

Steadfast Combined Cargo Policy



Combined cargo policy

This policy covers both transits within Australia and import/exports.

This policy is made of three (3) parts:

Part 1 – General conditions and definitions applicable to Part 2 and Part 3 of this policy including claims procedures for each part.

Part 2 – Transits within Australia, and

Part 3 – Imports/Exports.

Conditions of cover are detailed in each section of the policy

As Parts 2 and 3 may be subject to different laws (e.g. the Insurance Contracts Act and the Marine Insurance Act), each part (comprising the information contained in the policy schedule, in the policy wording and in any endorsement) must be read in conjunction with Part 1 as though it was a separate policy. The conditions of Co-Insurance or average do not apply to Part 2, but do apply to Part 3.

Important notices

Duty of disclosure

You have a legal duty of disclosure to us whenever you apply for, change or renew an insurance policy.

What you must tell us

You have a general duty to disclose to us everything that you know, or could reasonably be expected to know, is relevant to our decision whether to insure you, and, if we did, on what terms.

However, your duty does not require you to disclose anything:

- ▼ that reduces the risk to be taken by us;
- ▼ that is generally well known;
- ▼ that we know or, in the ordinary course of our business, ought to know; or
- ▼ in respect of which we have waived your duty.

Your general duty applies to renewals and changes

Your general duty applies in full when you renew an insurance policy or change an existing policy (including when you extend or reinstate it).

Who needs to tell us

It is important that you understand you are disclosing to us and answering our questions for yourself and anyone else you want to be covered by the policy.

If you do not tell us

If you do not answer our questions honestly or do not properly disclose to us, we may reduce or refuse to pay a claim or may cancel the policy. If you act fraudulently in answering our questions or not disclosing to us, we may refuse to pay a claim or treat the policy as never having existed.

General Insurance Code of Practice

We have adopted the General Insurance Code of Practice developed by the Insurance Council of Australia. The Code is designed to promote good relations and good insurance practice between Insurers, intermediaries and consumers. The Code sets out what we must do when dealing with you.

Please contact us if you want more information about the code.

Complaints resolution

If you have a complaint concerning this product or our services, please tell the people who provided your initial service. Or you can:

- ▼ Telephone: 1800 689 762 (FREE CALL)
- ▼ Fax: 1300 767 337
- ▼ Mail: Reply Paid 1453 Customer Relations Unit RE058,
GPO Box 1453 Brisbane QLD 4001 or
- ▼ Email: customer.relations@suncorp.com.au

What we will do to resolve your complaint

When you first let us know about your complaint or concern, we will review your complaint, consider the facts and attempt to resolve your complaint within a 24 hour period.

If we cannot resolve your complaint to your satisfaction, we will contact you within 5 working days to advise you that your complaint has been referred to our Internal Dispute Resolution team (unless you advise us that you no longer wish to pursue your complaint).

We will endeavour to send you our final decision within 15 working days from the date you first made your complaint. If we require further information, assessment or investigation of your complaint, we will contact you to agree on a reasonable alternative timeframe to resolve your complaint.

For more information on our complaints handling process, please contact us.

What if you are not satisfied

We expect our procedures will provide you with a fair and prompt resolution to your complaint. However if you are not satisfied with our final decision you may be able to take the complaint to mediation or arbitration. Legal action is also available.

Part 1 – Sections applicable to both parts 2 and 3 of the policy

Section 1 – Meanings of special words in this policy

In this policy certain words have special meanings. They have the same meanings wherever they appear. These words are:

“Insured” or **“you”** or **“your”** means the Insured named in the policy schedule.

“Underwriter” or **“we”** or **“our”** or **“us”** means the insurer, AAI Limited ABN 48 005 297 807 trading as Vero Insurance.

“claims excess” or **“excess”** means the amount you must pay towards a claim, as specified in the policy schedule.

“conveyances” means any ship, vessel, aircraft, postal service, rail and road transport used to transport the insured goods.

“goods” or **“insured goods”** means the goods specified in Parts 2 and 3, Section 2 – The Insured Goods.

Unless specifically listed in your policy schedule, or agreed in writing by us, we do not insure:

- (a) domestic furniture, household goods, personal effects,
- (b) frozen and/or chilled meat, seafood or foodstuffs,
- (c) works of art or antiques,
- (d) precious metals and stones, money (which means any coin or banknote), bullion, cheques, credit or other card sales vouchers, securities, shares, bonds, deeds, bills of exchange, or any documents that represent money,
- (e) plant, machinery and computers (which are not the primary insured goods) where the limit any one conveyance or location exceeds \$25,000,
- (f) tools of trade, portable data storage or communication devices including but not limited to computers, printers, scanners, readers, recorders, cameras or projectors, digital assistants, measuring devices and mobile telephones owned or used by you, your employees, travelling salesmen or agents.

“insured transit” means the transits specified in Parts 2 and 3, Section 1 – The Insured Transits and subject to the geographic limits set out in the policy schedule.

“limit of liability” means the limit of liability specified in the policy schedule.

“policy” means this policy wording, the current policy schedule, and any endorsement, all of which are to be read together.

“premium” means the premium specified in the current policy schedule, any endorsement premium and any adjustment in accordance with Part 1, Section 5 – General Conditions, Premium and Declarations, plus any applicable Government charges.

“subject-matter insured” as appearing in the Institute Clauses has the same meaning as “insured goods” as detailed above.

Section 2 – Agreement

We agree to provide you with the insurance as described in this policy, for the period of insurance shown in the policy schedule, and in return you agree to pay us the premium by dates advised to you.

Should there be any change in circumstances or any change in the nature of the risks which are the basis of the contract, you must advise us immediately and in writing. We will only be liable (to the extent of our legal entitlement) under this policy if we have agreed in writing to the change.

Section 3 – How much we will pay

3. 3.1 Claims we pay under this policy will have any excess deducted prior to settlement (The excess will be stated in the policy schedule).
- 3.2 If, at the time of any loss of or damage to the insured goods, there is any other current insurance, whether effected by you or by any other person or persons, covering the same goods, we will not be liable (where legally entitled) for more than the rateable proportion (having regard to the other insurances, whether Marine or Fire, and whether or not such other insurances are exempted from contributing either by the existence of this policy or any other policy) of such loss, damage, liability or expense.
- 3.3 The limit of liability shown in the policy schedule and the additional benefit limits shown in this policy apply to any one claim or series of claims arising from any one insured event.
- 3.4 Notwithstanding the payment provisions contained in this policy, we will pay the claimant or payee
 - 3.4.1 where the claimant or payee cannot claim an input tax credit in respect of the cost of repairs or replacement to make good the loss, the amount(s) payable as detailed in the policy, including the amount of any Goods and Services Tax (GST) due in respect of the payment, or
 - 3.4.2 where the claimant or payee can claim an input tax credit in respect of the cost of repairs or replacement to make good the loss, the amount(s) payable as detailed in this policy, less any input tax credits available to the claimant or payee in respect of the payment.
 - 3.4.3 The terms “GST” and “input tax credits” have the meaning given to them in A New Tax System (Goods and Services Tax) Act 1999.

Section 4 – Policy exclusions

4. 4.1 Institute Radioactive Contamination, Chemical, Biological, Bio Chemical & Electro Magnetic Weapons exclusion clause (clause 4.2) and Transit & Terrorism Clauses (clause 4.3) shall be paramount and shall override anything contained in this insurance inconsistent therewith. In the event of conflict between these two Clauses, the Institute Radioactive Contamination, Chemical, Biological, Bio Chemical & Electromagnetic Weapons exclusion clause (clause 4.2) shall prevail.
- 4.2 Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical & Electromagnetic Weapons Exclusion Clause 10/11/03.

In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from

- 4.2.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel,
- 4.2.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof,
- 4.2.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter,
- 4.2.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this Sub-Clause 4.2.4 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.
- 4.2.5 any chemical, biological, bio-chemical, or electromagnetic weapon.

4.3 Transit and Terrorism Clause

Notwithstanding any provision to the contrary contained in this policy or the Clauses referred to therein, it is agreed that in so far as the contract of insurance covers loss of or damage to the subject-matter insured caused by

any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted, or any person acting from a political, ideological or religious motive,

such cover is conditional upon the subject-matter insured being in the ordinary course of transit and, in any event, SHALL TERMINATE

either

- 4.3.1 as per Section 1 – The Insured Transits of Parts 2 and 3, or
- 4.3.2 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,

- 4.3.3 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 4.3.4 on delivery to any other warehouse or place of storage, which you elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 4.3.5 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit, or
 - 4.3.6 in respect of marine transits, on the expiry of 60 days after completion of discharge overseas of the subject-matter insured from the overseas vessel at the final port of discharge,
 - 4.3.7 in respect of air transits, on the expiry of 30 days after unloading the subject-matter insured from the aircraft at the final place of discharge
- whichever shall first occur.

- 4.4 If the contract of insurance or the clauses referred to therein specifically provide cover for inland or other further transits following on from storage, or termination as provided for above, cover will re-attach, and continues during the ordinary course of that transit terminating again in accordance with clause 4.3.

