



**GOODS IN TRANSIT
CARRIERS LOAD
POLICY WORDING**

LLOYD'S CERTIFICATE OF INSURANCE

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Part A - IMPORTANT INFORMATION

Transcorp Underwriting Agency Pty Ltd

Transcorp Underwriting Agency Pty Ltd (Transcorp), ABN 30 094 737 970, AFS Licence No. 247121, is an underwriting agency which is authorised by certain Underwriters at Lloyd's to issue contracts of insurance on behalf of certain Underwriters at Lloyd's and to handle and settle claims on behalf of certain Underwriters at Lloyd's. Transcorp does not act as Your agent. If You need information about this insurance, in the first instance contact Transcorp.

Our Head Office is located at:

Level 8, 217 George Street, Brisbane Qld 4000

Phone (07) 3503 3100

Fax: (07) 3503 3101

Email: enquiries@transcorp.net.au

Website: www.transcorp.com.au

THIS IS TO CERTIFY that in accordance with the authorisation granted to the undersigned by certain Underwriters at Lloyd's, whose definitive numbers and the proportions underwritten by them, which will be supplied on application, can be ascertained by reference to the said Contract which bears the Seal of Lloyd's Policy Signing Office, and in consideration of the premium specified herein, the said Underwriters are hereby bound, severally and not jointly, each for his own part and not one for another, their Executors and Administrators, to insure in accordance with the terms and conditions herein or endorsed hereon.

About this document

This document contains important information to help You decide whether this product meets Your requirements.

Before You decide whether to purchase this product, You should read this document carefully to understand the products features, benefits, terms and conditions.

You should read:

- * this Important Information part – it contains information on important matters You need to be aware of before applying for this product;
- * the Definition Section – it tells You what We mean by certain terms in this document;
- * the Our Agreement With You part – it tells You what makes up Your contract;
- * The Premium Calculation part – it tells You how the premium You will have to pay is calculated;
- * the Basis of Claim Settlement – this tells You what We will actually pay for;
- * the Policy Covers and the Additional Benefits For All Covers – these tell You about the relevant cover You have chosen;
- * the Exclusions – these tell You what We do not cover;
- * the Conditions – these set out certain obligations and rights We both have e.g. how to make a claim. If You do not comply We may be able to reduce or refuse to pay a claim;
- * any other documents We provide to You about this product which may change the standard cover.

Applying for Cover

When You apply for this insurance You will need to complete a Proposal. We will Use the information supplied on the Proposal to decide the terms of cover We will offer to provide.

The Duty of Disclosure

Before You enter into Your Policy with Us, You have a duty under both the Marine Insurance Act 1909 and the Insurance Contracts Act 1984 (Cth) to disclose to Us anything that You could reasonably be expected to know is relevant to Our decision whether to accept the risk of 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 Your Policy.

Any statement made by one insured person to Us in relation to Your Policy is treated as a statement by all persons. It is essential that You understand Your duty of disclosure to Us, which is set out in Your proposal form.

Your duty however does not require disclosure of a matter:

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

If You fail to comply with the duty of disclosure:

- Where the Marine Insurance Act 1909 applies, We may avoid the contract from inception;
- Where the Insurance Contracts Act 1984 (Cth) applies, We may reduce Our liability under Your Policy in respect of a claim or may cancel Your Policy.

If the non-disclosure is fraudulent, We may treat Your Policy as if it never existed and pay nothing.

Privacy

We (Transcorp and the Insurer) are bound by the Privacy Act 1988 when We collect and handle Your personal information.

We collect personal information for the purpose of providing insurance, including arranging insurance, policy administration and claims handling.

We disclose personal information to insurers, reinsurers, insurance intermediaries, insurance reference bureaus, credit reference agencies, Our and Your advisers and those involved in the claims handling process, for the purposes of assisting Us and them in providing relevant services and products, and for the purposes of litigation. We limit the Use and disclosure of any personal information provided by Us to them to the specific purpose for which We supplied it. By providing personal information to Us or Our agent, You consent to Us making these disclosures.

Without this information, We may not be able to provide You with the services You require.

When You give Us personal information about other individuals, We rely on You to have made or make them aware that You will or may provide their information to Us and the types of third parties We may provide it to, the relevant purposes We and the third parties will use it for, and how they can access it. If You have not done or will not do either of these things, You must tell Us before You provide the relevant information.

If You would like to find out more please contact Us.

Code of Practice

A self-regulatory General Insurance Code of Practice exists for the Australian general insurance industry, designed to raise overall standards of practice and service. Underwriters at Lloyd's have adopted the Code, with which We also comply. This Policy is compliant with the Code, apart from any claims adjusted outside Australia, and this Code may not apply to Your particular Policy if Your Policy is subject to the Marine Insurance Act 1909. Details of the Code of Practice can be obtained from Your agent or any of Our offices.

Complaints Procedure

If You have a complaint please write to Us stating what You disagree with and why.

We will then either resolve or attempt to resolve Your complaint immediately.

If the complaint is unresolved, You may refer the matter to Our system of Internal Dispute Resolution through Lloyd's Underwriters' General Representative in Australia at the address shown below. Following receipt of Your dispute, You will be advised whether Your dispute will be handled by Lloyd's Australia or the Policyholder & Market Assistance Department at Lloyd's.

If Your complaint handled by Lloyd's Australia remains unresolved, You may have the matter referred to an independent body called the Financial Ombudsman Service (FOS). Referral to the FOS must be requested within 3 months of Lloyd's Australia's final decision.

If Your complaint handled by the Policyholder & Market Assistance Department at Lloyd's remains unresolved, You may have the matter referred to an independent body called the Financial Ombudsman Service (UK). Referral to the Financial Ombudsman Service (UK) must be requested within 6 months of the final decision of the Policyholder & Market Assistance Department at Lloyd's.

