, Us or Our, Insurer, Underwriter means Allianz Australia Insurance Limited AFS Licence No. 234708 A.B.N. 15 000 122 850 (Allianz) (the Insurer of Your Policy), through its agent AM&T (Allianz Marine and Transit Underwriting Agency Pty Limited).

Cover

Scope of Cover

This Policy insures You for loss of or damage to Your Insured Goods whilst in Transit within Australia caused by an Insured Event occurring during Transit and during the Period of Insurance.

In order to be sure that You are covered under this policy You should always contact Us for approval before You incur costs You wish to claim. If You do not, We will pay for costs incurred up to the amount We would have authorised had You asked Us first.

The Transit

Goods other than Livestock and motor vehicles

Each insured Transit commences when the Insured Goods are first moved inside the warehouse/premises or other place of storage for the specific purpose of loading onto the Conveying Vehicle for transport to a destination outside the premises at which loading takes place, continues during the ordinary course of Transit and terminates when:

- the Insured Goods are last moved when being delivered to the intended destination or such other place as You may instruct; or
- The normal course of transport is interrupted at Your (or the seller/purchaser's) election for the purposes of storage, allocation or distribution.

The insured Transit includes any Transit to or from and while the Insured Goods are at any premises for the purpose of packing or preparation for shipment for a period of up to one month prior to shipment.

The insured Transit excludes any period of dismantling, erection, commissioning or installation prior to or post Transit as defined above, unless otherwise agreed by Us and specified in the Policy Schedule.

Livestock

The insured Transit commences for each animal when it enters the Conveying Vehicle or its loading ramp, continues during the ordinary course of Transit and terminates for each animal when it exits the Conveyance or its loading ramp at the intended destination or such other place as You may instruct.

Motor vehicles

The insured Transit commences when the wheels or tracks of each Motor vehicle(s) being transported as Goods first move for the purposes of being driven onto the loading ramps of the Conveying Vehicle from the ground or loading dock adjacent to the Conveying Vehicle or from the point where the vehicle is currently parked provided that the distance driven to the Conveying vehicle does not exceed 200 metres. Cover terminates when the wheels or tracks of each Motor vehicle(s) being transported as Goods are driven off the Conveyance and are on the road or loading dock immediately adjacent to the Conveyance, or are parked in the premises or in the loading dock, provided this is within 200 metres of Your Conveying Vehicle and the vehicle is driven from the Conveying Vehicle into the loading dock or premises immediately as part of the unloading process.

Additional Transit Provisions (all Goods)

The following provisions apply to all types of Goods provided that the Goods remain within the Geographical Limits expressed in the Policy Schedule:

- **Incidental Storage:** Transit continues during storage incidental to Transit which has not been requested by You or the purchaser/seller of the Goods, but is necessary solely for the purposes of normal transshipment, handling, agistment (of Livestock) or load consolidation/deconsolidation. In the case of Livestock during long haul movements, Transit continues for up to 7 days during necessary temporary resting/spelling.
- **Reconsigned/Reshipped Goods:** Transit is deemed to continue where the Goods are reconsigned or reshipped direct from a wharf or airport at the intended destination to another destination within the Geographical limits specified in the Policy Schedule, until arrival at the final destination.
- **Shut Out Clause:** The Transit is deemed to include periods when the Insured Goods are "shut out" awaiting transfer to another Conveyance after Transit has commenced where this is outside Your control.
- **Overcarried Clause:** The Transit continues in the event that Goods are "overcarried" until their delivery to the intended destination.

Insured Events

Subject to the terms, conditions and exclusions of the Policy, this insurance covers up to the Sum Insured loss of or damage to the Insured Goods whilst in Transit during the Period of Insurance caused by either Option A or Option B as selected by You and as specified in the Schedule.

Option A – Accidental Damage

General Goods/motor vehicles

Loss of or damage to the Insured Goods (or Vehicles) caused by:

- any Accident;
- insufficiency of packaging or preparation of the Insured Goods (where applicable) which:
 - (i) was carried out by a party other than You and occurred entirely without Your privity or knowledge; or
 - (ii) where carried out by You but You can demonstrate that there was no lack of Due Care on Your part and You were unaware that the packaging was insufficient in nature;
- Deliberate Third Party Acts.

Where the Goods are transported by sea, We will also cover (up to the Sum Insured specified in the Schedule):

- any General Average and/or Salvage contribution You are required to pay;
- the risks of jettison, washing overboard and loss or damage caused by a General Average sacrifice.

Refrigerated, temperature controlled, chilled, or perishable Goods

Loss of or damage to the Insured Goods (or Vehicles) caused by:

- any Accident;
- insufficiency of packaging or preparation of the Insured Goods which:
 - (i) was carried out by a party other than You and occurred entirely without Your privity or knowledge; or
 - (ii) was carried out by You but You can demonstrate that there was no lack of Due Care on Your part and You were unaware that the packaging was insufficient in nature;
- Deliberate Third Party Acts;

but excluding deterioration of Goods due to variation in temperature, except where this results from variation in temperature below or above the documented required range for transportation of the Goods for a period in excess of 4 hours or that stated in the Schedule, where different, caused by:

- Accidental failure, breakdown, stoppage or malfunction of the refrigerating machinery which results in:
 - (i) its failure to deliver air at the preset temperature; or
 - (ii) it being unable to perform its normal refrigeration cycle;
- Mismanagement of the refrigerating machinery by the transport operator/carrier, including selection of incorrect temperature or failure to turn on power; or
- Disruption of the airflow within the carrying vehicles or container caused by mismanagement of the interior bulkheads by the transport operator/carrier.