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

4.5 Sanction Limitation and Exclusion Clause 1.6.11

We shall not provide cover, and shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose us to any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

This insurance also does not cover

- 4.6 loss or damage that existed or occurred prior to the commencement of the insured transit,
- 4.7 loss or damage directly or indirectly as a result of mechanical, electrical or electronic breakdown or malfunction where there is no external evidence of damage in transit from an insured event,
- 4.8 loss or damage as a result of an act of war, whether or not war has been declared, whilst your property is not on board a ship, vessel or aircraft,
- 4.9 loss of market or consequential loss of any description, even if caused by any insured events.

Section 5 – General conditions

Acquired company clause

The Insured named in the policy schedule of this policy includes any company, subsidiary company or firm, formed, purchased or otherwise acquired by you during the period of insurance,

provided that you

1. hold a controlling interest in the company or firm or have agreed to accept responsibility for insurance,
2. advise us of your interest in the company or firm within sixty (60) days; and
3. declare to us the turnover or value of sendings, type of goods to be insured, past claims, and then pay any additional premium.

Automatic reinstatement clause

When we pay a claim under this policy, the limit of liability will be automatically reinstated without additional premium.

Premiums and declarations clause

The premium payable under this policy is based on the estimated figures provided by you for the period of insurance. Unless otherwise agreed,

1. 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 current policy schedule, and no adjustment or declaration of actual figures is required.
2. if the deposit premium is more than \$5,000, you must supply a declaration of actual figures within three months of the expiry of the period of insurance. An adjustment will be made to the deposit premium, based on rates agreed at the beginning of the policy period. If the adjusted premium exceeds the deposit premium, you agree to pay the difference to us by the date advised to you. If the adjusted premium is lower, we will pay the difference to you. However, we reserve the right to limit any such return premium to 25% of the original estimated annual premium, the balance being regarded as the minimum annual premium.

You agree that your declaration of actual figures will be the total value of goods insured by this policy, calculated in accordance with the basis of valuation contained in the policy schedule.

Subrogation clause

You agree to comply with the requirements set out in Part 1, Section 10 – Claims Procedures. When we settle a claim, we may endeavour to pursue recovery rights against the carrier or any other third party who caused loss or damage to the goods. You authorise us to act in your name in such recovery action, and undertake to give us reasonable assistance in such actions.

Waiver clause

Any measures you or we take to save, protect or recover the insured goods shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Section 6 – Extensions

Accumulation clause

In the event of an accumulation of Insured Goods during the ordinary course of transit:

- ▼ by reason of any interruption of transit;
- ▼ during transshipment; or
- ▼ after the arrival of the overseas vessel or conveyance at the port; or place of discharge; and

provided that the accumulation shall not have arisen from any circumstances within the control of the Insured, then, notwithstanding anything to the contrary, the maximum limit of liability under the policy shall be:

- ▼ twice the policy Limit of Liability stated in the policy schedule; or
- ▼ A\$5,000,000 (or such other amount as stated in the policy schedule)

whichever is the lesser.

The Insured must notify the Underwriter of all such cases of accumulation as soon as they are known to the Insured.

Additional Expenses clause – Clothing and fashion goods

Where the goods consist of Clothing and Fashion Goods and subject to the terms, exclusions, any provisions contained in the policy schedule and the limit of liability of this policy:

If we agree to pay a claim under Part 2 (Transits Within Australia) or Part 3 (Import/Exports), we will also pay up to \$50,000 (or as otherwise stated in the policy schedule) to reimburse Additional Expenses incurred by you that arise from the same event to expedite the remake and delivery of the clothing and fashion goods to the originally intended destination.

In no case will we be liable:

- ▼ where there is no reasonable expectation of remake and delivery occurring prior to any pre established or recorded launch, opening, application or festivity date.
- ▼ for re-styling, enhancement or upgrade to original specifications.

The Insured to bear 5% of all claims recoverable hereunder.

Definitions

“Clothing and Fashion Goods” – includes clothing [a covering designed to be worn on a person’s body], millinery items [hats and head wear], accoutrement [clothing that is worn or carried, but not part of your main clothing – does not include handbags and footwear].

“Additional Expenses” – the reasonable additional costs incurred to expedite the remake of the original clothing or fashion goods and deliver them to the originally intended destination. In calculating reasonable additional costs, we will take into account amounts which might exceed the declared value of the original production run due to replacement clothing or fashion goods incurring minimum production run costs and/or the need to expedite the remake due to a pre established or recorded launch, opening, application or festivity date.

Additional Expenses clause – Printed matter

Where the goods consist of Printed Matter and subject to the terms, exclusions, any provisions contained in the policy schedule and the limit of liability of this policy:

If we agree to pay a claim under Part 2 (Transits Within Australia) or Part 3 (Import/Exports), we will also pay up to \$50,000 (or as otherwise stated in the policy schedule) to reimburse Additional Expenses incurred by you that arise from the same event to expedite the reprinting and delivery of the Printed Matter to the originally intended destination.

In no case will we be liable:

- ▼ where there is no reasonable expectation of reprinting and delivery occurring prior to any pre established or recorded launch, application or festivity date.
- ▼ for re-shooting or re-taking images, or re-drafting, re-styling or upgrading artwork or any original data or material.

The Insured to bear 5% of all claims recoverable hereunder.

Definitions

“Printed Matter” – includes brochures, advertising fliers, magazines, catalogues, newsletters or similar interests.

“Additional Expenses” – the reasonable additional costs incurred to re-set, re-type or reprint the original printed matter and deliver to the originally intended destination. In calculating reasonable additional cost, we will take into account amounts which might exceed the original declared value of the original production run due to replacement printed matter incurring minimum production run costs and/or the need to expedite the reprint due to a pre established or recorded launch, application or festivity date.

Brands and labels clause

Any damaged goods bearing identifying brands or labels or other permanent markings, may be retained by you to dispose of as you see fit, provided a reasonable allowance is agreed for the value of the goods and this allowance is deducted from the claim settlement.

Where only the labels or packaging are affected, we will pay you only the cost to recondition and/or replace those labels or packaging.

Deck cargo clause

Insured goods carried in fully enclosed ISO containers to be insured in a similar manner to under deck cargo. Unless otherwise agreed all other deck cargo shall be subject to the Institute Cargo Clauses (B) including the risk of jettison and loss overboard of whole or part of the deck cargo.

Delayed unpacking clause – Limited to 90 days

It is agreed that where packages are not opened on arrival any concealed loss or damage caused by a peril insured under this policy which may become evident when the insured goods are unpacked shall be recoverable under this policy as long as

1. the insured goods are opened and inspected within a period of 90 days from the time the goods enter the warehouse or place of storage at the destination named in the policy, and,
2. the packages show no outward sign of loss or damage at the time of entry into the warehouse or place of storage.

In no case shall this cover extend to include any loss, damage or expense to such insured goods after arrival at the warehouse or place of storage at the destination.

Exchange rate clause

The exchange rate used by the Underwriter for any currency conversions applicable to declarations made under this policy will be the Spot Sell rate (as advised to us by our bank) applicable on the date of the Bill of Lading or Air Waybill.

General average and salvage clause

We will pay General Average and Salvage Charges in full even if the amount insured is less than the contributory value. It is a condition of this Clause that all insured goods shall be insured for not less than amounts calculated on the respective basis of valuation as nominated in the policy.

Replacement clause (used machinery)

Where the goods consists of used machinery, the Institute Replacement clause CL 372 1/12/2008 set out in Part 3 will apply to Parts 2 and 3 provided always that in no case shall the total liability of the Insurers exceed the amount insured pertaining to the used machinery specified in the policy schedule. If there is no specified insured amount for the used machinery, nor an agreed basis of valuation to establish same, the insured amount shall be (a) in the case of a purchase or sale, the purchase or sale price of the used machinery plus the cost of packing and transport; or (b) in the case of movement of the used machinery other than for the reason of purchase or sale, the written down book value or the current market value (whichever is the highest) of the used machinery.

Replacement by airfreight clause

If we agree to pay a claim under Part 2 or 3, we will also pay you:

- (a) in respect of loss or damage to machinery being imported into Australia, the reasonable costs of air freighting such replacement part or parts from the suppliers to the original destination, even if the original transit was not by airfreight, up to the greater of \$50,000 or 10% of the insured value of the damaged machinery where:
 - ▼ replacement of any part or parts is necessary to prevent interruption of the Insured’s business; and
 - ▼ repair or replacement to original shipped condition cannot otherwise be effected in Australia in the absence of such replacement parts;
- (b) in respect of loss or damage to parts not otherwise covered under paragraph (a) above, the cost of air freighting such replacement part or parts from suppliers to the original destination, even if the original transit was not by air freight, up to the greater of \$50,000 or 10% of the insured value of the damaged goods as calculated in accordance with Section 4.1 of either Part 2 or Part 3 (whichever applicable).

Sealed container clause

In respect of shipments per container, provided that documentary evidence is produced to substantiate the quantity loaded into a container the fact that the container’s seal is intact at unloading point shall not invalidate claims for theft, pilferage, shortage and non-delivery.

On settlement, the Insured shall work in conjunction with the Underwriter to pursue every reasonable course of recovery from the suppliers and/or the packers.

Strikes diversion expenses (sea shipments only)

The Underwriter shall be liable to the Insured for any additional expenditure only, incurred by the Insured for the Insured Goods, being over carried to or discharged at a port, other than the port of discharge under the contract of affreightment, if and only if;

- (a) The Shipowner or Charterers are exercising a liberty granted to them under the contract of affreightment; and
- (b) The liberty in (a) is solely a consequence of strikes, riots, civil commotions, lockouts or labour disturbance or consequences arising therefrom; and
- (c) The liberty in (a) is exercised prior to expiry of 15 days from midnight of the day on which the events in (b) cease to be in active operation; and
- (d) The expenditure by the Insured is payable irrespective of any other loss whether total or partially recoverable under the terms of any other insurance covering the Insured Goods.