Policy Disputes Clause/Service of Suit

The Underwriters heron agree that notwithstanding anything contained herein to the contrary:

- (i) in the event of a dispute arising under this Policy, Underwriters will submit to the jurisdiction of any competent Court in the Commonwealth of Australia. Such dispute shall be determined in accordance with the law and practice applicable in such Court.
- (ii) any summons notice or process to be served upon the Underwriters may be served upon;

Transcorp Underwriting Agency Pty Ltd

Level 8,
217 George Street,
Brisbane
Queensland 4000
Australia
Phone: 0061 7 3503 3100
Fax: 0061 7 3503 3101
Email: enquiries@transcorp.net.au
Website: www.transcorp.com.au

or;

Lloyd's General Representative in Australia

C/o Lloyd's Australia Ltd
Suite 2, Level 21
Angel Place,
123 Pitt Street,
Sydney
New South Wales 2000
Australia
Phone: 0061 2 9223 1433
Fax: 0061 2 9223 1466
Email: keith.e.stern@llyods.com or keith_stern@bigpond.com

who has authority to accept service and to enter an appearance on Underwriters' behalf, and who is directed at the request of the Assured to give a written undertaking to the Assured that he will enter an appearance on Underwriters behalf.

- (iii) if a suit is instituted against any one of the Underwriters all Underwriters hereon will abide by the final decision of such Court or any competent Appellate Court.

DEFINITIONS

The following definitions apply to Your Policy, except where inconsistent with a section or We specify otherwise.

- 1 **“Accident”** means an event that You did not intend or expect to happen.
- 2 **“Approved Terms and Conditions”** means any written agreement defining or limiting Your legal responsibility for Goods in Your care, custody and control which has been declared and approved by Us prior to commencement of Transit. This includes a consignment note, freight note or conditions of contract issued by You for a principal contractor that has been agreed to by the owner of the Goods.
- 3 **“Conveying Vehicle”** is any mode of transport used by You to transport the Goods whether owned by You or a subcontractor.
- 4 **“Dangerous Goods”** means goods which are classified as “Dangerous Goods” under the Australian Dangerous Goods Code 7th Edition or under any guidelines, notification, code or statute intended to replace or modify that Code, including Dioxins or Polychlorinated Biphenyl (PCB) or Radioactive Substances.
- 5 **“Excess”** means the amount set out on the Schedule or in Your Policy that You have to pay towards the cost of any claim under Your Policy.
- 6 **“Exhibition, Demonstration, Display”** means a public showing of the Goods at premises not normally occupied by You, for the purpose of generating sales.
- 7 **“Goods” or “Your Goods”** means either;

Dry Goods

General cargo and other property specified in the Policy Schedule while in Your care, custody or control. However, unless We have agreed and have specified it in the Policy Schedule this does not include;

- bloodstock or stud or prize animals
- computer chips that are not part of a product
- currency, money, bank notes, bullion, securities, negotiable documents or similar interests
- Dangerous Goods loads over 500 Kilograms or 500 Litres or that must be placarded or explosives or asbestos or dioxins or polychlorinated biphenyl (PCB) or radioactive substances
- exotic birds
- fishmeal
- flowers for Cover A
- fruit and other fresh perishable Goods for Cover A, unless they are frozen or chilled
- live plants and trees
- livestock for Cover A

- mobile/cellular telecommunications equipment and other hand held electronic equipment
- storage risks with no associated transit
- tobacco products except where they are valued up to \$5,000 and carried as part of a general Goods load

or;

Wet Goods

Refrigerated Cargo as specified in the Policy Schedule while in Your care, custody or control under refrigeration.

- 8 **“Gross Freight Earnings”** means the total gross income (excluding Input Tax Credits) derived by You for the carriage of Goods during the Period of Insurance. It includes income earned as principal, sub-contractor to others or through sub-contractors engaged by You, without deduction of any costs or payments to others or expenses of any kind.
- 9 **“Loading and Unloading”**
- A General Cargo.
- (a) Loading commences when the Goods are picked up inside the warehouse or premises or place of storage for Loading onto the conveying vehicle and terminates when the Goods are placed inside the warehouse or premises or place of storage.
- (b) Unloading commences when the Goods are being Unloaded from the conveying vehicle and terminates when the Goods are placed inside the warehouse or premises or place of storage.
- B. Livestock.
- (a) Loading commences when the livestock proceed on to the loading ramp of the conveying vehicle from the ground or loading dock adjacent to the conveying vehicle and terminates when the livestock have been positioned on the conveying vehicle.
- (b) Unloading commences when the livestock proceed on to the loading ramp from the conveying vehicle and terminates when the livestock are positioned on the ground or loading dock adjacent to the conveying vehicle.
- C. Motor Vehicles; and Tilt Tray vehicle conveyance of Goods for purpose of Loading and Unloading.
- (a) Loading commences when the vehicle’s ignition is engaged for the purpose of Loading it for this conveyance and is within 500 metres of the conveying vehicle and while being driven on the loading ramps and positioned onto the conveying vehicle.
- (b) Unloading commences when the vehicle’s ignition is engaged for the purpose of Unloading while in position on the conveying vehicle and while being driven off the loading ramps and positioned up to 500 metres from the conveying vehicle.

- D. Loading by Crane.
- (c) Loading commences when the Goods are picked up by the crane hook from the warehouse or premises or place of storage for Loading onto the conveying vehicle and terminates when the Goods have been positioned on the conveying vehicle.
- (d) Unloading commences when the Goods are picked up by the crane hook from the conveying vehicle for Unloading from the conveying vehicle and are positioned inside the warehouse or premises or place of storage.
- 10 **"Location Excess"** means the amount set out in the Schedule or in Your Policy that You have to pay towards the cost of any claim under Your Policy for loss of or damage to Goods at the Location nominated on Your Proposal or subsequent endorsement request as the Depot where the Goods are located. The address of this Depot is shown on the Schedule under the heading Depot.
- 11 **"Outside Radius Excess"** means the amount set out in the Schedule for "Outside Radius Excess" that You have to pay towards the cost of any claim under Your Policy, if at the time of an Accident, Your vehicle is located more than the distance nominated on the Schedule as "Radius", from the location nominated on Your Proposal or subsequent endorsement request as the "Depot Address/es from which Your vehicles operate". The postcode of this Depot is shown on the Schedule under the heading "Base". This distance is measured in a straight line from the Accident location to the nominated depot.
- 12 **"Miscellaneous Equipment"** means webbing, straps, tarpaulins, ropes, chains, trolleys, gates and dogs belonging to You or for which You are responsible.
- 13 **"Packaging"** means packaging materials, shipping containers, crates, pallets or similar receptacles belonging to You or for which You are responsible.
- 14 **"Period of Insurance"** means the time between the dates on the Schedule shown as "Insured from" and "to" subject to the Expiry Time as shown below. This policy expires at 4.00pm Local Standard Time (LST) of Our office issuing this Policy, on the date shown on the Schedule as the "to" date. This time is the Expiry Time.
- 15 **"Personal Property"** means clothing, footwear, wallets, portable radios, radio cassette and compact disc players (excluding money, credit cards, watches, compact-discs and audio tapes).
- 16 **"Policy"** means the agreement between You and Us which consists of the following
- (they should all be read together as if they are one):
- this Policy wording;
 - the Schedule and Endorsements issued by Us;
 - Declarations made by You; and
 - any variations or changes to the above which occur either before or during the Period of Insurance with Our written consent.