Where the Refrigerated Goods are transported by sea, We will also cover (up to the Sum Insured specified in the Schedule):

- any General Average and/or Salvage contribution You are required to pay;
- the risks of jettison, washing overboard and loss or damage caused by a General Average sacrifice.

In the event that You transport Your own temperature controlled Goods, We will not cover You where the loss is caused by Your error/omission or where You do not properly maintain Your refrigeration machinery. If required by Us You will need to provide evidence that the refrigeration machinery has been properly maintained.

Livestock

If the Insured Goods are Livestock We will cover You for Accidental loss, or Deliberate Third Party Act which results in:

- injury, death or destruction; or
- wandering off of the Livestock where the Livestock are unable to be mustered or recovered.

Where the Livestock are transported by sea, We will also cover (up to the Sum Insured specified in the Schedule):

- any General Average and/or Salvage contribution You are required to pay;
- discharge at a port of distress;
- the risks of jettison, washing overboard and loss or damage caused by a General Average sacrifice.

Cover includes slaughter for humane reasons where necessary due to an Insured Event.

Option B – Specified Perils

Loss of or damage to the Insured Goods caused by:

- fire, Flood, lightning, hail, windstorm, tornado or cyclone, or explosion;
- collision of the Conveying Vehicle with any external object other than the road, gutter, curb or uneven road surface;

- collapse of bridges or culverts;
- impact of the Insured Goods with something not on or part of the Conveying Vehicle other than the road or ground;
- jack-knifing, overturning or derailment of the Conveying Vehicle;
- sinking, capsizing or stranding of any vessel carrying the Insured Goods;
- crashing or forced landing of any aircraft (including an aircraft used to transport the Goods);
- theft of Insured Goods from the Conveying Vehicle following forcible and violent entry, pilferage or non-delivery;
- Deliberate Third Party Act;
- strikers, locked out workers or persons taking part in labour disturbances, riots or civil commotions.

If the Transit is by sea or air, this Policy further covers loss or damage to the Goods, caused by War or Warlike Activities whilst the Goods are on board the Conveyance.

If transported by sea, the Insured Events specified above are extended to include:

- stranding, sinking, burning, grounding or collision of the vessel with any object other than water;
- discharge at a port of distress;
- any General Average and/or Salvage contribution You are required to pay;
- risks of jettison, washing overboard and loss or damage caused by a General Average sacrifice.

For temperature controlled, chilled, perishable or refrigerated Goods, cover is extended to include deterioration of such Goods following a Insured Event/Peril.

For Livestock, death or destruction caused by a Insured Event/Peril are covered by the Policy. We will also pay for slaughter of Livestock for humane reasons where necessary due to an Insured Event.

How much We will pay

Claims under this Policy are subject to the application of Average or Coinsurance unless specifically noted otherwise.

Provided You have an Insurable Interest in the Goods and subject to the Conditions Of Cover, exclusions, any Warranty(ies) contained in the Schedule and the Sum Insured of this Policy, We will pay claims in accordance with the Basis of Valuation shown in the Schedule.

At Our option (acting reasonably) We will pay You, repairers or other parties:

- the invoice value covering the Goods; or
- if there is no invoice value, at Our option either:
 - (i) the cost of replacing the Insured Goods with similar Insured Goods of the same age and condition or as near as possible to that age and condition; or
 - (ii) the actual market value of the Goods.
- For damaged Goods: the cost of repairing or reinstating the Insured Goods to a condition equal to but no better or more extensive than its condition immediately prior to the loss or damage (including the reasonable cost of any necessary overtime). However, under no circumstances do We cover You for any reduction in the value of Goods because of repairs.

In the event of claim under the Policy where You are authorised by Us to carry out repairs to the Insured Goods, it is agreed that such repair costs shall be based on Your normal commercial rate which includes Your normal element of profit. Please contact Us to confirm approval for these costs.

The following exceptions apply to the above provisions:

- **Livestock:** the net invoice value covering the Livestock whilst in Transit, or, if there is no invoice value, the cost of replacing the Livestock with similar Livestock of the same age, breed and condition or as close as possible to the age, breed and condition of the original Livestock, not exceeding the limit of liability expressed in the Schedule.
- Where the Goods carried are **artwork, paintings, pictures, statues or antiques**, the reasonable cost of repairs up to the Sum Insured of the particular item excluding any depreciation consequent on this. The market value of the Goods will be assessed with reference to an independent and qualified valuer.
- For **new machinery**, the cost of replacement or repair of the part or parts plus any additional charges for forwarding and refitting.
- For **used machinery**, in the event of a Total or Constructive Total Loss:
 - For sales/purchases: the purchase or sale price (invoice price) plus freight and incidental transport charges;
 - For stock transfers and other movements not involving a sale/purchase to evidence the value of the machine:
 - where a second hand market for the goods exists: market value at the time of the loss plus freight and incidental transport charges;

- for specialised machinery where there is no second hand market: the new replacement value based on the closest available equivalent machine of similar technical specifications less agreed depreciation based on the age, commercial value based on current usage, capacity/output etc. and condition of the insured machinery at the time of the loss, or where no new replacement value can be ascertained or residual value determined, the written down asset value as evidenced by Your asset register and/or accounting records, plus freight and incidental transport charge.

The amount payable in the event of a partial loss will not exceed the cost of repairing and reinstating the item to a condition equal to but not better or more extensive than its pre-loss condition, and in any event not exceeding the above.