Up to a Limit of \$50,000 any one claim or series of claims arising from any one loss or event.

Section 7 – Cancellation

You may cancel the policy at any time by giving us written notification. We may only cancel this policy when permitted to do so by law. The following notice periods apply

Transits within Australia	As per Insurance Contracts Act 1984	
Import/export	30 days	from midnight on the day of which the Notice of Cancellation is Issued.
War risk	7 days	
Strikes, riots and civil commotion risks	7 days	
But		
Strikes, riots and civil commotion risks in respect of shipments and/or sendings (if any) to and/or from the United States of America	48 hours	

You agree to provide us, within thirty (30) days of the cancellation, a declaration giving the actual value of the goods sent or received by you and insured under this policy. We will calculate and pay you any return premium due, after deduction of any minimum premium. However if the cancellation is due to insolvency or takeover of your company, consideration will be given to reducing the minimum premium depending on the circumstances, claims and our exposure during the policy period. Any additional premium payable by you on cancellation of the policy is payable to us by the date advised to you.

Section 8 – Privacy

AAI Limited trading as Vero Insurance is the insurer and issuer of your commercial insurance product, and is a member of the Suncorp Group, which we'll refer to simply as "the Group".

Why do we collect personal information?

Personal information is information or an opinion about an identified individual or an individual who is reasonably identifiable. We collect personal information so that we can:

- ▼ identify you and conduct appropriate checks;
- ▼ understand your requirements and provide you with a product or service;
- ▼ set up, administer and manage our products and services and systems, including the management and administration of underwriting and claims;
- ▼ assess and investigate any claims you make under one or more of our products;
- ▼ manage, train and develop our employees and representatives;
- ▼ manage complaints and disputes, and report to dispute resolution bodies; and
- ▼ get a better understanding of you, your needs, your behaviours and how you interact with us, so we can engage in product and service research, development and business strategy including managing the delivery of our services and products via the ways we communicate with you.

What happens if you don't give us your personal information?

If we ask for your personal information and you don't give it to us, we may not be able to provide you with any, some, or all of the features of our products or services.

How we handle your personal information

We collect your personal information directly from you and, in some cases, from other people or organisations.

We also provide your personal information to other related companies in the Group, and they may disclose or use your personal information for the purposes described in 'Why do we collect personal information?' in relation to products and services they may provide to you. They may also use your personal information to help them provide products and services to other customers, but they'll never disclose your personal information to another customer without your consent.

Under various laws we will be (or may be) authorised or required to collect your personal information. These laws include the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, Personal Property Securities Act 2009, Corporations Act 2001, Autonomous Sanctions Act 2011, Income Tax Assessment Act 1997, Income Tax Assessment Act 1936, Income Tax Regulations 1936, Tax Administration Act 1953, Tax Administration Regulations 1976, A New Tax System (Goods and Services Tax) Act 1999 and the Australian Securities and Investments Commission Act 2001, as those laws are amended and includes any associated regulations.

We will use and disclose your personal information for the purposes we collected it as well as purposes that are related, where you would reasonably expect us to. We may disclose your personal information to and/or collect your personal information from:

- ▼ other companies within the Group and other trading divisions or departments within the same company (please see our Group Privacy Policy for a list of brands/companies);
- ▼ any of our Group joint ventures where authorised or required;
- ▼ customer, product, business or strategic research and development organisations;
- ▼ data warehouse, strategic learning organisations, data partners, analytic consultants;
- ▼ social media and other virtual communities and networks where people create, share or exchange information;
- ▼ publicly available sources of information;
- ▼ clubs, associations, member loyalty or rewards programs and other industry relevant organisations;
- ▼ a third party that we've contracted to provide financial services, financial products or administrative services – for example:
 - ▼ information technology providers,
 - ▼ administration or business management services, consultancy firms, auditors and business management consultants,
 - ▼ marketing agencies and other marketing service providers,
 - ▼ claims management service providers
 - ▼ print/mail/digital service providers, and
 - ▼ imaging and document management services;
- ▼ any intermediaries, including your agent, adviser, a broker, representative or person acting on your behalf, other Australian Financial Services Licensee or our authorised representatives, advisers and our agents;
- ▼ a third party claimant or witnesses in a claim;
- ▼ accounting or finance professionals and advisers;
- ▼ government, statutory or regulatory bodies and enforcement bodies;
- ▼ policy or product holders or others who are authorised or noted on the policy as having a legal interest, including where you are an insured person but not the policy or product holder;
- ▼ in the case of a relationship with a corporate partner such as a bank or a credit union, the corporate partner and any new incoming insurer;
- ▼ the Financial Ombudsman Service or any other external dispute resolution body;
- ▼ credit reporting agencies;
- ▼ other insurers, reinsurers, insurance investigators and claims or insurance reference services, loss assessors, financiers;
- ▼ legal and any other professional advisers or consultants;
- ▼ hospitals and, medical, health or wellbeing professionals;
- ▼ debt collection agencies;
- ▼ any other organisation or person, where you've asked them to provide your personal information to us or asked us to obtain personal information from them, eg your mother.

We'll use a variety of methods to collect your personal information from, and disclose your personal information to, these persons or organisations, including written forms, telephone calls and via electronic delivery. We may collect and disclose your personal information to these persons and organisations during the information life cycle, regularly, or on an ad hoc basis, depending on the purpose of collection.

Overseas disclosure

Sometimes, we need to provide your personal information to – or get personal information about you from – persons or organisations located overseas, for the same purposes as in 'Why do we collect personal information?'

The complete list of countries is contained in our Group Privacy Policy, which can be accessed at www.vero.com.au/privacy, or you can call us for a copy.

From time to time, we may need to disclose your personal information to, and collect your personal information from, other countries not on this list. Nevertheless, we will always disclose and collect your personal information in accordance with privacy laws.

How to access and correct your personal information or make a complaint

You have the right to access and correct your personal information held by us and you can find information about how to do this in the Suncorp Group Privacy Policy.

The Policy also includes information about how you can complain about a breach of the Australian Privacy Principles and how we'll deal with such a complaint. You can get a copy of the Suncorp Group Privacy Policy. Please use the contact details in **Contact Us**.

Contact us

For more information about our privacy practices including accessing or correcting your personal information, making a complaint, or obtaining a list of overseas countries you can:

- ▼ Visit www.vero.com.au/privacy.
- ▼ Speak to us directly by phoning one of our Sales & Service Consultants on: 1300 888 073 or by
- ▼ Email us at claims@vero.com.au

Section 9 – Law and practice

This policy is subject to Australian law and jurisdiction

- ▼ Part 2 – Transits Within Australia is subject to the Insurance Contracts Act 1984,
 - ▼ Part 3 – Imports/Exports is subject to the Marine Insurance Act 1909,
- and any replacement legislation.

Section 10 – Claims procedures

These procedures are important.

Failure to follow them might jeopardise a claim under this policy.

In these procedures we use the term “carrier”. Where this term is used it means the party who caused (or is suspected of causing) the loss or damage for which you are claiming. That party might be a shipping company or its agent, container depot operator, stevedoring company, port authority, airline, customs or forwarding agent, railway operator, removalist, or road carrier.

If we accept liability for your claim we will settle it and look at attempting to obtain a recovery from the party responsible for the loss or damage.

For us to succeed in a recovery attempt, certain things need to be done immediately the loss or damage is discovered.

We may need your assistance in answering some queries or supplying documents, or possibly giving evidence if there is a recovery action. If that is the case, we will pay the reasonable costs associated with you giving that assistance.

Actions you need to take – Cargo delivery

When you receive a cargo delivery you will usually be asked to sign the delivery documentation and acknowledge that the consignment was received in good order and condition (this is called a clean receipt).

Before you do so, it is important that you inspect the cargo for signs of any tampering or damage. If the goods are in a containers, immediately inspect external surfaces for damage and inspect the door seals and rust spots for water leaks. Examine the locks and seals and compare the seal numbers with those listed on the shipping documents.

If damage or any discrepancy is apparent, note the extent and type of damage on the delivery documentation. If you suspect that there is damage, even if it is not obvious, add a note to say you are accepting the goods in apparent good order and condition.

Do not under any circumstance give a clean receipt if there is any evidence of damage or shortage.

Photographs of the damage are very helpful, including the goods, accident site, packaging, carriers' vehicle, and the internal and external container walls.

Actions you need to take – Cargo claims

1. Prevent Further Loss

Immediately take all reasonable measures to avoid or minimise any further loss or damage to the goods. The reasonable cost in doing this will be reimbursed by us under Part 2, Section 4 and Part 3, Section 4.

Any measures you or we take to save, protect or recover the insured goods shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

2. Advise Vero Insurance

Immediately advise our Claims Team toll-free on 1300 664201 that you have a transit loss.

Advise all details known to you including the time and location of the loss, and any circumstances that will assist us in investigating that loss.

Gather evidence and documentation to support your claim and provide it to us as soon as possible.

Complete and sign the appropriate claim form.

3. Retain Goods

Do not dispose of any damaged goods without first giving us the opportunity to inspect them.