- 17 **“Premium”** means the amount You must pay Us for Your Policy, plus any applicable Stamp Duty, Fire Services Levy (FSL), Goods and Services Tax (GST), Fees and any other government charges. We will tell You the Premium that needs to be paid when You apply for cover. The Premium and charges etc will also be set out in Your Schedule.
- 18 **“Proposal”** means the proposal form You complete and submit to Us, requesting this insurance.
- 19 **“Schedule”** means the current Policy Schedule issued by Us which shows Your Policy Number and other details of Your cover.
- 20 **“Sendings” “Turnover”** means the actual value of all Goods for which We were at risk during the Period of Insurance.
- 21 **“Sum Insured”** means the relevant amount set out in the Schedule or in this Policy Wording as the maximum amount You are insured for. The Sum Insured is inclusive of GST, less the amount of Your entitlement to an input tax credit on the Goods.
- 22 **“Tools of Trade”** means tools (excluding mobile phones, pagers, laptop/notebook/hand held or other personal computers, personal property, cash and credit cards) to enable You or Your employee to carry out Your normal business occupation.
- 23 **“Total Loss Claims”** means Your Goods are a Total Loss if they are damaged and We consider that the cost of repairing them is uneconomical or they are lost or stolen. We consider Your Goods to be lost or stolen if they are missing and:
- (a) We consider that all reasonable lines of enquiry to locate them have been exhausted; or
 - (b) They have not been recovered within 90 days of Your reporting the theft to Us.

24 **“Transit”**

A. General Cargo.

Transit commences from the time the Goods are entrusted into Your care at the warehouse or premises for the purposes of transportation to a destination outside the premises. The transportation of the Goods away from the warehouse or premises must commence within 14 days of this time.

The Transit terminates upon:

- (a) Delivery to the position designated by the receiver at the receiver’s or other designated warehouse or premises; or
- (b) Delivery to any other warehouse or premises when the Goods pass out of Your care to the designated receiver of the Goods; or
- (c) Delivery to any other warehouse or premises for the purpose of storage not incidental to Transit, whichever occurs first.

B. Houses.

Transit commences from the time the House is placed on the conveyance.

The Transit terminates upon lifting from the conveyance at the first place of storage and no other except as specified below under Interrupted or Altered Transit.

This Policy excludes losses arising from "oversized" loads not carried, stowed and secured in compliance with the regulations and statutes of all States through which they are to travel.

Interrupted or Altered Transit

Transit of the Goods will terminate prior to final destination on discharge from the conveying vehicle where the ordinary course of Transit is interrupted and the Goods are placed in a warehouse or place of storage, whether prior to or at the destination, for the purposes of storage other than in the ordinary course of Transit or for allocation or distribution.

Provided the Goods remain in Australia and in Your care:

- (i) the Goods are also covered where they are over carried to an incorrect destination in Australia, until they are returned to the original destination;
 - (ii) in the event of being shut out from a conveying vehicle at an intermediate place during the course of Transit, while waiting for an alternative conveyance, the Goods are covered provided they are stored in a secure and appropriately protected area;
 - (iii) if the Goods are re-consigned or reshipped direct from the wharf or airport at the intended destination to another destination in Australia, cover under this Policy will continue until the Goods arrive at the final destination.
- 25 **"Travellers Samples"** means a portion, piece or segment of Your Goods carried by Your employee or authorised custodian for the purpose of demonstration to prospective customers.
- 26 **"We", "Us", or "Our"** means Underwriters at Lloyd's Marine under Binding Authority 1906/CKR06TB0447 who is The Insurer. Transcorp Underwriting Agency Pty Ltd (Transcorp), ABN 30 094 737 970, AFS Licence No. 247121, is an underwriting agency which is authorised by Underwriters at Lloyd's Marine Binding Authority 1906/CKR06TB0447 to arrange and enter into the Policy and handle and settle claims under the Policy, as agent for Lloyd's Marine Binding Authority 1906/CKR06TB0447. Transcorp does not act for You.
- 27 **"You", "Your"** means the insured (or any one of them) named in the Schedule.

OUR AGREEMENT WITH YOU

Where We agree to provide cover, We do so on the terms contained in this document, the Proposal and any other Schedule or endorsements to the Policy, including the most recent Schedule that We issue to You, subject to You paying the required Premium.

The Schedule contains important information relevant to Your cover including the Period of Insurance, the Premium, details of Your Goods, the Excess (s) that will apply and whether any standard terms have been varied by way of endorsement.

All of these make up Your Policy with Us. You will need to keep these documents in a safe place together with receipts and other evidence of ownership and value of items We cover.

Sub-contractors

When Goods are entrusted to a sub-contractor, the cover provided by the Policy applies to the sub-contractor.

When Goods are in Your care, custody or control as a sub-contractor, You are covered by this Policy.