- **Packaging/shipping containers:** the cost of repair or replacement (as required by the hand over agreement or similar document) but not exceeding the insured sub-limit expressed in this Policy or the Policy Schedule where different.
- In the event of loss affecting **labels** only, the amount recoverable is limited to the cost of new labels, reconditioning and relabelling the Goods.
- **Pairs and Sets Clause:** In the event of loss of or damage to an article forming part of a pair or set no regard shall be made to the value such article(s) may have to the pair or set and the amount recoverable under this Policy shall be calculated as a proportionate part of the insured value of the pair or set.
- **General Average/Salvage charges:** We will pay General Average and Salvage charges in full irrespective of the amount insured being less than the contributory value. Provided, however, that all Insured Goods shall be insured for not less than amounts calculated on the respective Basis of Valuation as nominated in the Schedule.

Additional benefits

In order to be sure that You are covered under this policy You should always contact Us for approval before You incur costs You wish to claim. If You do not, We will pay for costs incurred up to the amount We would have authorised had You asked Us first.

Accumulation

In the event of the accumulation of Goods in excess of the Sum Insured arising from circumstances beyond Your control, and providing You give Us notice as soon as reasonably possible once the circumstances become known to You, We will provide cover for the accumulated Goods up to double the Sum Insured specified in the Schedule each and every loss or occurrence or series of losses or occurrences arising out of the same event.

Acquired companies

We will provide cover under this Policy for any company, subsidiary company or firm that is formed, purchased or otherwise acquired by You during the Period of Insurance, provided always that You:

- hold a controlling interest in the company, subsidiary company or firm or have agreed to accept responsibility for insurance of such company, subsidiary company or firm;
- advise Us of Your interest in the company, subsidiary company or firm as soon as reasonably possible after the date of signing of the instrument by which You acquired such company, subsidiary company or firm, or from the date of formation of such company, subsidiary company or firm, whichever the case may be; and
- declare to Us the Sendings or Turnover, type of Insured Goods to be insured, past losses and then agree to any additional conditions required by Us and pay any additional Premiums required by Us to be paid.

Automatic reinstatement

When We pay a claim under this Policy, the Sum Insured will be automatically reinstated without an additional Premium being payable.

Brands Clause

We will not sell or dispose of Salvaged Goods which:

- bear permanent markings identifying You as the manufacturer; or
- have been manufactured using exclusive and/or secret formulas;

without Your consent.

Where You do not give Your consent, You may retain the Goods provided that a reasonable allowance for Salvage is agreed and deducted from the claim settlement.

If a mutual allowance cannot be agreed on, the value of the Goods damaged shall be established by allowing the Goods to be placed for sale at a public auction where You have the right to accept or refuse the highest bid offered.

Buyers/sellers contingency cover

We will cover You for Goods in which You as a buyer or seller retain a contingent financial interest, to the extent that:

- the Goods are lost or damaged, and the loss or damage would be covered under this Policy;
- the other party under the terms of sale is legally liable to pay You for the Goods or for the loss or damage, but fails to do so; and
- You have taken all reasonable steps to safeguard the Goods and to recover payment from the other party.

It is a condition of this additional benefit that the existence of this cover is not disclosed to any other party interested in the Goods.

When We pay for such lost or damaged Goods, You authorise Us to act in Your name in any recovery action We may take against the other party and You undertake to give Us reasonable assistance in that action.

Container demurrage charges

We will cover demurrage charges and/or late penalties assessed against You up to a maximum of \$50,000 in addition to the Sum Insured where these are incurred due to the container(s) being retained by You on Our instruction for the purposes of inspection following a claim. The demurrage period for which We will be liable begins at the time We instruct You to retain the containers and finishes at the time Our surveyor instructs You to return the containers.

Debris removal/clean up costs

Where We have accepted liability for loss or damage to Goods, We will also pay up to \$100,000 any one loss or series of losses caused by the one event in addition to the Sum Insured shown in the Schedule or as specified in the Policy Schedule, where different, for:

- the cost of removal and/or disposal of the damaged, deteriorated or contaminated Goods; plus
- the cost of cleaning up the accident site, premises, location or Conveyance;

provided:

- these costs relate to the Insured Goods;
- You are legally or contractually obliged to pay those costs; and
- such costs are not recoverable under any other Policy of insurance.

Delayed unpacking

We will accept claims for concealed loss or damage resulting from an Insured Event discovered on opening packages or cases as having occurred in Transit, unless proof to the contrary can be established provided:

- any delay in opening the packages following delivery does not exceed ninety (90) days; and
- packaging showing external signs of damage, wetting and/or staining must be opened as soon as reasonably possible and all reasonable steps taken to minimise damage.

Exhibition/demonstration

This Policy will also cover Your Insured Goods while in Transit to or from any exhibition or display (other than at Your own premises) within the Geographical Limits specified in the Schedule and further extends to include while the Insured Goods are at the exhibition or display to a limit of \$100,000 for a period of up to 21 days any one exhibition or display, or as specified in the Policy Schedule, where different.

The definition of Goods is extended to include Your stands, fixtures, fittings and exhibition equipment where applicable.

In the event that You or Your employees are obliged to stay overnight at a hotel/motel in connection with the Exhibition or Demonstration, the Goods remain covered provided the vehicle is locked and parked within the hotel/motel complex and not on the street.

Expediting expenses

We will pay up to \$10,000 any one loss or series of losses caused by the one event in addition to the Sum Insured shown in the Schedule or as specified in the Policy Schedule, where different, for the necessary incurred cost of air freighting replacement parts from suppliers following insured loss or damage to Goods, even if the original Transit was not by air freight, where:

- necessary to prevent interruption of Your business; and
- repair or replacement to original shipped condition cannot be effected locally.