If the goods have to be disposed of because they are a safety hazard or for other emergency reasons, please obtain a Disposal Certificate from the appropriate authority.

4. Hold Carrier Liable and provide prompt notice to carrier.

On receipt of suspect or damaged goods, note the extent and type of damage on the consignment note or similar document.

Within three (3) days lodge a written claim against the carrier (see below for letter) for any loss or damage. Even if you are unable to fully quantify the extent of damage, you should still write to the carrier within three days and advise the carrier that further details will be forwarded once the claim is quantified.

The most important point is to ensure they receive your written claim quickly.

Where you are the owner of the goods, send this letter to the carrier on YOUR letterhead within three (3) days of you first knowing of the loss or damage.

RE – Loss of/Damage to ...insert details of goods... on ...insert date of transit...

Consignment Note or Reference Number:

We wish to make a claim for lost/damage items from the transit between and

We hold your company responsible for the repairs or replacement of the following items:

(list items lost/damaged)

Please acknowledge this claim.

Information you need to provide

5. Receipts / documents

- ▼ Bill of Lading / Air Way bill;
- ▼ Local carriers consignment note with terms and conditions on reverse;
- ▼ Invoice for the purchase or sale (as applicable) of the goods;
- ▼ Copy of your claim against the carrier;
- ▼ Copy of carrier's reply (if and when received);
- ▼ Copy of any non-delivery, or short receipt, credit notes (if applicable);
- ▼ Documentation relating to outturn / receipt of goods;
- ▼ Police report number;
- ▼ Insurance Certificate;
- ▼ Copy of temperature records (as applicable);
- ▼ Invoices to confirm salvage sale price;
- ▼ Copy of any specific instructions given to the carrier.

6. Quotations

- ▼ Quote for repairs / replacement.

What we will do

1. Record the details of your loss.
2. If required, ask you for more information.
3. Appoint a surveyor to inspect the goods and gather information for us. You should co operate with the surveyor as this will assist in the handling of your claim.
4. Once your claim is approved and finalised we will pay you or another party as appropriate.

Part 2 – Transits within Australia

Section 1 – The insured transits

1. 1.1 The insured transits are only by the conveyances (as defined) and are those specified in the policy schedule commencing within the period of insurance shown in the policy schedule, and each insured transit:
 - 1.1.1 commences in respect of each item of goods when the item is first moved for the specific purpose of loading onto the vehicle for transit, to a destination outside the premises, and
 - 1.1.2 terminates either
 - (a) when each item of goods is delivered to the intended destination either; in the receiver's premises or such other place as you or the receiver may instruct, or
 - (b) on the expiry of seventy two hours after that item is unloaded from the final conveying vehicle,whichever shall first occur.
- 1.2 The insured transits exclude any period of dismantling, erection, commissioning, testing, or storage other than in the ordinary course of transit.
- 1.3 The insured transits shall include
 - 1.3.1 any insured goods at the risk of the Insured in transit to premises of any packer, whilst there being packed and awaiting shipment (up to a maximum of 90 days) and thence in transit to final destination.
 - 1.3.2 whilst at any exhibition or display, (other than in your owned or controlled premises) limited to a maximum of fourteen days and to a value of \$50,000 any one exhibition or display,
 - 1.3.3 any period where the goods are "shut out" from the conveyance or intended destination,
 - 1.3.4 any insured goods which have been "overcarried", until return to port of destination.

Section 2 – The insured goods

2. We insure
 - 2.1 the goods and or merchandise described in the policy schedule, including all retail and sales packaging,
 - 2.2 shipping containers in your care, custody or control, to the extent that you are legally liable to pay for any physical loss of or damage to the container/s, up to a limit of \$50,000 any one claim or series of claims arising from any one insured event,
 - 2.3 goods, of the kind described in the policy schedule, in which you as a buyer or seller retain a contingent financial interest, to the extent that
 - 2.3.1 the goods are lost or damaged, and the loss or damage would be covered under this policy, and
 - 2.3.2 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
 - 2.3.3 you have taken all reasonable steps to safeguard the goods and to recover payment from the other party

It is a condition of this Clause 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.

If included in your policy schedule, we also insure

- 2.4 Traveller's samples in transit while in your or your employee's care, custody and physical control. We will not insure traveller's samples left unattended (by you or your employee) except for those held temporarily in a secured and locked motor vehicle or secured and locked accommodation.

The most we will pay:

- ▼ in relation to traveller's samples in a motor vehicle, is up to a limit of \$25,000 for any one vehicle or series of vehicles arising from any one insured event and up to a maximum of five vehicles in the aggregate;
- ▼ in relation to traveller's samples in accommodation, is up to a limit of \$25,000 in the aggregate for such claims;
- ▼ for all other claims payable under this clause 2.4, is up to a limit of \$25,000 any one claim or series of claims arising from any one insured event;

or as otherwise stated in the policy schedule.

- 2.5 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,
- 2.6 stock transfers.

Section 3 – The insured events

- 3. 3.1 Subject to the terms and exclusions of this policy, this insurance covers accidental physical loss of or damage to the goods during the insured transits, including
 - 3.1.1 that caused by strikers, locked-out workers or persons taking part in labour disturbances, riots or civil commotions,
 - 3.1.2 malicious damage, unless caused or directed by you,
 - 3.1.3 that caused by insufficiency or unsuitability of packing or preparation of the goods, unless such was caused, directed or agreed by you.
- 3.2 If the insured transit is by sea or air, this policy further covers where applicable
 - 3.2.1 any General Average and or Salvage contribution that you are required to pay under any Bill of Lading or similar document,
 - 3.2.2 physical loss or damage to the goods, caused by washing overboard; jettison; collision, grounding, sinking, capsizing of the vessel; or General Average Sacrifice,
 - 3.2.3 physical loss or damage to the goods, caused by war or warlike activities, which means invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or civil strife following any of these whilst the insured goods are on board the carrying vessel or aircraft.

Section 4 – How much we will pay

- 4. 4.1 Subject to the terms, exclusions, any provisions contained in the policy schedule and the limit of liability of this policy, at our option we will pay you, repairers or other parties agreed with you
 - 4.1.1 for goods other than plant, machinery, computers and the like, the lesser of
 - 4.1.1.1 the cost of repairing or reinstating the 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), or
 - 4.1.1.2 the invoice value covering the goods whilst in transit (including freight if separately invoiced to the receiver of the goods), or
 - 4.1.1.3 if there is no invoice value, the cost of replacing the goods with similar goods of the same age and condition or as near as possible to that age and condition.
 - 4.1.2 for plant, machinery, computers and the like (up to five years old), the lesser of
 - 4.1.2.1 the cost of repairing or reinstating the goods to a condition equal to but no better or more extensive than when new (including the reasonable costs of any necessary overtime), or
 - 4.1.2.2 in the case of a purchase or sale, the purchase or sale price plus the cost of packing and transport, or
 - 4.1.2.3 in the case of movement of return goods (inwards or outwards), stock transfers, and movement of goods other than for the reason of purchase or sale, we will pay the new replacement cost or, if not available, as near as possible to the same make, model and specifications as is available.
 - 4.1.3 for plant, machinery, computers and the like (more than five years old), the lesser of
 - 4.1.3.1 the cost of repairing or reinstating the 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), or
 - 4.1.3.2 in the case of a purchase or sale, the purchase or sale price plus the cost of packing and transport. However, in the case of movement of return goods (inwards or outwards), stock transfers, and movement of goods other than for the reason of purchase or sale, we will pay the greater of the written down book value in your books of account or the current market value.
- 4.2 If we agree to pay a claim, we will also pay you the following additional benefits (if you are required to pay these costs)
 - 4.2.1 the reasonable costs and expenses incurred in cleaning up or decontaminating your premises following the delivery or return of salvaged goods, plus the cost of transport and disposal costs to remove those goods, up to a limit of \$100,000 any one accident or series of accidents arising from any one insured event,
 - 4.2.2 clean up and disposal costs at any accident site, where you are legally or contractually obliged to pay those costs, up to a limit of \$100,000 any one accident or series of accidents arising from any one insured event,
 - 4.2.3 any additional freight or salvage charges that you are required to pay to remove your goods from any accident site, including the cost of transport to forward the goods to their intended destination or to return the goods to the place from which they were despatched, and
 - 4.2.4 the reasonable costs paid by you to avoid or minimise any further loss or damage to the goods.
- 4.3 If the insured transit is interrupted or terminated due to the insolvency or financial default of the carrier, whether or not loss or damage has been occasioned 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.