PREMIUM CALCULATION

Premium calculation for this Policy will be on the basis agreed at inception or the current Period of Insurance. Your Schedule will show which basis applies for that Period of Insurance. The basis will be either;

Option 1: Adjustable on the Number of Vehicles

If the basis is Option 1, You shall within 30 days of the end of each Period of Insurance declare to Us the Number of Motor Vehicles owned or operated by You and Your sub-contractors at the expiry of such Period of Insurance and provide a full description of each Motor Vehicle including its Registered Number and its Engine or Chassis or Serial or VIN number. The declaration can be in the form of a copy of the current Schedule of Vehicles from Your motor vehicle insurance Policy, or other hard copy form.

When the declaration shows the Number of Vehicles, as shown on the Schedule for Number of Vehicles, has increased or decreased by up to 2, no adjustment will be made to Your Deposit Premium for that Period of Insurance.

When the declaration shows the Number of Vehicles, as shown on the Schedule for Number of Vehicles, at the end of any Period of Insurance has increased or decreased by more than 2, then an extra Premium for any additional Vehicles or a return Premium for any reduction in the number of Vehicles shall be payable by You or Us as appropriate within 60 days of the end of the Period of Insurance on each such Vehicle calculated at a rate per Vehicle of 50% of the Unit Premium for that type of Vehicle as shown on the Schedule for that Period of Insurance.

or

Option 2: Adjustable on Gross Freight Earnings

If the basis is Option 2, You must give a declaration of Your Gross Freight Earnings within 30 days of the expiry of each Period of Insurance. The declaration must be made to Us on Our current Carriers Load Annual Declaration Form.

When the declaration shows the Gross Freight Earnings, as shown on the Schedule for Gross Freight Earnings, has increased or decreased by up to 10%, no adjustment will be made to Your Maximum Premium or Deposit Premium for that Period of Insurance.

When the declaration shows the Gross Freight Earnings, as shown on the Schedule for Gross Freight Earnings, has increased or decreased by more than 10%, a pro rata adjustment of the Maximum Premium and the Deposit Premium shall be made, subject to the Minimum Premium. Any extra Premium or refund due, shall be payable by You or Us as appropriate within 60 days of the end of the Period of Insurance. The pro rata adjustment shall be calculated as the percentage by which the Gross Freight Earnings has increased or decreased from the amount shown on the Schedule for that Period of Insurance.

The Minimum Premium is 25 % of the Deposit Premium for that Period of Insurance.

or

Option 3: Adjustable on Sendings

If the basis is Option 3, You must give a declaration of Your Sendings (Turnover) within 30 days of the expiry of each Period of Insurance. The declaration must be made to Us on Our current Carriers Load Annual Declaration Form.

When the declaration shows the Sendings, as shown on the Schedule for Sendings, has increased or decreased by up to 10%, no adjustment will be made to Your Deposit Premium for that Period of Insurance.

When the declaration shows the Sendings, as shown on the Schedule for Sendings, has increased or decreased by more than 10%, a pro rata adjustment of the Deposit Premium shall be made, subject to the Minimum Premium. Any extra premium or refund due, shall be payable by You or Us as appropriate within 60 days of the end of the Period of Insurance. The pro rata adjustment shall be calculated as the percentage by which the Sendings has increased or decreased from the amount shown on the Schedule for that Period of Insurance.

The Minimum Premium is 25 % of the Deposit Premium for that Period of Insurance.

You are required to keep accurate records and, on request, submit audited copies to Us. If We request an audited copy of the records and this is not available We may appoint an auditor. We will pay the cost of the audit but if it reveals that the Sendings declared by You are incorrect, You must reimburse Us that cost.

BASIS OF CLAIM SETTLEMENT

How Much We Will Pay

- A. 1. Amount payable - for Goods where You accept responsibility, except Goods owned by You: The amount payable, at Our option, will be
- (a) the cost of repairing or replacing lost or damaged Goods; or
 - (b) the actual value at the time of loss of the lost or damaged Goods i.e. unless the Goods were new, an amount for depreciation and wear and tear will be deducted from the claim.
2. Amount payable - for Goods owned by You: The amount payable, at Our option, will be
- (a) the cost of repairing or replacing lost or damaged Goods; or
 - (b) the invoice cost to You plus the freight cost for this Transit, of the lost or damaged Goods.
3. Amount payable - legal defence:
- The amount payable for Your legal liability for loss of or damage to all other Goods for which You have not accepted responsibility caused by an insured event, will be either
- (a) the actual liability incurred; or
 - (b) the Sum Insured specified in the Policy Schedule, whichever is the lesser amount.
- B. For any claim We will pay no more than the Sum Insured.

Total Loss Claims

Where Your Goods are a Total Loss We may elect to take ownership of the Goods by giving You written notice. Where We give such notice:

- (a) We immediately acquire an equitable interest in the Goods to the full extent of Your interest in the Goods (including any interest that may be attributable to any applicable Excess);
- (b) You shall take all necessary steps, at Your cost, to immediately transfer the legal title to the Goods to Us or to Our nominee and, at Our Cost, to promptly give possession of the Goods to Us or Our nominee;
- (c) We shall sell the remains of Your Goods;
- (d) If You fail to comply with the requirement in (b) above, We may reduce the amount of Our claim payment in respect of the Goods by the amount of any prejudice suffered by Us as a result (for example, the amount by which Our share of the proceeds of the sale of the remains of the Goods decreases).

Who We pay

We will pay You or the owner or the sender or the receiver of the Goods as We determine is appropriate to the circumstances prevailing at the time of the loss as to who has an interest in the Goods. Any such payment shall be full discharge of Our liability in regard to the loss.

GST

Any claim settlement, up to the total of all amounts insured, will be based on GST inclusive costs (up to the relevant Sum Insured). All Excess amounts are GST inclusive. However, if You are or would be entitled to claim any input tax credits for the repair or replacement of Your Goods, We will reduce any claim under Your Policy by the amount of such input tax credits. This reduction applies even though You might elect not to acquire any replacement Goods at all, You acquire replacement Goods privately from a vendor who is not registered for GST, or for whatever reason You do not claim the input tax credit to which You are entitled.

Pairs and Sets

Where any item is part of a pair or set, We will only pay for the part of the pair or set which is lost or destroyed even if it cannot be replaced with a matching item. The insured value of the Goods shall be regarded as spread over the whole of the pair or set, divided in the proportions that it would cost to replace all the items making up the pair or set.