Fumigation and decontamination

We will cover the reasonable costs, charges and expenses of fumigation, decontamination or quarantine (including additional freight charges incurred) on arrival at destination or intermediate port or place where the Goods are:

- Suspected of being infested, or actually infested;
- Ordered by the appropriate authorities to be fumigated or decontaminated; and
- You are legally responsible for such costs;

up to a limit of \$25,000 any one loss or series of losses caused by the one event in addition to the limit of liability shown in the Schedule or as specified in the Policy Schedule, where different.

We will also cover any loss or damage to the interest insured proximately caused during the process of decontamination or fumigation including fire resulting from the application of heat during these processes.

Under no circumstances will We be liable under this additional benefit clause for the costs of customary or mandatory fumigation, decontamination or quarantine costs and expenses (per Government Quarantine Regulations or similar statutory requirements).

Insolvency of carriers

Subject to exclusion B4 on page 18 of this Policy, if the insured Transit is interrupted or terminated due to the insolvency or financial default of the carrier, whether or not there has been loss or damage to the Goods, We will pay You the extra costs of freight and/or storage to forward the Goods to their intended destination, or to return the Goods to the place from which they were despatched, up to a maximum of 10% of the insured value of the Goods.

Interests of other parties

Where You are comprised of more than one entity, the term "You" will be considered as applying to each entity in the same manner as though a separate Policy had been issued to each entity, however, Our limit of liability shall not exceed the Sum Insured specified in the Schedule and Our liability to make supplementary payments will apply as though there were not separate policies issued to each entity.

The interests of any party other than You (e.g. financiers, other owners and/or lessors) who You require to be covered by this insured are protected under this Policy provided You have informed Us about them and We have agreed to include them and noted them on the Schedule.

Where the protection provided by the Policy covers the interest of more than one party, any act or omission of an individual party will not prejudice the rights of the remaining parties, provided:

- the loss, damage, liability, cost or expense are not directly or indirectly caused by or contributed to by or arise from any of the remaining parties' misconduct or intentionally caused by one of the remaining parties or any person acting with their express or implied consent; and
- the remaining parties, as soon as reasonably possible on becoming aware of any act or omission that increases the risk of loss or damage, give notice in writing to Us and on demand pay any reasonable extra premium which We may require in order to maintain cover for the increased risk as a result of the act or omission, that We may agree to provide.

This benefit will not act to exclude the rights of parties to whom You have sold the Goods insured who are entitled to claim for loss or damage to the Goods in respect of their Insurable Interest under customary sale/trade terms, to the extent of coverage provided by this Policy.

Livestock – Agistment

This Policy covers all reasonable costs and expenses necessarily incurred in maintaining the Livestock at agistment when caused by an Insured Event. The maximum amount We will pay is limited to \$1,000 per animal and \$25,000 in the aggregate for any one loss or series of losses caused by the one event, or as specified in the Policy Schedule, where different, in addition to the Sum Insured.

Livestock – Mustering costs

This Policy covers all reasonable costs and expenses necessarily incurred for mustering of the Livestock at the scene of the accident when caused by an Insured Event. The maximum amount We will pay is limited to \$1,000 per animal and \$25,000 in the aggregate for any one loss or series of losses caused by the one event, or as specified in the Policy Schedule, where different.

Livestock – "Wandering off"

This Policy covers loss of Livestock due to wandering from the scene of the accident caused by an Insured Event. The maximum amount We will pay is limited to \$1000 per animal and \$25,000 in the aggregate for any one loss or series of losses caused by the one event, or as specified in the Policy Schedule, where different.

Loss of information/data/media

Provided there is visible external damage to the Goods, We will pay up to \$50,000 any one loss or series of losses arising from the one event for the reasonable cost of rewriting the information or data provided these costs are not recoverable under any other Policy.

On-forwarding

If We pay a claim under this Policy for loss or damage to the Insured Goods We will, in addition to the Sum Insured, pay any extra costs reasonably incurred to deliver the Insured Goods to their intended destination, or place from which they were dispatched, but in no case will Our liability be more than the Sum Insured of the Insured Goods.

Packaging, containers and equipment

We will cover loss of or damage to:

- packaging materials, crates, pallets, shipping containers, flatracks, tanktainers, demountable bodies, flats or similar units (including ancillary equipment whilst attaching to such units), or similar items used for transportation of the Goods, owned by You or for which You have legal responsibility whilst in Your care, custody and control; and
- any equipment used by You in Goods transportation including tarpaulins, ropes, chains, webbing straps, restraints, dogs, gates, trolleys and containers where You use Your own vehicles to transport the Goods;

providing they are not otherwise insured under any other Policy, during an insured Transit, subject to a limit of \$50,000 any one loss or series of losses arising out of the one event, or as specified in the Policy Schedule, where different.

Repacking costs

We will pay for loss or damage to packaging in the event of the original shipping packages arriving at the final destination in a visibly damaged condition arising from an Insured Event, where it is the established custom of You or Your trade to deliver the Goods to the final customer premises in the original shipping packages.

Resecuring costs

We will cover You for all reasonable costs and expenses for which You are responsible up to a maximum of \$10,000 (unless otherwise specified in the Schedule and provided they are not recoverable under any other Policy of insurance) incurred in resecuring the Goods where there has been movement of the Goods in Transit which makes resecuring necessary, even though there may be no claim resulting from the incident, providing these circumstances were outside Your control and You could not reasonably be expected to know of them during the normal course of Your business.