Part 3 – Import/exports

Section 1 – The insured transits

1. 1.1 The insured transits are as detailed in the Transit Clause of the appropriate Institute Clause, and within the geographic limits set out in the policy schedule.
- 1.2 The Transit Clause of the Institute Cargo Clauses (A) – clause 8.1, the Institute Strikes Clauses (Cargo) – clause 5.1, the Institute Cargo Clauses (B) – clause 8.1, Institute Cargo Clauses (Air) – clause 6.1 and the Institute Strikes Clauses (Air Cargo) – clause 4.1, amended so that;
 - 1.2.1 commences in respect of each item of goods when the item is first moved for the specific purpose of loading on to the conveying vehicle for transit to a destination outside the premises, continues during the ordinary course of transit and
 - 1.2.2 terminates either
 - (a) when each item of goods is delivered to the intended destination either; in the receivers premises or such other place as the receiver may instruct; or
 - (b) seventy two hours after unloading from the final conveying vehicle in or at the final warehouse or place of storage at the destination namedwhichever shall first occur.
- 1.3 The insured transits shall include
 - 1.3.1 any insured goods at the risk of the Insured in transit to the premises of any packer, whilst there being packed and awaiting shipment (up to a maximum of 90 days) and thence in transit to final destination.
 - 1.3.2 whilst at any exhibition or display, (other than in your owned or controlled premises) limited to a maximum of fourteen days and to a value of \$50,000 any one exhibition or display.
 - 1.3.3 any insured goods which have been “shut out” from the intended vessel, whilst waiting on the wharf, quay or pier or transfer to and whilst at another wharf, quay or pier and by such forwarding conveyances subject to the Insured notifying the Underwriter as soon as they become aware of such an event.
 - 1.3.4 any insured goods which have been “overcarried”, until return to port of destination.In all other respects the termination provisions contained in the above mentioned Clauses shall apply.

Section 2 – The insured goods

2. We insure
 - 2.1 the goods and or merchandise described in the policy schedule, including all retail and sales packaging,
 - 2.2 shipping containers in your care, custody or control, to the extent that you are legally liable to pay for any physical loss of or damage to the container/s,
- If included in your policy schedule, we also insure
- 2.3 traveller’s samples in transit in your or your employee’s care, custody and control, up to a limit of \$10,000 any one claim or series of claims arising from any one insured event,
 - 2.4 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,
 - 2.5 stock transfers.

Section 3 – The insured events

Unless otherwise stated in the policy schedule, all insured shipments are subject to the following clauses.

Sea transits

Institute Cargo Clauses (A) 1/1/09

Institute Strikes Clauses (Cargo) 1/1/09

Institute War Clauses (Cargo) 1/1/09

Institute Theft, Pilferage and Non-Delivery clause 1/12/82

Institute Replacement Clause 1/12/2008 as amended by the Replacement Clause (Used Machinery) contained in Part 1 Section 6 insofar as the goods consist of used machinery.

Institute Classification Clause 1/01/2001

Air transits

Institute Cargo Clauses (Air) 1/1/09

Institute Strikes Clauses (Air Cargo) 1/1/09

Institute War Clauses (Air Cargo) (excluding sendings by post) 1/1/09

Institute Theft, Pilferage and Non-Delivery clause 1/12/82

Institute Replacement Clause 1/12/2008 as amended by the Replacement Clause (Used Machinery) contained in Part 1 Section 6 insofar as the goods consist of used machinery.

Postal transits

Institute Cargo Clauses (A) 1/1/09

Institute Cargo Clauses (Air) (excluding sending's by Post) 1/1/09 amended to include postal sending's.

Institute Strikes Clauses (Cargo) 1/1/09

Institute War Clause (sending's by post) 1/3/09 not applicable to postal sending's within Australia

Institute Theft, Pilferage and Non-Delivery clause 1/12/82

Institute Replacement Clause 1/12/2008

Section 4 – How much we will pay

4. 4.1 Subject to the terms, exclusions, any provisions contained in the policy schedule and the limit of liability of this policy, we will pay claims in accordance with the Basis of Valuation shown in the policy schedule.
- 4.2 Claims under this policy are subject to the application of average or underinsurance.
- 4.3 If we agree a claim, we will also pay you the reasonable costs paid by you to avoid or minimise any further loss or damage to the goods.

Section 5 – Extensions

(unless shown to the contrary, applicable to both imports and exports)

CIF purchases/difference in conditions clause (applicable to imports only).

Where the insured goods are purchased on CIF (Cost, Insurance and Freight) or similar terms, pursuant to which the supplier is required to effect insurance noting your interests and the supplier or the supplier's agent:

1. [wilfully but without your knowledge or inadvertently or negligently] fails to effect such insurance and there are no other policies of insurance effected by or on behalf of the supplier which would cover the insured goods; or
2. effects insurance with less coverage than was required by you as notified in writing by you to the supplier at or before the time the goods were purchased; or
3. effects insurance which in whole becomes inoperative, for example due to the insolvency of the insurer;

the insured goods shall be covered on the terms of this policy and, subject to the limit of liability, to the extent of any difference in cover where the supplier effected a policy as referred to in paragraph 2 above, provided that:

- ▼ the failure to effect insurance by the supplier was not due to any act or omission on your part; and
- ▼ in relation to paragraph 2 above, you had not provided your approval to the terms of the insurance obtained by the supplier.

Claims recoverable under this clause are subject to the following:

- ▼ You continue to protect and take reasonable steps to pursue all legally enforceable means to recover the full amount of the loss or damage from the supplier in accordance with the terms of purchase before claiming on this policy;

▼ Following settlement under this extension, the Underwriter will be subrogated to all rights and remedies of the Insured.

▼ You assist in all aspects of the recovery action both before and following settlement.

The Insured must notify the Underwriter upon receiving a request from the seller or any other interested party to be provided with a copy of this policy.

Debris removal clause

If we pay a claim under this policy the cover is extended to include the cost of removal and disposal of damaged, deteriorated or contaminated insured goods and the cost of cleaning up or decontaminating the premises, location or conveyance. Our limit of liability under this clause is limited to \$100,000 any one claim or series of claims arising from any one loss or event.

Duty payable clause (applicable to imports into Australia only)

Where noted in the basis of valuation contained in this policy and/or policy schedule, this policy is hereby extended to include the amount of any import duty and/or taxes paid or payable by the Insured in respect of the insured goods.

The Insured agrees to include in their declaration to the Underwriter the amount of import duty and/or taxes paid and/or payable on all imports insured under this policy, the premium on same to be charged at the agreed rate.

Following a claim under this policy the Insured will, in all cases, use reasonable efforts to obtain abatement or refunds of import duty and/or taxes paid in respect of such claim. Any such abatement or refund achieved is to inure to the benefit of the Underwriter, provided same does not exceed the amount paid in the claims settlement in respect of such import duty and/or taxes.

Nothing in this Clause shall increase the limit of liability expressed in this policy and/or policy schedule.

FOB and CFR pre-shipment clause (applicable to imports into Australia only).

Notwithstanding the customary application to possessory title or legal ownership under FOB or CFR sales terms, in the event that the Insured and/or the Underwriter is unable to establish when the occurrence giving rise to loss or damage to the goods insured hereunder took place, or where the Insured is unable to obtain compensation from the supplier or other parties following reasonable and concerted efforts, then this insurance is extended to indemnify the Insured for such loss or damage occasioned by an insured peril from the time the insured goods leave the warehouse or place of storage at the point of departure.

Following settlement under this extension, the Underwriter is to be subrogated to any rights of recovery there may be but limited to the amount of their indemnity.

Fumigation expenses

If we agree to pay a claim under Part 3 (Import/Exports), we will also pay up to \$50,000 (or such amount as otherwise stated in the policy schedule) to reimburse Fumigation and/or Quarantine expenses incurred by you to the extent:

1. The expenses relate to fumigation or quarantine of insured goods that are the subject of a written order as referred to in paragraph 2 below;
2. That the fumigation or quarantine is required under a written order from the relevant quarantine authority of the country where the insureds goods will be unloaded, following an inspection by the relevant quarantine authority; and
3. The fumigation and/or quarantine expenses arise from the same event as that giving rise to the claim under Part 3 Imports/Exports.

In no case will we be liable:

- ▼ For loss of market, or consequential loss of any description;
- ▼ Customary fumigation;
- ▼ For loss of or damage to the goods caused by fumigation; or
- ▼ Fines and/or penalties.

Definitions

"Fumigation and/or Quarantine Expenses" – the cost of actual fumigation, quarantine charges relating thereto, transportation and storage expenses.

"Customary Fumigation" – the routine and customary act of fumigation of a product, cargo conveyance, container, packaging or dunnage whether required by the relevant quarantine authority or otherwise, but does include fumigation required under a written notice issued by the relevant quarantine authority following an inspection.

Sellers contingency clause

This policy is extended to include the interest of the Insured as seller of goods in respect of those consignments sold on FOB (Free on board) or CFR (Cost & Freight) terms during the currency of the policy, such that those goods become Insured Goods under Part 3, Section 2. The cover attaches on the same conditions of insurance as would have been applied had the sale been effected on CIF (Cost, Insurance & Freight) terms.

Cover is subject to one or more of the following contingencies occurring:

- (a) the buyer fails or refuses to accept the shipping documents;
- (b) the buyer fails or refuses to accept the goods;
- (c) the Insured exercises a lien on the goods, or interrupts their transit or suspend the sale contract whilst the goods are in transit, when this is reasonable to safeguard their interest;
- (d) the buyer refuses to pay for the goods on the grounds that they have been lost or damaged prior to completion of sale formalities and total payment for the goods has not been received.

The cover will terminate when:

- ▼ the Insured receives payment in accordance with the terms of the contract of sale which for the purpose of this insurance, is deemed to form part of this contract;
- ▼ the buyer accepts the goods; or
- ▼ at time of sale or where the Insured's interest in the goods passes to another party; or
- ▼ 60 days from the arrival of the vessel at the port of discharge

whichever shall first occur.

The Insured must use all reasonable and usual care, skill and forethought and take all practical measures, including those measures which may be required by the Underwriter to prevent or minimise loss, and to enforce the contract of sale.