Labels, Branding and Packaging

If the loss or damage to Your Goods is only to labels, branding or packaging then at Our option We may either replace the Goods in their entirety or only pay the cost to recondition and/or replace such labels, branding or packaging.

Governing Law

This policy is subject to Australian Law and practice.

POLICY COVERS

There are three Types of Cover that You can choose:

- Cover A – All Risks; or
- Cover B – Basic Cover; or
- Cover C – Legal Defence Cover.

The terms of each of these Covers are set out below. Your Schedule shows which of these Covers operates for Your Policy for the current Period of Insurance.

Cover A - All Risks

Subject to the other terms, conditions and exclusions of Your Policy, We will pay for accidental loss of or damage to Goods in the course of Transit:

- (i) Where You accept responsibility prior to commencement of Transit for such loss of or damage to those Goods caused by an insured event; or
- (ii) Where You do not accept responsibility for those Goods, entrusted to Your care under the terms of Your Approved Terms and Conditions and You are held legally responsible for loss of or damage to those Goods caused by an insured event.

This cover also applies, where, by mistake, Your Approved Terms and Conditions were not accepted and signed by the consignor/owner of the Goods, but there is evidence that they had been accepted and signed by that same consignor/owner of the Goods in the past and that there is an understanding that their terms and conditions apply to the Transit.

provided that the Goods are a commodity that has been declared and agreed to by Us and is shown in the current Policy Schedule under the heading Goods Insured.

However;

1. Cover is excluded for Theft, Pilferage or Non Delivery of Goods from a building or vehicle used for temporary storage during the ordinary course of Transit unless;
 - (a) all doors, windows and other areas of the building or vehicle which are capable of being locked are securely locked when the building or vehicle are unattended; and
 - (b) all alarms are activated.
2. Cover is excluded for deterioration of Refrigerated Goods caused by a variation in temperature unless caused by accidental failure, stoppage or incorrect setting of the refrigerating machinery to perform its normal refrigeration cycle for a period of not less than 4 consecutive hours or the period specified in the Policy Schedule.
3. Cover is limited to loss or damage to the Goods caused by an insured event occurring in Australia.
4. The insured event must occur during the Period of Insurance specified in the Policy Schedule.

Re-securing

We will pay up to the amount set out in the Schedule for "Re-securing Costs" all reasonable costs incurred in re-securing Goods where there has been unexpected and unintended movement of the Goods in transit, which makes re-securing necessary, even though there is no other claim resulting from the incident.

Cover B - Basic Cover

We will indemnify You in relation to Goods in the course of Transit by You for either:

- (i) responsibility for loss of or damage caused by an insured event for which You have assumed liability irrespective of legal liability for any terms or conditions of carriage, or
- (ii) any other legal liability for loss of or damage caused by an insured event.

Cover is limited to loss of or damage to the Goods including all legal costs and legal expenses incurred by You with Our consent or recoverable from You caused by an insured event occurring in Australia.

The insured event must occur during the "Period of Insurance" specified in the Policy Schedule.

Insured Events

This policy covers loss of or damage to the Goods and/or death of livestock while contained in the conveying vehicle or Your premises caused by:

- 1 fire, lighting, hail or explosion
- 2 flood, rainwater
- 3 collision of the conveying vehicle except with the curb or uneven road surface
- 4 collision, crashing or forced landing of aircraft
- 5 jack-knifing, overturning and/or derailment of the conveying vehicle
- 6 impact of any object which is not on or part of the vehicle with the Goods or livestock

This cover excludes impact of the road surface and allied areas with the Goods or livestock unless caused by an insured event specified above.

Where Goods are being transported by sea, the insured events specified above are extended to include stranding, sinking, burning, grounding or collision or contact of the vessel with any object other than water or discharge at a port of distress.

Where refrigerated Goods are specified in the Schedule, cover is extended to include deterioration of the Goods following an insured event specified above.

Re-securing

We will pay up to the amount set out in the Schedule for "Re-securing Costs" all reasonable costs incurred in re-securing Goods where there has been unexpected and unintended movement of the Goods in Transit, which makes re-securing necessary, even though there is no other claim resulting from the incident.

Excess Exemption

Any Excess on Your Policy, except Outside Radius Excess, shall not apply to claims arising from Insured Events 1, 2,3,4,5 and 6 above.

Cover C - Legal Defence Cover

The insurance cover provided by this section applies to Transits:

- (i) Where the consignor/owner accepts and signs Your Approved Terms and Conditions (as previously defined) and they apply to the Transit.
- (ii) Where by mistake, Your Approved Terms and Conditions were not accepted and signed by the consignor/owner of the Goods, but there is evidence that they had been accepted and signed by that same consignor/owner of the Goods in the past and that there is an understanding that they apply to the Transit.

We will indemnify You for all sums that You shall become legally liable to pay for compensation for loss of or damage to Goods entrusted to Your care under the terms of Your Approved Terms and Conditions while in the course of transport provided:

1. The Goods were in Transit or were temporarily stored on or off vehicles in the ordinary course of Transit;
2. The insured event occurs in Australia;
3. The insured event occurs during the "Period of Insurance" specified in the Policy Schedule;
4. You have limited Your liability for damage to the Goods by obtaining the written agreement (e.g. signature or email) of the owner of the Goods or their authorised representative to the Approved Terms and Conditions prior to Transit.

This insurance does not apply to Transits where:-

- (a) You intentionally choose not to Use the Approved Terms and Conditions.
- (b) You have varied, waived, altered or amended the Approved Terms and Conditions and have not obtained Our approval of the changes.
- (c) Through a mistake Your approved Terms and Conditions were not accepted and signed, and You cannot provide evidence that they had been previously accepted and signed by that same consignor/owner of the Goods and that there is an understanding that they apply to the Transit.

In circumstances where Cover C does not apply due to circumstances as detailed above in (c) and Cover B has not been selected by You and specified in the Policy Schedule, We will provide cover for all sums that You become legally liable to pay for compensation for loss of or damage to Goods entrusted to Your care caused by the insured events detailed in Cover B.