Sealed Container Clause

In respect of shipments in FCL (Full Container Load) containers, provided that documentary evidence is produced to substantiate the quantity loaded into the FCL container the fact that the container's seal is intact at unloading point shall not invalidate a claim for theft, pilferage, shortage and non-delivery. On settlement of Your claim, You shall take reasonable steps to assist Us in all respects to pursue rights of recovery from the suppliers and/or the packers or other responsible third parties.

Sorting Charges Clause

In the event of You or Your buyer complying with surveyor's instructions to sort damaged Insured Goods to determine a loss which may be recoverable under the Policy, We shall pay for such expenses as approved by the surveyor even though a claim may not subsequently result under the Policy.

Strikes Diversion Expenses Clause

We will pay any reasonable additional costs incurred by You up to \$50,000 any one loss or series of losses caused by the one event in addition to the Sum Insured shown in the Schedule or as specified in the Policy Schedule, where different, in unloading, storing and forwarding Your Goods to their final destination where the shipowners or charterers or managers exercise a liberty granted to them by the contract of affreightment where solely in

consequence of strikes, riots, civil commotions, lockouts or labour disturbances, the Goods are over-carried to or discharged at a port other than their Scheduled port of discharge under the contract of affreightment.

However in no case shall We be liable for any cost unless the liberty referred to in this clause is exercised prior to the expiry of 15 days from midnight of the day on which the strikes, riots, civil commotions, lockouts or labour disturbances cease to be in active operation.

Sue and labour

In the event of loss or damage caused by an Insured Event, You and Your servants are permitted to take such measures as may be reasonable for the purpose of averting or minimising such loss. We will, in addition to any loss recoverable under the Policy, reimburse You for any costs properly and reasonably incurred.

Measures taken by You or Us with the object of saving, protecting or recovering the Insured Goods shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Transport outside Geographical Limits

We will automatically cover Your Goods in Transit outside the Geographical Limits specified in the Schedule but in accordance with the other terms and conditions of this Policy provided:

- the transport is within Australia;
- You declare the circumstances to Us as soon as possible including the likely frequency of such trips and any changes to Your annual Turnover or Sendings arising from Your changed business circumstances.

We will also automatically hold You covered in the event of a one-off transport outside Your normal Geographical Limits provided that:

- the transport is within Australia; and
- You declare the circumstances to Us as soon as possible.

The basic Policy Excess will automatically be doubled.

In either case, cover is extended provided that You pay any additional Premium and agree to any higher Excess proposed by Us to cover loss or damage for such movements and provide Your records of all Transits for the Policy period to establish the frequency of such movements.

Traveller's Samples

This Policy covers Traveller's Samples owned by You on the basis of the cover selected by You for the primary Insured Goods under this Policy, up to a limit of \$10,000 any one claim or series of claims arising from one Insured Event or as specified in the Policy Schedule, where different.

In respect of theft or malicious damage, it is a condition of this cover that:

- the vehicle and/or fixed carrying compartment is of a fully enclosed design capable of being securely locked at all times; and
- windows, doors and openings of the vehicle or carrying compartment are securely locked when unattended and any alarms fitted to the vehicle are activated.

In the event of the Insured being obliged to stay overnight at a hotel/motel, the Goods remain covered provided the vehicle is locked and parked within the hotel/motel complex and not on the street.

Tools of Trade

This Policy covers Tools of Trade owned by You or Your employees against loss of or damage caused by:

- fire, Flood, collision and/or overturning of the Conveying Vehicle;
- theft or pilferage of the tools and/or Traveller's Samples following forcible entry into a securely locked vehicle or fixed carrying compartment or, following theft of the vehicle;

occurring within the Geographical Limits for Section 1 cover and up to a limit of \$10,000 any one claim or series of claims arising from one Insured Event or as specified in the Policy Schedule, where different.

Provided that:

- the vehicle and/or fixed carrying compartment is of a fully enclosed design capable of being securely locked at all times; and
- windows, doors and openings of the vehicle or carrying compartment are securely locked when unattended and any alarms fitted to the vehicle are activated.

Your employee's Personal Property

This Policy is extended to cover loss or damage to Personal Property whilst in Transit which is owned by Your employee drivers or travelling salespersons, for which You are legally responsible, but excluding third party transport operators, caused by one of the Insured Events listed in Cover B provided the loss is not recoverable under any other Policy of insurance.

In no case shall Our aggregate liability under the Policy for loss or damage to Personal Property exceed \$2,000 for any one loss or series of losses arising out of the one event, or as specified in the Policy Schedule, where different. This benefit is in addition to the Sum Insured shown on the Schedule.

General exclusions

Property (Goods) exclusions

We do not insure You for loss or damage to:

1. property other than Goods of the types noted in the Schedule or which are specified under the Packaging, Containers and Equipment, Employees Personal Property, Tools of Trade or Travellers Samples covers; and
2. vehicles and machines whilst driven under their own power or whilst being towed other than during Loading and Unloading operations.

Perils exclusions

This Policy does not cover any loss, damage, liability, destruction, cost or expense of any nature whatsoever that is directly or indirectly caused by or contributed to by or arising from any of the following:

Losses not arising from transport of the Goods

Claims for loss or damage:

1. which has not occurred during the Transit, for example, pre-existing damage or damage occurring after the Goods have been delivered at destination;
2. as a result of rejection;
3. arising from unexplained loss, mysterious disappearance and/or shortage deduced solely from an inventory computation;
4. resulting from insolvency or financial default of any agent or transport services provider, where You were aware, or should have been aware in the course of normal business activities, of the circumstances;
5. delay, loss of market, or consequential loss of any description even if caused by an Insured Event. This means We don't cover You for anything not expressly described in the cover sections of this policy. Some examples of what We won't pay for include loss of use of the property, loss of contract and depreciation in value of any undamaged property.