All rights and benefits against the buyer and/or the buyers' Insurers, and/or carrier(s) and/or other persons are to be subrogated to the Underwriter.

The Insured must advise the Underwriter immediately of the occurrence of any of the above contingencies (a) to (d), this cover will be maintained during any delay and/or deviation as a direct result of any of these contingencies, but is subject to an additional premium to be agreed at the time of notification.

This overrides any Term, Condition or Clause to the contrary in this Policy or in the Institute Clauses incorporated herein by reference.

This insurance and any monies payable under it are not assignable without the written consent of the Underwriter.

Claims in respect of loss of or damage to the Insured Goods shall be payable hereunder only if and to the extent that the buyer fails to pay for such loss or damaged goods.

It is a condition of this Clause that the existence of this contingency insurance will not be revealed to the buyer or to any other party interested in the consignment.

War and strikes variation clause

The premium and rates quoted/charged are inclusive of the war and strikes rates charged by us as at the attachment date of the policy.

As war and strikes exposures may vary during the currency of the policy, we reserve the right to vary the war and strikes rates at any time by giving the Insured (or their broker/agent or representative) 7 days notice in writing of any such variation.

Any variation in premium will be calculated by deducting the rate charged at the commencement of the policy from the new rate and applying the difference to the exposed turnover. The method of payment for any difference in premium will be advised as part of the notice to amend war and strikes rates.

Nothing contained herein shall vary the cancellation provisions of this policy.

Institute cargo clauses (A)

Risks covered

Risks

1. This insurance covers all risks of loss of or damage to the subject-matter insured except as excluded by the provisions of Clauses 4, 5, 6 and 7 below.

General average

2. This insurance covers general average and salvage charges, adjusted or determined according to the contract of carriage and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 4, 5, 6 and 7 below.

“Both to blame collision clause”

3. This insurance indemnifies the Assured, in respect of any risk insured herein, against liability incurred under any Both to Blame Collision Clause in the contract of carriage. In the event of any claim by carriers under the said Clause, the Assured agree to notify the Insurers who shall have the right, at their own cost and expense, to defend the Assured against such claim.

Exclusions

4. In no case shall this insurance cover
 - 4.1 loss damage or expense attributable to wilful misconduct of the Assured,
 - 4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured,
 - 4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses “packing” shall be deemed to include stowage in a container and “employees” shall not include independent contractors),
 - 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured,
 - 4.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above),
 - 4.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage.
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 4.7 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
 5. 5.1 In no case shall this insurance cover loss damage or expense arising from
 - 5.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein,
 - 5.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.
 - 5.2 Exclusion 5.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 5.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.
6. In no case shall this insurance cover loss damage or expense caused by
 - 6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power,
 - 6.2 capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat,
 - 6.3 derelict mines torpedoes bombs or other derelict weapons of war.

7. In no case shall this insurance cover loss damage or expense
 - 7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions,
 - 7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions,
 - 7.3 caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted,
 - 7.4 caused by any person acting from a political, ideological or religious motive.

Duration

Transit clause

8. 8.1 Subject to Clause 11 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit,
continues during the ordinary course of transit
and terminates either
 - 8.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,
 - 8.1.2 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 8.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit, or
 - 8.1.4 on the expiry of 60 days after completion of discharge overseas of the subject-matter insured from the overseas vessel at the final port of discharge, whichever shall first occur.
- 8.2 If, after discharge overseas from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 8.1.1 to 8.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 8.3 This insurance shall remain in force (subject to termination as provided for in Clauses 8.1.1 to 8.1.4 above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, re-shipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

Termination of contract of carriage

9. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 8 above, then this insurance shall also terminate unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers, either
 - 9.1 until the subject-matter insured is sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the subject-matter insured at such port or place, whichever shall first occur,
or
 - 9.2 if the subject-matter insured is forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 8 above.

Change of voyage

10. 10.1 Where, after attachment of this insurance, the destination is changed by the Assured, this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.

- 10.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 8.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

Claims

Insurable interest

11. 11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 11.2 Subject to Clause 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Forwarding charges

12. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a port or place other than that to which the subject-matter insured is covered under this insurance, the Insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject-matter insured to the destination to which it is insured.

This Clause 12, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 4, 5, 6 and 7 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their employees.

Constructive total loss

13. No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter insured to the destination to which it is insured would exceed its value on arrival.

Increased value

14. 14.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

- 14.2 Where this insurance is on Increased Value the following clause shall apply

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

Benefit of insurance

15. This insurance

15.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,

15.2 shall not extend to or otherwise benefit the carrier or other bailee.

Minimising losses

Duty of assured

16. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

16.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and

16.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

17. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Avoidance of delay

18. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

Law and practice

19. This insurance is subject to Australian law and practice.

NOTE: Where a continuation of cover is requested under Clause 9, or a change of destination is notified under Clause 10, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

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CL382

01/01/2009

Institute cargo clauses (B)

Risks covered

Risks

1. This insurance covers, except as excluded by the provisions of Clauses 4, 5, 6 and 7 below,
 - 1.1 loss of or damage to the subject-matter insured reasonably attributable to
 - 1.1.1 fire or explosion,
 - 1.1.2 vessel or craft being stranded grounded sunk or capsized,
 - 1.1.3 overturning or derailment of land conveyance,
 - 1.1.4 collision or contact of vessel craft or conveyance with any external object other than water,
 - 1.1.5 discharge of cargo at a port of distress,
 - 1.1.6 earthquake volcanic eruption or lightning.
 - 1.2 loss of or damage to the subject-matter insured caused by
 - 1.2.1 general average sacrifice,
 - 1.2.2 jettison or washing overboard,
 - 1.2.3 entry of sea lake or river water into vessel craft hold conveyance container or place of storage.
 - 1.3 total loss of any package lost overboard or dropped whilst loading on to, or unloading from, vessel or craft.

General average

2. This insurance covers general average and salvage charges, adjusted or determined according to the contract of carriage and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 4, 5, 6 and 7 below.

"Both to blame collision clause"

3. This insurance indemnifies the Assured, in respect of any risk insured herein, against liability incurred under any Both to Blame Collision Clause in the contract of carriage. In the event of any claim by carriers under the said Clause, the Assured agree to notify the Insurers who shall have the right, at their own cost and expense, to defend the Assured against such claim.

Exclusions

4. In no case shall this insurance cover
 - 4.1 loss damage or expense attributable to wilful misconduct of the Assured,
 - 4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured,
 - 4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors),
 - 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured,
 - 4.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above),
 - 4.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage. This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 4.7 deliberate damage to or deliberate destruction of the subject-matter insured or any part thereof by the wrongful act of any person or persons,
 - 4.8 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

5. 5.1 In no case shall this insurance cover loss damage or expense arising from
 - 5.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein,
 - 5.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.
- 5.2 Exclusion 5.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 5.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.
6. In no case shall this insurance cover loss damage or expense caused by
 - 6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power,
 - 6.2 capture seizure arrest restraint or detainment, and the consequences thereof or any attempt thereat,
 - 6.3 derelict mines torpedoes bombs or other derelict weapons of war.
7. In no case shall this insurance cover loss damage or expense
 - 7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions,
 - 7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions,
 - 7.3 caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted,
 - 7.4 caused by any person acting from a political, ideological or religious motive.

Duration

Transit clause

8. 8.1 Subject to Clause 11 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either
 - 8.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,
 - 8.1.2 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 8.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit, or
 - 8.1.4 on the expiry of 60 days after completion of discharge overseas of the subject-matter insured from the overseas vessel at the final port of discharge, whichever shall first occur.
- 8.2 If, after discharge overseas from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 8.1.1 to 8.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 8.3 This insurance shall remain in force (subject to termination as provided for in Clauses 8.1.1 to 8.1.4 above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transhipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

Termination of contract of carriage

9. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 8 above, then this insurance shall also terminate unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers, either
- 9.1 until the subject-matter insured is sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the subject-matter insured at such port or place, whichever shall first occur, or
- 9.2 if the subject-matter insured is forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 8 above.

Change of voyage

10. 10.1 Where, after attachment of this insurance, the destination is changed by the Assured, this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.
- 10.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 8.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

Claims

Insurable interest

11. 11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 11.2 Subject to Clause 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Forwarding charges

12. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a port or place other than that to which the subject-matter insured is covered under this insurance, the Insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject-matter insured to the destination to which it is insured.
- This Clause 12, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 4, 5, 6 and 7 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their employees.

Constructive total loss

13. No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter insured to the destination to which it is insured would exceed its value on arrival.

Increased value

14. 14.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.
- In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.
- 14.2 Where this insurance is on Increased Value the following clause shall apply
- The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.
- In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

Benefit of insurance

15. This insurance

15.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,

15.2 shall not extend to or otherwise benefit the carrier or other bailee.

Minimising losses

Duty of assured

16. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

16.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and

16.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

17. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Avoidance of delay

18. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

Law and practice

19. This insurance is subject to Australian law and practice.

NOTE: Where a continuation of cover is requested under Clause 9, or a change of destination is notified under Clause 10, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

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CL383

01/01/2009

Institute strikes clauses (cargo)

Risks covered

Risks

1. This insurance covers, except as excluded by the provisions of Clauses 3 and 4 below, loss of or damage to the subject-matter insured caused by
 - 1.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions,
 - 1.2 any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted,
 - 1.3 any person acting from a political, ideological or religious motive.