ADDITIONAL BENEFITS FOR ALL COVERS

1. **Acquired Companies**

Your Policy extends to include any company or subsidiary acquired or formed by You during the Period of Insurance, provided that:

- (a) You hold the legal right to control the decisions of such company or subsidiary;
- (b) You advise Us of Your interest in the company or subsidiary within 14 days of attachment of the interest;
- (c) the company or subsidiary is a type of business We are authorised to insure in the normal course of business;
- (d) the Goods carried are of a type We are authorised to insure and would insure in the normal course of business; and
- (e) You declare to Us within 45 days of the attachment of Your interest, the details of all additional Goods being carried, pay such additional Premium and Excesses as We may require and accept the terms We require for such Goods.

2. **Packaging**

We will pay for any one loss or series of losses caused by the one event for Your legal liability for loss of or damage to Packaging for Your Goods while carried in Transit caused by an insured event.

But We will not pay:

- (a) more than the amount set out in the Schedule for "Packaging";
- (b) any amount if You hold a General Property contract of insurance which provides insurance cover for the same Property.

Cover under this benefit is additional to the Sum Insured for Your Goods.

3. **Delayed Unpacking**

Where packages of the Goods are not opened immediately upon arrival, We will pay for loss or damage covered by Your Policy which was not immediately apparent at the time of arrival, provided:

- (a) the loss or damage is discovered within 90 days of arrival; and
- (b) any packages bearing outward signs of loss or damage at the time of arrival are opened and inspected immediately.

4. On forwarding Costs

If a claim has been admitted under this Policy, We will pay up to the amount set out in the Schedule for "On forwarding Costs" all reasonable costs necessarily incurred in unloading, storing and forwarding the Goods by road to the original destination in Australia. Cover under this benefit is additional to the Sum Insured for Your Goods.

5. Livestock Risks

If a claim has been admitted under this Policy and livestock have been included in Your Goods, We will pay:

- (a) up to the amount set out in the Schedule for "Agistment Expenses" all reasonable costs and expenses necessarily incurred in maintaining the animals at agistment until On forwarding can be arranged.
- (b) up to the amount set out in the Schedule for "Mustering Costs" all reasonable costs and expenses necessarily incurred in mustering the animals at the scene of the Accident.
- (c) up to the amount set out in the Schedule for "Wandering Off Cover" for loss of animals due to wandering off from the scene of the Accident.
- (d) claims arising from the death or humane killing of livestock that is necessary when caused by an insured event.

Cover under this benefit is additional to the Sum Insured for Your Goods.

6. Removal of Debris / Clean up Costs

If a claim has been admitted under this Policy, We will pay up to the amount set out in the Schedule for "Load Clean Up Costs" for all reasonable costs that You are held legally liable to pay to clean up and remove any Goods that have fallen from Your vehicle. Cover under this benefit is additional to the Sum Insured for Your Goods.

7. Automatic Reinstatement of Sum Insured

When an amount has been paid under this Policy, the Sum Insured is automatically reinstated without payment of additional premium

8. Legal Costs

This cover includes all legal costs and expenses incurred by You with Our consent or recoverable from You in connection with an insured event. Cover under this benefit is additional to the Sum Insured for Your Goods.

9. General Average and Salvage

We will pay any general average and salvage charges that You are held legally liable to pay in respect of Your Goods when Your Goods are being transported by sea between places in Australia.

But We will not pay more than the Sum Insured for Your Goods for all such costs arising out of the one event.

10. Cross Liability

We waive any right of subrogation We have against You (excluding interested parties) except where Your conduct has been serious or wilful misconduct. Where this Policy indemnifies You for Your legal liability for loss or damage caused by an insured event, the words "You" and "Your" apply to each party comprising "You" and "Your" in the same manner as if that party were the only party comprising "You" and "Your". This does not mean We pay more than the specified limit in relation to any and all claims made by any party arising out of the one Accident.

Additional Benefits For All Cover A and B policies

1. Employees Property

If a claim has been admitted under this Policy, We will pay for loss of or damage to the personal property of Your employees carried in Your vehicle at the time of the Accident giving rise to the claim;

But We will not pay:

- (a) more than the amount set out in the Schedule for "Employees Property"
- (b) any amount for loss or damage of Money or any Speed Surveillance Detection Device.
- (c) any amount if the cause of the loss or damage is theft or non-delivery of the Property.
- (d) any amount if You hold a Motor Vehicle contract of insurance which provides insurance cover for the same Property.

Cover under this benefit is additional to the Sum Insured for Your Goods.

2. Miscellaneous Equipment

If a claim has been admitted under this Policy, We will pay for loss of or damage to Miscellaneous Equipment carried in Your vehicle at the time of the Accident giving rise to the claim;

But We will not pay:

- (a) more than the amount set out in the Schedule for "Miscellaneous Equipment";
- (b) any amount if You hold a Motor Vehicle contract of insurance which provides insurance cover for the same Property.

Cover under this benefit is additional to the Sum Insured for Your Goods.

EXCLUSIONS

1. Fines

We will not pay for any fines, penalties or aggravated, exemplary or punitive damages.

2. GST

We will not pay any amount of GST, or any fine, penalty or charge that You are liable for because of a failure to disclose, or misstatement made by You, in relation to Your entitlement to an input tax credit for the Premium.

3. Contractual Liability

We will not pay any amount for loss, damage or legal liability arising under any agreement, undertaking or indemnity given or contracted by You without Our written consent, unless such legal liability and the extent of such liability would have attached notwithstanding such agreement, undertaking or indemnity.

4. Terrorism

We will not pay any amount for loss, damage or legal liability directly or indirectly caused by terrorism or any terrorist or any person acting from a political motive, except while the Goods are in the ordinary course of Transit, and in any event shall terminate either:

- (a) as per Our definition of Transit; or
- (b) on delivery to any other warehouse or place of storage, whether prior to or at the intended destination which You elect to Use either for storage other than in the ordinary course of Transit or for allocation or distribution, whichever first occurs.

For the purpose of this Policy, 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 and/or 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 persons (s) or organisation (s) concerned are wholly or partly political, religious, ideological or of a 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.

5. Lifting Devices

We will not pay for loss of or damage to property (except for Your Goods) caused by the operation of lifting devices, or liability arising there from.