Failure to take Due Care and/or deliberate damage

Loss or damage to Goods caused by:

6. Your misconduct or intentionally caused by You or any person acting with Your express or implied consent;
7. failure to exercise Due Care in the safe handling, storage, protection and security of the Goods to the extent these matters are within Your control;
8. shifting of the Goods or improper stowage and/or restraint of the Goods on Your Conveying Vehicle where Goods are transported by You, unless You can demonstrate that You complied with all statutory requirements in respect of the load;
9. other items left inside a vehicle or machine which has not been suitably secured to prevent movement;

Normal losses etc

Loss or damage to Goods due to:

10. inherent vice (except for refrigerated, temperature controlled or perishable Goods due to variation in temperature as provided in Cover A (where taken));
11. moths, insects, rats or other vermin, ordinary leakage, loss in weight or volume or wear and tear of the Goods; or mould and mildew unless the mould and/or mildew is the direct result of an event covered by this Policy;
12. rust, oxidisation or discolouration, unless the corrosion is a direct result of an event covered by this Policy.

Fraud

Loss or damage as a result of fraudulent or dishonest acts, fraudulent misappropriation, embezzlement and forgery involving the Insured Goods by You or one of Your employees acting alone or in collusion with any other person(s). However, this exclusion shall not apply to theft following forcible and violent entry upon premises or felonious concealment upon premises committed by one of Your employees;

Livestock

Loss or damage to Livestock:

13. caused by inoculation or its after effects, infectious diseases, abortion or loss or death of foetus;
14. which are not in good health prior to loading and fit for travel;

Refrigerated, perishable or temperature controlled Goods

Loss or damage caused by:

15. failure of Your refrigeration equipment where it has not been regularly serviced and maintained;
16. Your failure to take all reasonable precautions to keep the Goods in a refrigerated, properly insulated or cooled space;

Machinery, equipment, data etc

Loss or damage to Goods caused by the following:

17. electronic, electrical or mechanical failure of the Goods unless there is visible external physical damage to the Goods which occurred during Transit caused by an Insured Event;
18. loss of data from any computer hardware or software unless there is visible external physical damage to the Goods which occurred during Transit caused by an Insured Event;
19. damage to Goods which are vehicles or machines whilst being towed or whilst being driven under their own power except during loading and unloading operations as specified in this Policy;
20. arising from the dismantling, assembly, testing or fabrication of machinery, plant, equipment or structure;

Liability for third party losses

21. damage to third party property except as provided in the Packaging, Containers and Equipment benefit;
22. loss, damage, liability, destruction, cost or expense of any nature whatsoever that is directly or indirectly caused by or contributed to by or arising from Asbestos, or any materials containing asbestos in whatever form or quantity;
23. failure to arrange insurance to the benefit of a third party, or for any claims arising from Your Professional Negligence and Errors or Omissions associated with any offer of insurance;

War, strikes, legal seizure, nuclear, cyber

24. loss, damage, liability, destruction, cost or expense of any nature whatsoever that is directly or indirectly caused by or contributed to by or arising from any of the following: Legal seizure, confiscation, nationalisation or requisition of the Goods, nationalisation, requisition, destruction or damage by the order of any Government, Public Authority or Local Authority, and any fines, penalties, aggravated, exemplary, liquidated or punitive damages;
25. war or warlike activities, which means invasion, act or foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or civil strife following any of these whilst Your property is not on board a ship, vessel or aircraft;
26. the absence, shortage or withholding of labour of any description resulting from strike, lockout, labour disturbance, riot or civil commotion;
27. any chemical, biological, bio-chemical, or electromagnetic weapon or any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
28. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof, ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
29. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this Sub-Clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
30. the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

Terrorism

We will not cover death, injury, illness, loss, damage, cost or expense directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any act of Terrorism other than while the Goods are in the normal course of Transit as defined by this Policy regardless of any other cause or event contributing concurrently or in any other sequence to the loss. This Policy also excludes death, injury, illness, loss, damage, cost or expense directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with any action in controlling, preventing, suppressing, retaliating against, or responding to any act of Terrorism. Where this Policy or any cover extension specifically provides cover for inland or other further transits following on from a storage period, or termination as provided for in the definition of Insured Transit in this Policy, cover will re-attach, and continues during the ordinary course of that Transit but terminating as specified in the Insured Transit provisions of this Policy.

Communicable disease exclusion

Notwithstanding any provision to the contrary within this insurance, this insurance does not insure any loss, damage, liability, claim, cost or expense of whatsoever nature caused by, contributed to by, resulting from, arising out of, or in connections with a communicable disease or the fear or threat (whether actual or perceived) of a communicable disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.

As used herein, a communicable disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- the substance or agent includes, but is not limited to, a virus, bacterium parasite or other organism or any variation thereof, whether deemed living or not; and
- the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms; and
- the disease, substance or agent can cause or threaten bodily injury, illness, damage to human health, human welfare or property.

General conditions and Cover restrictions

Applicable law

This Policy is governed by and shall be construed in accordance with the laws of Australia. Any dispute relating to the Policy shall be submitted to the exclusive jurisdiction of a competent Court within the State or Territory of Australia in which the Policy was issued.

Authority

We may give to and obtain from any other insurers, insurance reference bureaus and credit reporting agencies any information relating to Your credit or insurance history as well as insurance claims information.

Breach of Warranty or condition

The law gives Us a number of rights if You do not comply with the conditions of this Policy. In particular cases We may be able to:

- cancel the Policy;
- avoid the Policy from the commencement date of the Period of Insurance;
- refuse or reduce Your claim to the extent We are prejudiced by Your noncompliance.