General average

2. This insurance covers general average and salvage charges, adjusted or determined according to the contract of carriage and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from a risk covered under these Clauses.

Exclusions

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured,
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured,
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors),
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured,
 - 3.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above),
 - 3.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract,
 - 3.7 loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion,
 - 3.8 any claim based upon loss of or frustration of the voyage or adventure,
 - 3.9 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter,
 - 3.10 loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.
4. 4.1 In no case shall this insurance cover loss damage or expense arising from
 - 4.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein,
 - 4.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.
- 4.2 Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 4.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

Duration

Transit clause

5. 5.1 Subject to Clause 8 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either
 - 5.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,
 - 5.1.2 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution,or
 - 5.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit, or
 - 5.1.4 on the expiry of 60 days after completion of discharge overseas of the subject-matter insured from the overseas vessel at the final port of discharge,whichever shall first occur.
- 5.2 If, after discharge overseas from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 5.1.1 to 5.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 5.3 This insurance shall remain in force (subject to termination as provided for in Clauses 5.1.1 to 5.1.4 above and to the provisions of Clause 6 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

Termination of contract of carriage

6. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 5 above, then this insurance shall also terminate unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers, either
 - 6.1 until the subject-matter insured is sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the subject-matter insured at such port or place, whichever shall first occur,or
 - 6.2 if the subject-matter insured is forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 5 above.

Change of voyage

7. 7.1 Where, after attachment of this insurance, the destination is changed by the Assured, this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.
- 7.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 5.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

Claims

Insurable interest

8. 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 8.2 Subject to Clause 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Increased value

9. 9.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

- 9.2 Where this insurance is on Increased Value the following clause shall apply

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

Benefit of insurance

10. This insurance

10.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,

10.2 shall not extend to or otherwise benefit the carrier or other bailee.

Minimising losses

Duty of assured

11. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

11.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and

11.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

12. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Avoidance of delay

13. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

Law and practice

14. This insurance is subject to Australian law and practice.

NOTE: Where a continuation of cover is requested under Clause 6, or a change of destination is notified under Clause 7, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

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CL386

01/01/2009

Institute war clauses (cargo)

Risks covered

Risks

1. This insurance covers, except as excluded by the provisions of Clauses 3 and 4 below, loss of or damage to the subject-matter insured caused by
 - 1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power,
 - 1.2 capture seizure arrest restraint or detainment, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat,
 - 1.3 derelict mines torpedoes bombs or other derelict weapons of war.

General average

2. This insurance covers general average and salvage charges, adjusted or determined according to the contract of carriage and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from a risk covered under these Clauses.

Exclusions

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured,
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured,
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors),
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured,
 - 3.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above),
 - 3.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage,
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract,
 - 3.7 any claim based upon loss of or frustration of the voyage or adventure,
 - 3.8 loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
4. 4.1 In no case shall this insurance cover loss damage or expense arising from
 - 4.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein,
 - 4.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.
- 4.2 Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 4.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

Duration

Transit clause

5. 5.1 This insurance
- 5.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on an overseas vessel
and
- 5.1.2 terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is discharged from an overseas vessel at the final port or place of discharge,
or
on expiry of 15 days counting from midnight of the day of arrival of the vessel at the final port or place of discharge,
whichever shall first occur;
nevertheless,
subject to prompt notice to the Insurers and to an additional premium, such insurance
- 5.1.3 reattaches when, without having discharged the subject-matter insured at the final port or place of discharge, the vessel sails therefrom,
and
- 5.1.4 terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the vessel at the final (or substituted) port or place of discharge,
or
on expiry of 15 days counting from midnight of the day of re-arrival of the vessel at the final port or place of discharge or arrival of the vessel at a substituted port or place of discharge,
whichever shall first occur.
- 5.2 If during the insured voyage the overseas vessel arrives at an intermediate port or place to discharge the subject-matter insured for on-carriage by overseas vessel or by aircraft, or the subject-matter insured is discharged from the vessel at a port or place of refuge, then, subject to 5.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the vessel at such port or place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying overseas vessel or aircraft. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such port or place. If the subject-matter insured is on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 5.2
- 5.2.1 where the on-carriage is by overseas vessel this insurance continues subject to the terms of these Clauses,
or
- 5.2.2 where the on-carriage is by aircraft, the current Institute War Clauses (Air Cargo) (excluding sendings by Post) shall be deemed to form part of the contract of insurance and shall apply to the on-carriage by air.
- 5.3 If the voyage in the contract of carriage is terminated at a port or place other than the destination agreed therein, such port or place shall be deemed the final port of discharge and this insurance terminates in accordance with 5.1.2. If the subject-matter insured is subsequently reshipped to the original or any other destination, then provided notice is given to the Insurers before the commencement of such further transit and subject to an additional premium, this insurance reattaches
- 5.3.1 in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying vessel for the voyage,
- 5.3.2 in the case of the subject-matter not having been discharged, when the vessel sails from such deemed final port of discharge,
thereafter this insurance terminates in accordance with 5.1.4.
- 5.4 The insurance against the risks of mines and derelict torpedoes, floating or submerged, is extended whilst the subject-matter insured or any part thereof is on craft whilst in transit to or from the overseas vessel, but in no case beyond the expiry of 60 days after discharge from the overseas vessel unless otherwise specially agreed by the Insurers.

- 5.5 Subject to prompt notice to Insurers, and to an additional premium if required, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

(For the purpose of Clause 5

“arrival” shall be deemed to mean that the vessel is anchored, moored or otherwise secured at a berth or place within the Harbour Authority area. If such a berth or place is not available, arrival is deemed to have occurred when the vessel first anchors, moors or otherwise secures either at or off the intended port or place of discharge.

“oversea vessel” shall be deemed to mean a vessel carrying the subject-matter from one port or place to another where such voyage involves a sea passage by that vessel).

Change of voyage

6. 6.1 Where, after attachment of this insurance, the destination is changed by the Assured, this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.
- 6.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 5.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.
7. Anything contained in this contract which is inconsistent with Clauses 3.7, 3.8 or 5 shall, to the extent of such inconsistency, be null and void.

Claims

Insurable interest

8. 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 8.2 Subject to Clause 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Increased value

9. 9.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.
- In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.
- 9.2 Where this insurance is on Increased Value the following clause shall apply
- The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.
- In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

Benefit of insurance

10. This insurance

- 10.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,
- 10.2 shall not extend to or otherwise benefit the carrier or other bailee.

Minimising losses

Duty of assured

11. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

11.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and

11.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

12. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Avoidance of delay

13. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

Law and practice

14. This insurance is subject to Australian law and practice.

NOTE: Where a reattachment of cover is requested under Clause 5, or a change of destination is notified under Clause 6, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

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CL385

01/01/2009

Institute theft, pilferage and non-delivery clause (For use only with institute clauses)

In consideration of an additional premium, it is hereby agreed that this insurance covers loss of or damage to the subject-matter insured caused by theft or pilferage, or by non-delivery of an entire package, subject always to the exclusions contained in this insurance.

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01/12/82

Institute replacement clause

In the event of loss of or damage to any part(s) of an insured machine or other manufactured item consisting of more than one part caused by a peril covered by this insurance, the sum recoverable shall not exceed the cost of replacement or repair of such part(s) plus labour for (re)fitting and carriage costs. Duty incurred in the provision of replacement or repaired part(s) shall also be recoverable provided that the full duty payable on the insured machine or manufactured item is included in the amount insured.

The total liability of Insurers shall in no event exceed the amount insured of the machine or manufactured item.

CL372

01/12/2008

Institute classification clause 01/01/2001

Qualifying vessels

1. This insurance and the marine transit rates as agreed in the policy or open cover apply only to cargoes and/or interests carried by mechanically self-propelled vessels of steel construction classed with a Classification Society which is
 - 1.1 a Member or Associate Member of the International Association of Classification Societies (IACS), or
 - 1.2 a National Flag Society as defined in Clause 4 below, but only where the vessel is engaged exclusively in the coastal trading of that nation (including trading on an inter-island route within an archipelago of which that nation forms part).

Cargoes and/or interests carried by vessels not classed as above must be notified promptly to underwriters for rates and conditions to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable commercial market terms.

Age limitation

2. Cargoes and/or interests carried by Qualifying Vessels (as defined above) which exceed the following age limits will be insured on the policy or open cover conditions subject to an additional premium to be agreed.

Bulk or combination carriers over 10 years of age or other vessels over 15 years of age unless they

 - 2.1 have been used for the carriage of general cargo on an established and regular pattern of trading between a range of specified ports, and do not exceed 25 years of age, or
 - 2.2 were constructed as containerships, vehicle carriers or double-skin open-hatch gantry crane vessels (OHGCs) and have been continuously used as such on an established and regular pattern of trading between a range of specified ports, and do not exceed 30 years of age.

Craft clause

3. The requirements of this Clause do not apply to any craft used to load or unload the vessel within the port area.

National Flag Society

4. A National Flag Society is a Classification Society which is domiciled in the same country as the owner of the vessel in question which must also operate under the flag of that country.

Prompt notice

5. Where this insurance requires the assured to give prompt notice to the Underwriters, the right to cover is dependent upon compliance with that obligation.