6. **Electronic Data**

We will not pay for loss or damage of whatsoever nature which consists of or arises directly or indirectly out of or in connection with:

- a) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data and/or Software;
- b) error in creating, amending, deleting or using Electronic Data and/or Software, or
- c) total or partial inability or failure to receive, send, access or use Electronic Data and/or Software for any time at all, from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur.

Electronic Data means facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment.

7. **Asbestos**

We will not pay for any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of Asbestos in whatever form or quantity.

8. **Loss of Profits**

We will not pay any amount for Loss of Profits or Consequential Loss that You incur as a result of delay or loss of market or loss of or damage to Your Goods or liability arising from that loss or damage, unless stated otherwise in Your Policy.

We will not pay for loss of or damage to or legal liability arising from:

9. **Goods Specified**

Property other than the Goods specified in Your policy.

10. **Unroadworthy Vehicle**

Goods carried in a vehicle which is being used in a damaged, unsafe, illegal or unroadworthy condition unless You prove such condition was not known and could not reasonably have been known, by You.

11. **Overloading**

Goods when the vehicle is carrying a load in excess of that for which it was designed, or in excess of the amount permitted by law, or in excess of an advisory weight limit sign, unless You prove the overloading was not known and could not reasonably have been known by You.

12. **Unlicensed Driver**

Goods when the vehicle is being driven by any person who is not licensed to drive the vehicle under all relevant laws, by-laws and regulations unless You prove You did not know and could not reasonably have known that the driver was not correctly licensed.

13. Drink or Drug Driving

Goods when the vehicle is being driven by or is in the charge of any person (including You):

- (a) whose faculties are impaired by or who is under the influence of liquor, or a drug, or both; or
- (b) who is convicted of driving or being in charge of the vehicle while under the influence of liquor, or a drug, or both; or
- (c) in whose breath or blood the concentration of alcohol equals or exceeds that prohibited by the law applicable in the State or Territory at the time when an Accident giving rise to the claim occurred, as indicated by analysis of the person's breath or blood; or
- (d) who fails or refuses a legal test for alcohol or drugs, including but not limited to the failure or refusal to:
 - (i) provide a specimen or sample of breath for analysis by a breath analysing instrument; or
 - (ii) provide a specimen or sample of blood for a laboratory test or blood test; or
 - (iii) comply with a direction or requirement of a member of the Police Service or other authorised person as to the provision of a specimen or sample of breath for analysis by a breath analysing instrument or a specimen or sample of blood for a laboratory test or blood test, where such specimen or sample is sought or such direction or requirement is made to ascertain the concentration of alcohol in such person's breath or blood while such vehicle was being driven by or in the charge of such person.

However, the above exclusion shall not apply if:

- (A) there is any relevant statutory provision to the contrary or to the extent that there is any statutory provision which allows for an election by a person as to the specimen or sample such person may provide or which exempts a person from providing any specimen or sample but only to the extent of such election and/or exemption; or
- (B) You prove You did not consent to the vehicle being driven by or in the charge of any such person.

14. Criminal Acts

Goods out of any wilful or criminal act or acts committed by You or someone with Your knowledge or connivance.

15. Cover in Australia

Goods outside Australia except when the vehicle is in Transit between places within Australia.

16. Reduction in Value

Goods as a result of reduction in value of Goods due to repairs.

17. Electrical or Mechanical Failure

Goods as a result of electronic, electrical or mechanical failure unless there is visible external damage which occurred during the Transit caused by an insured event.

18. **War, Nuclear, Seizure, Rejection**

Goods as a result of:

- (a) the lawful seizure, confiscation, nationalisation or requisition of Your Goods, or other operation of law;
- (b) rejection;
- (c) war, invasion, hostilities, act of foreign enemy (whether war is declared or not), civil war, insurrection, rebellion, revolution or military or usurped power;
- (d) the use, existence or escape of nuclear weapons material, or ionizing radiations from, or contamination by radioactivity from any nuclear fuel or any nuclear waste from the combustion of nuclear fuel;
- (e) looting, sacking or pillaging following any of the events referred to above in this exclusion.

19. **Weapons**

Goods arising from any chemical, biological, bio-chemical or electromagnetic weapon.

20. **Wear and Tear**

Goods arising from ordinary leakage, ordinary loss in weight or volume or ordinary wear and tear of the Goods.

21. **Rust**

Goods arising from rust, oxidation or discolouration unless caused by an insured event.

22. **Vermin**

Goods arising from mould, moths, insects, rats or other vermin.

23. **Insufficiency of Packaging or Load Restraint**

Goods arising from insufficiency or unsuitability of packing or preparation of the Goods (packing shall include stowage or restraint of the Goods on Your vehicle).

24. **Inherent Vice**

Goods arising from inherent vice or nature of the Goods (except for Refrigerated Goods due to variation in temperature).

25. **Refrigerated Goods**

Goods caused by failure of You or Your servants to take all reasonable precautions to ensure that refrigerated Goods are kept in a refrigerated or properly insulated and cooled space.

26. **Towed or Moving Vehicles**

Motor vehicles, plant or mobile machinery while being towed or moving under their own power except for the purpose of Loading or Unloading as defined in this Policy.

27. **Livestock Good Health**

Animals for death and/or mortality caused by accidental causes during Transit, unless the animals were in a good state of health prior to Loading and fit for travel.

28. **Livestock Inoculation, Rejection etc**

Animals caused by inoculation and/or its after effects, infectious diseases, rejection, abortion, loss or death of foetus, loss of use or delay.

29. **Erection and Dismantling of Goods**

Goods during any period of dismantling, erection, commissioning or testing of the Goods.

CONDITIONS

If You breach a Policy condition, We may reduce the amount We pay under a claim to the extent that Your breach of the condition prejudices Our interests or rights in respect of the claim.

1. **Your Duty of Care**

You must at all times take all reasonable precautions to prevent loss, damage or liability arising in respect of Your Goods.

2. **GST**

You must tell Us if You become aware that the extent of Your entitlement to an input tax credit for Your Premium disclosed to Us is incorrect or changes.