Warranties are conditions which must be exactly complied with, whether material to the risk or not. Under the Marine Insurance Act 1909, where applicable, if they are not complied with, then, subject to any express provisions in the Policy, We are discharged from liability as from the date of the breach of the Warranty, but without prejudice to any liability incurred by Us before that date.

Deck Shipments Clause

Where the Goods are transported in shipping containers which are not fully enclosed and these are shipped "on deck", cover excludes loss, damage or expense caused by or arising from rust, oxidation, discolouration, fresh water or sea water unless as a result of a peril listed under the heading Option B on page 12.

Declaration of actual Turnover or Sendings

The deposit Premium advised at the inception of each Period Of Insurance is provisional and based on the estimated annual Turnover or Sendings during the Policy period agreed. On expiry of the Period Of Insurance the Policy will be adjusted by applying the agreed rate percent to the actual Turnover or Sendings for that period. For the purpose of ascertaining any adjustment to this Premium, You must provide, as soon as reasonably possible after expiry of each Period of Insurance, the actual Turnover or Sendings.

The difference between the Premium based on the actual figures at the end of the period and the Premium calculated at inception will be paid by or allowed to You, as the case may be, but in any event a minimum **retained Premium** equivalent to 75% or as may otherwise be agreed, of the full Premium based on the initial estimates will be retained by Us.

We agree to waive any adjustment of Premium other than the difference between the deposit Premium paid and the full Premium based on the original estimates provided by You where the difference between the actual Turnover/Sendings and the estimated Turnover/Sendings is less than 10%.

If the deposit Premium is \$5,000 or less, the deposit Premium shall be regarded as the minimum Premium for the Period Of Insurance shown in the Schedule and no adjustment of actual figures is required other than the difference between the deposit Premium paid and the full Premium based on the original estimates provided by You.

You are required to take reasonable steps to keep accurate records of all such figures and, on request, to provide Us with a copy of these records.

Delay or interruption by You

If after discharge of the Insured Goods at destination, You by Your action or failure to take action:

- delay the forwarding or;
- cause the Insured Goods to be stored at any location other than the buyers' or other final warehouse or place of storage at the port of destination;

then to the extent permitted by law, You may prejudice Your rights under this Policy to make a claim.

Due Care

It is a condition of this Policy that at all stages You must take Due Care in the handling, storage, protection and movement of Goods and the provision of instructions to any transport services providers You engage to transport Your Goods.

Other insurance

If, at the time of any loss, damage or Accident that may give rise to claim under the Policy, there is any other insurance Policy covering the Insured Goods whilst in the ordinary course of Transit effected by any other party then We reserve the right to seek contribution from any other insurer(s). If You are aware of such other insurance covering either wholly or in part the Insured Goods, You are required to notify Us. You must also provide Us with full information and all reasonable assistance in the recovery of Our rateable proportion of such loss or damage.

Prohibited cover or payments

Notwithstanding anything contained in this Policy to the contrary, ["the insurer" or "we"]* shall not be liable to provide any cover or benefit or pay any claim where the provision of cover or benefit or payment of claim would constitute a breach of any trade or economic sanction, embargo, prohibition or restriction imposed by any of the following: United Nations, United States of America, Australia, European Union, United Kingdom, or New Zealand, or any other applicable national trade or economic sanctions, laws or regulations. This clause shall apply where such geographical location, provision of goods, services or other reasons shall contravene such sanction, embargo, prohibition or restriction.

Subrogation/Rights of Recovery Clause

We have the right to take action or institute legal proceedings, in Your name, for the recovery of payments made and expenses incurred in relation to any claim covered by this Policy, against any person, company or entity legally liable to You in respect of that claim. You must take reasonable steps to provide Us with full information and all reasonable assistance in the recovery of those payments or expenses.

Waiver of subrogation rights

We may not be liable to pay any benefits under this Policy for loss or damage to Insured Goods if You agree or have agreed to limit or exclude any right of recovery against any third party who would be liable to compensate You with respect to that damage to Insured Goods after the loss of or damage to the Insured Goods has occurred, to the extent that Your loss would have been recoverable from that person but for the agreement. This provision does not apply to Your signature of a Transport Operator's standard conditions of cartage, consignment note, Bill of Lading, Air Waybill or similar contract of affreightment.

Claims

GST notice

This Policy has a GST provision in relation to Premium and Our payment to You for claims. It may have an impact on how You determine the amount of insurance You need. Please read it carefully. Seek professional advice if You have any queries about GST and Your insurance.

Sums Insured

All monetary limits in the Policy may be adjusted for GST in some circumstances (see below).

Claim settlements – where We agree to pay

When We calculate the amount We will pay, We will at Your request either pay You or the owner of the Insured Goods or Livestock and We will have regard to the items below:

Acquisition of goods, services and repairs

- Where You are liable to pay an amount for GST in respect of an acquisition relevant to Your claim (such as services to repair a damaged item insured under the Policy) We will pay for the GST amount.

We will pay the GST amount in addition to the Limit of Indemnity or other limits shown in the Policy or in Your Schedule (unless We state GST is included in Sum insured or Limit of Indemnity).

If Your Limit of Indemnity is not sufficient to cover Your loss, We will only pay the GST amount that relates to Our settlement of Your claim.

We will reduce the GST amount We pay for by the amount of any input tax credits to which You are or would be entitled.

Payment as compensation

- Where We make a payment under the Policy as compensation instead of payment for a relevant acquisition, We will reduce the amount of the payment by the amount of any input tax credit that You would have been entitled to had the payment been applied to a relevant acquisition.