Law and practice

6. This insurance is subject to Australian law and practice.

CL354

01/01/2001

Institute cargo clauses (air) (excluding sendings by post)

Risks covered

Risks

1. This insurance covers all risks of loss of or damage to the subject-matter insured except as excluded by the provisions of Clauses 3, 4 and 5 below.

Salvage charges

2. This insurance covers salvage charges incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 3, 4 and 5 below.

Exclusions

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured,
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured,
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors),
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured,
 - 3.5 loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading. This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract,
 - 3.6 loss damage or expense caused by delay, even though the delay be caused by a risk insured against,
 - 3.7 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit,
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract,
 - 3.8 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
4. In no case shall this insurance cover loss damage or expense caused by
 - 4.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power,
 - 4.2 capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat,
 - 4.3 derelict mines torpedoes bombs or other derelict weapons of war.
5. In no case shall this insurance cover loss damage or expense
 - 5.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions,
 - 5.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions,
 - 5.3 caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted,
 - 5.4 caused by any person acting from a political, ideological or religious motive.

Duration

Transit clause

6. 6.1 Subject to Clause 9 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse, premises or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit,
- continues during the ordinary course of transit
- and terminates either
- 6.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse, premises or place of storage at the destination named in the contract of insurance,
- 6.1.2 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse, premises or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
- 6.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or
- 6.1.4 on the expiry of 30 days after completion of unloading of the subject-matter insured from the aircraft at the final place of discharge,
- whichever shall first occur.
- 6.2 If, after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 6.1.1 to 6.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 6.3 This insurance shall remain in force (subject to termination as provided for in Clauses 6.1.1 to 6.1.4 above and to the provisions of Clause 7 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.

Termination of contract of carriage

7. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 6 above, then this insurance shall also terminate unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers, either
- 7.1 until the subject-matter insured is sold and delivered at such place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter insured at such place, whichever shall first occur,
- or
- 7.2 if the subject-matter insured is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 6 above.

Change of transit

8. 8.1 Where, after attachment of this insurance, the destination is changed by the Assured, this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.
- 8.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 6.1), but, without the knowledge of the Assured or their employees the aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

Claims

Insurable interest

9. 9.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 9.2 Subject to Clause 9.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Forwarding charges

10. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a place other than that to which the subject-matter insured is covered under this insurance, the Insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject-matter insured to the destination to which it is insured.

This Clause 10, which does not apply to salvage charges, shall be subject to the exclusions contained in Clauses 3, 4 and 5 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their employees.

Constructive total loss

11. No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter insured to the destination to which it is insured would exceed its value on arrival.

Increased value

12. 12.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

12.2 Where this insurance is on Increased Value the following clause shall apply

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

Benefit of insurance

13. This insurance

13.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,

13.2 shall not extend to or otherwise benefit the carrier or other bailee.

Minimising losses

Duty of assured

14. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

14.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and

14.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

15. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Avoidance of delay

16. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

Law and practice

17. This insurance is subject to Australian law and practice.

NOTE: Where a continuation of cover is requested under Clause 7, or a change of destination is notified under Clause 8, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

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CL387

01/01/2009

Institute strikes clauses (air cargo)

Risks covered

Risks

1. This insurance covers, except as excluded by the provisions of Clause 3 below, loss of or damage to the subject-matter insured caused by
 - 1.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions,
 - 1.2 any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted,
 - 1.3 any person acting from a political, ideological or religious motive.

Salvage charges

2. This insurance covers salvage charges incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clause 3 below.

Exclusions

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured,
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured,
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors),
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured,
 - 3.5 loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading. This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 3.6 loss damage or expense caused by delay, even though the delay be caused by a risk insured against,
 - 3.7 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit,

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract,
 - 3.8 loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion,
 - 3.9 any claim based upon loss of or frustration of the transit or adventure,
 - 3.10 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter,
 - 3.11 loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.

Duration

Transit clause

4. 4.1 Subject to Clause 7 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse, premises or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either
 - 4.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse, premises or place of storage at the destination named in the contract of insurance,
 - 4.1.2 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse, premises or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution,
or
 - 4.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit
or
 - 4.1.4 on the expiry of 30 days after completion of unloading of the subject-matter insured from the aircraft at the final place of discharge, whichever shall first occur.
- 4.2 If, after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 4.1.1 to 4.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 4.3 This insurance shall remain in force (subject to termination as provided for in Clauses 4.1.1 to 4.1.4 above and to the provisions of Clause 5 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.

Termination of contract of carriage

5. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 4 above, then this insurance shall also terminate unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers, either
 - 5.1 until the subject-matter insured is sold and delivered at such place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter insured at such place, whichever shall first occur,
or
 - 5.2 if the subject-matter insured is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 4 above.

Change of transit

6. 6.1 Where, after attachment of this insurance, the destination is changed by the Assured, this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.
- 6.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 4.1), but, without the knowledge of the Assured or their employees the aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

Claims

Insurable interest

7. 7.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 7.2 Subject to Clause 7.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Increased value

8. 8.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

- 8.2 Where this insurance is on Increased Value the following clause shall apply

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

Benefit of insurance

9. This insurance

9.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,

9.2 shall not extend to or otherwise benefit the carrier or other bailee.

Minimising losses

Duty of assured

10. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

10.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and

10.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

11. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Avoidance of delay

12. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

Law and practice

13. This insurance is subject to Australian law and practice.

NOTE: Where a continuation of cover is requested under Clause 5, or a change of destination is notified under Clause 6, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

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CL389

01/01/2009

Institute war clauses (air cargo) (excluding sendings by post)

Risks covered

Risks

1. This insurance covers, except as excluded by the provisions of Clause 3 below, loss of or damage to the subject-matter insured caused by
 - 1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power,
 - 1.2 capture seizure arrest restraint or detention, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat,
 - 1.3 derelict mines torpedoes bombs or other derelict weapons of war.

Salvage charges

2. This insurance covers salvage charges, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clause 3 below.

Exclusions

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured,
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured,
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors),
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured,
 - 3.5 loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 3.6 loss damage or expense caused by delay, even though the delay be caused by a risk insured against,
 - 3.7 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit,

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract,
 - 3.8 any claim based upon loss of or frustration of the transit or adventure,
 - 3.9 loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

Duration

Transit clause

4. 4.1 This insurance
 - 4.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on the aircraft for the commencement of the air transit insured
and

4.1.2 terminates, subject to 4.2 and 4.3 below, either as the subject-matter insured and as to any part as that part is discharged from the aircraft at the final place of discharge

or

on expiry of 15 days counting from midnight of the day of arrival of the aircraft at the final place of discharge,

whichever shall first occur;

nevertheless,

subject to prompt notice to the Insurers and to an additional premium, such insurance

4.1.3 reattaches when, without having discharged the subject-matter insured at the final place of discharge, the aircraft departs therefrom,

and

4.1.4 terminates, subject to 4.2 and 4.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the aircraft at the final (or substituted) place of discharge,

or

on expiry of 15 days counting from midnight of the day of re-arrival of the aircraft at the final place of discharge or arrival of the aircraft at a substituted place of discharge,

whichever shall first occur.

4.2 If during the insured transit the aircraft arrives at an intermediate place to discharge the subject-matter insured for on-carriage by aircraft or oversea vessel, then, subject to 4.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the aircraft at such place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying aircraft or oversea vessel. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such intermediate place. If the subject-matter insured is on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 4.2.

4.2.1 where the on-carriage is by aircraft this insurance continues subject to the terms of these clauses, or

4.2.2 where the on-carriage is by oversea vessel, the current Institute War Clauses (Cargo) shall be deemed to form part of the contract of insurance and shall apply to the on-carriage by sea.

4.3 If the air transit in the contract of carriage is terminated at a place other than the destination agreed therein, that place shall be deemed to be the final place of discharge and this insurance terminates in accordance with 4.1.2. If the subject-matter insured is subsequently consigned to the original or any other destination, then, provided notice is given to the Insurers before the commencement of such further transit and subject to an additional premium, this insurance reattaches

4.3.1 in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying aircraft for the transit,

4.3.2 in the case of the subject-matter insured not having been discharged, when the aircraft departs from such deemed final place of discharge,

thereafter such insurance terminates in accordance with 4.1.4.

4.4 Subject to prompt notice to Insurers, and to an additional premium if required, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.

(For the purpose of Clause 4

“oversea vessel” shall be deemed to mean a vessel carrying the subject-matter from one port or place to another where such voyage involves a sea passage by that vessel).

Change of transit

5. 5.1 Where, after attachment of this insurance, the destination is changed by the Assured, this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.

5.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 4.1), but, without the knowledge of the Assured or their employees the aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

6. Anything contained in this contract which is inconsistent with Clauses 3.8, 3.9 or 4 shall, to the extent of such inconsistency, be null and void.

Claims

Insurable interest

7. 7.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 7.2 Subject to Clause 7.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Increased value

8. 8.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

- 8.2 Where this insurance is on Increased Value the following clause shall apply

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

Benefit of insurance

9. This insurance
- 9.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,
- 9.2 shall not extend to or otherwise benefit the carrier or other bailee.

Minimising losses

Duty of assured

10. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

10.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and

10.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

11. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Avoidance of delay

12. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

Law and practice

13. This insurance is subject to Australian law and practice.

NOTE: Where a reattachment of cover is requested under Clause 4, or a change of destination is notified under Clause 5, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

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