3 **Claims**

- A. If anything occurs which results in or could reasonably be expected to result in a claim under Your Policy, You or Your representative must:
- (a) Notify Us immediately.
 - (b) Give Us full details of the circumstances of the Accident in writing on Our claim form as soon as possible, but no later than 14 days after the occurrence.
 - (c) Provide to Us at Your expense all proofs and information concerning the loss, damage or legal liability.
 - (d) Take all reasonable precautions to prevent further loss, damage or legal liability. We will pay all such costs reasonably and necessarily incurred by You or on Your behalf, in addition to the Sum Insured for Your Goods.
 - (e) Notify the police immediately on discovery of any malicious damage, theft or attempted theft.
 - (f) Salvage and preserve all damaged insured items.
 - (g) Make all damaged insured items promptly available for inspection by Our representative, or repair, as and when We direct.
 - (h) Make no admission, offer, promise, or payment to any other party without Our written consent.
 - (i) Notify Us immediately of any communications from other parties such as a demand or notice of impending prosecution or details of any inquest or official inquiry.

- (j) Not authorise any repairs to Your Goods without Our prior written agreement.
- (k) Reject any claim made against You where You have not accepted responsibility and advise Us immediately.
- B. When You claim under Your Policy We take over all rights that You have against any other party that may be held responsible for all or part of the loss and We may pursue recovery in Your name.
- C. We may take over the defence or settlement of any claim against You by another person or represent You at any inquest or official inquiry.
- D. We have full discretion in the conduct, defence or settlement of any claim and You must give Us all information and assistance that We require in the conduct, defence or settlement of any claim.
- E. We may refuse to pay a claim, or reduce the amount payable under a claim, if a term of Your Policy:
 - (a) requires You to do something and it is not done; or
 - (b) requires You not to do something and it is done,and Your neglect, action or inaction causes or contributes to loss, damage or legal liability or prejudices Our interests, in respect of that claim.

4. **Renewal**

Before the Policy expires We will send You a renewal offer which states whether We will renew the Policy and, if so, on what terms.

After We issue a Renewal Schedule, We may:

- (a) prior to acceptance by You, withdraw, or amend the terms of, the Renewal offer; and
- (b) regardless of when You indicate acceptance of the Renewal offer, if We become aware of any circumstance that, had We known of it, would have affected Our renewal decision, We may:
 - (i) If renewal has not yet occurred, amend Our renewal terms to what We would have offered had We known of the circumstances, or withdraw the renewal offer if that would have been Our decision.
 - (ii) If renewal has occurred, reduce Our liability under a claim, or refuse to pay a claim, or cancel the renewed contract, or if the non disclosure is fraudulent - avoid the contract.

5. Payment of Premium

Premium payment is required within 14 days of the issue date notified in Your Policy Schedule or such other time agreed by Us. If You do not pay it by the required time We may cancel Your Policy. If We receive Your Premium after cancellation:

- (a) We may return the Premium to You;
- (b) We may accept the Premium and provide You with new cover which only commences from the time We receive the Premium, and Our acceptance is subject to the following:
 - (i) there has been no change in circumstances that would have affected Our decision to provide cover;
 - (ii) there will be no change to the expiry date of the insurance; and
 - (iii) there will be no reduction in Premium because the Period of Insurance is less than it would have been if You had paid the Premium by the time originally requested.

6. Changes that You must advise to Us

As soon as practical You must notify Us in writing and provide Us with full details if any of the following changes occur during the Period of Insurance:

- (a) **Other Insurance** - If You take out any other insurance on Your Goods.
- (b) **Occupation, Business, Goods Carried, Radii of Operation, Bases** - If there is any change to the nature of Your occupation or business, to the nature or type of Goods You carry, or to the Base/s from which Your vehicle/s operate or their Radii of Operation.
- (c) **Vehicle Sales or Purchases** – (If Your Policy is adjustable on the number of vehicles You operate) If You sell or dispose of any of Your vehicle/s or buy or otherwise accept legal responsibility for any additional vehicle/s.
- (d) **Vehicle Identification** - If any identifying numbers or registration of any of Your vehicle/s changes.
- (e) **Ownership** - If the ownership or interest in any of Your vehicle/s or Your business changes.
- (f) **Consignment Note** - If you have Cover A or C and You alter Your consignment note.

Where You notify Us of any such change, We may:

- * negotiate with You the terms for the continuation of this Policy; or
- * cancel this Policy in accordance with the provisions of the Insurance Contracts Act 1984 or Marine Act 1909.

7. **Cancelling Your Policy**

Your Policy may be cancelled by:

- (a) You at any time by notifying Us in writing. We will then refund to You any Premium for the unused Period of Insurance, less Our normal charges for short period insurance, or We will recover from You any Premium owing for the Period of Cover used.

After cancellation by You, We will be entitled to:

- (i) retain the pro rata premium for the period during which the policy has been in force; and
 - (ii) Ten per cent (10%) of the pro rata Premium as a cancellation fee; and
 - (iii) An administration fee.
- (b) Us in accordance with the provisions of the Insurance Contracts Act 1984 or the Marine Insurance Act 1909, whichever applies in the particular circumstances.
 - (c) A Premium Funding Company in accordance with the provisions of any power of attorney or other authority granted to them by You. Any Premium refund due will be sent to Your broker for this Policy or, if no broker, to the Premium Funding Company.

8. **Excesses**

A. At Our option the Excess is:

- (a) paid by You to Us when We request it; or
- (b) deducted from the amount We pay You; or
- (c) paid by You to Us if the claim is for damage to a third party's property; or
- (d) paid by You to the repairer when You pick up Your Goods after they have been repaired after an accident.

B. Unless otherwise stated in Your Policy, all Excesses, including Location Excess & Outside Radius Excess, are cumulative and apply to each claim.

9. **Policy Alterations**

The terms and conditions of Your Policy shall apply unless We agree in writing to any changes and We will not forego any of Our rights nor disregard any failure by You to comply unless We agree in writing to do so.

10. **Outstanding Debts**

We may reduce any payment We make under this Policy by way of settlement of any claim, return of Premium or otherwise by the amount of any Premium, Excess or other amount that You owe Us.

NOTES