Where the Policy insures business interruption, We will (where relevant) pay You on Your claim by reference to the GST exclusive amount of any supply made by Your Business that is relevant to Your claim.

Disclosure – input tax credit entitlement

If You register, or are registered, for GST You are required to tell Us Your entitlement to an input tax credit on Your Premium. If You fail to disclose or understate Your entitlement, You may be liable for GST on a claim We may pay. The Policy does not cover You for this GST liability, or for any fine, penalty or charge for which You may be liable.

Claims procedures

These procedures are important. Failure to follow them might jeopardise a claim under this Policy.

In order to be sure that You are covered under this policy You should always contact us for approval before You incur expenses you wish to claim. If You do not, We will pay for expenses incurred up to the amount We would have authorised had You asked Us first.

Notification

- A. You MUST as soon as reasonably possible after You become aware of any, or any potential loss or damage which may result in a claim under the Policy take reasonable steps, at Your own expense as if You are not insured to:

- (i) take such measures as may be reasonable for the purpose of averting or minimising such loss or damage. We will reimburse You for any charges properly and reasonably incurred in pursuance of these duties.

Measures taken by You or Us with the object of saving, protecting or recovering the Insured Goods insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of any party;

- (ii) advise Us as soon as reasonably possible of the loss or damage or death or injury of Livestock where applicable including the location and circumstances of the loss, time and date. We may decide to appoint a surveyor or an assessor to inspect the damage to determine the cause, and who might be responsible for it. You should take reasonable steps to co-operate with the surveyor fully as this will assist with the speedy adjustment of Your claim;

- (iii) take all reasonable action to recover lost or stolen Insured Goods and minimise the claim, including, in respect of Livestock, mustering and agistment of the animals (which are claimable under this Policy to the extent of the covers listed under the Additional Benefits section);

- (iv) as far as possible preserve any Insured Goods or other items which might prove necessary or useful as evidence. In respect of Livestock, where it has been necessary to remove or dispose of them on the order of responsible officials, death of the animal is to be certified by a veterinarian or the responsible official;

- (v) in the event of a General Average contribution arising under the Policy, consult Us or Our nominated settling agent before signing any General Average bond;

(vi) properly preserve and exercise all rights against carriers, bailees or other third parties specifically:

- do not release those parties from liability;
- do not give “clean receipts” where Insured Goods are in doubtful condition. That is, when the Insured Goods are delivered, You will be asked to sign the carrier’s receipt (i.e. consignment note or delivery docket) which usually acknowledges that the consignment was received in good condition.

If there is any obvious evidence of damage or shortage do not under any circumstances sign the document.

If a signature is required, add a note to the effect that the Insured Goods were delivered damaged. That is what is termed a “qualified receipt”.

If You suspect that there is damage, even if it is not obvious, add a note to say that ‘You are accepting the Insured Goods in apparent good order and condition’.

Giving a signature without any comment is termed giving (or signing) a “clean receipt”.

A “clean receipt” infers that You agree that the Insured Goods were not damaged at the time the signature was given. That makes it difficult for You to prove to the carrier that You have a valid claim.

- if Your Insured Goods are delivered in a shipping container, examine the locks and seals and compare the numbers with those listed on the shipping documents, preferably before the container is removed from the Conveying Vehicle that delivered it to Your premises.

If the container is delivered damaged or with seals broken or missing or with seals other than stated in the shipping documents, note the delivery docket accordingly and retain all defective or irregular seals for subsequent identification;

(vii) if the loss or damage was not immediately apparent at the time of delivery, apply as soon as reasonably possible for surveys by the carriers or other bailees, to be conducted within 3 days of delivery;

(viii) provide Us with a written claim detailing:

- the nature and extent of the loss or damage;
- any other insurance that may exist on the Insured Goods;

(ix) attach original or legible photocopies (of both sides of any document that has anything on the reverse) of any of the following that are applicable to the circumstances:

- shipping invoices, specifications, packing lists, weight notes, gate passes;
- commercial invoices;
- bill of lading, air waybill, or consignment note (an original is preferable, and may be required for any recovery action against a third party);
- copies of all correspondence exchanged with any third party;
- any internal (within Your company) reports or memos detailing the extent of the damage;
- repair quotations or receipts;

and any other reasonable supporting documents that might confirm the circumstances of the loss or damage and substantiate the amount/s being claimed.

B. You or Your buyer SHOULD NOT:

- (i) authorise the repair or replacement of anything without Our agreement. Please contact Us to confirm approval for these costs;
- (ii) dispose of any damaged Insured Goods without giving Us the opportunity to examine those Insured Goods. To ensure You are covered, please contact Us before any disposal.

C. After You have advised Us of any loss of or damage to Insured Goods:

- (i) You must comply with all Policy terms and conditions before We will meet any claim under the Policy. We may reduce or refuse Your claim to the extent We are prejudiced by Your noncompliance;
- (ii) We have the right to recover from any person against whom You may be able to claim any money paid by Us. We may take over and conduct, in Your name the defence or settlement of any claim and We will have full discretion in the conduct of any proceedings in connection with the claim. We will act reasonably having regard to Your interests, and will keep You informed if You ask Us to;
- (iii) We may pay You the Sum Insured under the Policy or any lesser amount for which a claim or claims may reasonably be settled. After We have paid You, We will no longer be liable for the claim(s) (or future conduct of the claim(s)) except for costs and expenses incurred up until the time We pay You that We previously agreed to pay.

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For all enquiries please call Your insurance intermediary

amandtaustralia.com.au

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