



Proteus Single Transit (within Australia) Insurance

Product Disclosure Statement

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ABOUT PROTEUS SINGLE TRANSIT (WITHIN AUSTRALIA) INSURANCE

ABOUT ZURICH

The insurer of this product is Zurich Australian Insurance Limited (ZAIL), ABN 13 000 296 640, AFS Licence Number 232507. In this document, ZAIL may also be expressed as '*Zurich*', '*we*', '*us*' or '*our*'.

ZAIL is part of the Zurich Insurance Group, a leading multi-line insurer that serves its customers in global and local markets. Zurich provides a wide range of general insurance and life insurance products and services in more than 210 countries and territories. Zurich's customers include individuals, small businesses, mid-sized and large companies, including multinational corporations.

ABOUT PROTEUS MARINE INSURANCE

Proteus Marine Insurance is a business name of NM Insurance Pty Ltd ABN 34 100 633 038 AFS Licence Number 227 186 ('NM Insurance').

NM Insurance is a company within the Steadfast Underwriting Agencies division of Steadfast Group Limited ABN 98 073 659 677 ('SGL').

CONTACT DETAILS

The contact details for Proteus Marine Insurance are:

Level 7, 99 Walker Street, North Sydney, NSW, 2060

Email: customerservice@proteusinsurance.com.au

Phone: 1300 767 231

AUTHORITY TO ACT ON OUR BEHALF

We have given Proteus Marine Insurance a binding authority to arrange and administer this product. Under the terms of this binding authority Proteus Marine Insurance acts as *our* agent, and not *yours*, but liability within the terms and conditions of this product remain at all times with *us*. If *you* have any queries in relation to this product, please contact Proteus Marine Insurance.

This Product Disclosure Statement (PDS) is an important document. *You* should read it carefully before making a decision to purchase this product.

This PDS will help *you* to:

- decide whether this product will meet *your* needs; and
- compare this product with other products *you* may be considering

The information contained in this PDS is general information only. It is important *you* read *your* policy to ensure *you* have the cover *you* need.

HOW TO APPLY FOR THIS INSURANCE

Throughout this document when referring to *your* insurance broker or adviser, we may refer to them as *your* intermediary.

If *you* are interested in buying this product or have any inquiries about it, *you* should contact *your* intermediary who should be able to provide *you* with all of the information and assistance *you* require.

If *you* are not satisfied with the information provided by *your* intermediary, please contact Proteus Marine Insurance at the address or telephone number shown on the back cover of this document. However, Proteus Marine Insurance is only able to provide factual information or general advice about the product. Proteus Marine Insurance does not give advice on whether the product is appropriate for *your* personal objectives, needs or financial situation.

PROTEUS SINGLE TRANSIT (WITHIN AUSTRALIA) INSURANCE

Proteus Single Transit (within Australia) Insurance is designed for a single sending of *goods* (other than home removals) or livestock anywhere within Australia. Our policy provides a choice of cover including:

FOR GOODS

For *goods* loaded into a conveyance and transported by *carriers* only, this cover provides:

- accident or the deliberate act of a third party (clause 1.2.1(a));
- defined events including fire, explosion, lightning or flood and theft (clause 1.2.2(a)); or

FOR LIVESTOCK

- *death* of livestock caused by accident or natural causes (clause 1.2.1(b)); or
- *death* caused by defined events (clause 1.2.2(b)).

OUR CONTRACT WITH YOU

This policy is a contract of insurance between the *insured* and Zurich and contains all the details of the cover that we provide. This policy is made up of:

- the policy wording. It states what is covered, sets out the claims procedure, Exclusions and other terms and conditions of cover;
- the information *you* provide to *us* when applying for insurance cover;
- the most current policy *schedule* issued by *us*. The *schedule* is a separate document unique to the *insured*. It includes any changes, Exclusions, terms and conditions made to suit the individual circumstances and may amend the policy; and
- any other changes advised by *us* in writing (such as an endorsement). These changes vary or modify the above documents.

Please note, only covers shown in the *schedule* are insured. Please keep this policy in a safe place. We reserve the right to change the terms of this product where permitted to do so by law.

WORDS WITH SPECIAL MEANING

We italicise terms in this PDS, to show that words are abbreviations or have a particular defined meaning. You should refer to the Definitions in this document to obtain the full meaning of such terms.

SIGNIFICANT ISSUES TO CONSIDER

Insurance contracts contain policy exclusions, policy terms and conditions and policy limits and sub-limits that you should be aware of when deciding to purchase our product. These things may affect the amount of the payment that we will make to you if you have a claim.

We may express some policy terms, policy limits or sub-limits as being either a dollar amount or a percentage of your sum insured shown in your schedule or some other amount, factor or item specified in the relevant clause of your document.

You should be aware of the following matters in considering whether this product is suitable for your needs.

BASIS OF SETTLEMENT

Under clause 2.2 'Basis of valuation' we explain how your goods will be valued in the event of a loss. The agreed value of the goods is their invoice cost or value, plus any costs incidental to the insured transit that are not covered by the invoice. If there is no invoice value, their agreed value is their market value or the cost, at the time of the commencement of the insured transit, of replacing the goods with similar goods of the same age and condition.

EXCESSES CAN APPLY

When you make a claim under this policy you may be required to pay an excess. An excess is not an additional fee charged by us at the time of making a claim. Rather, it is the uninsured first portion of loss for which you are otherwise covered, i.e. the amount that you must contribute towards each claim.

The amount of your excess is shown in your schedule and you must pay this amount in the event of any claim.

Upon acceptance of your claim you will be required to pay the amount of your excess either to us or to the repairer. We will advise you to whom your excess must be paid.

EXCLUSIONS

This policy contains a number of exclusions, some of which are common in insurance policies. For example, we may not pay for loss or damage caused by:

- ordinary leakage, ordinary loss in weight or volume or inherent vice of the goods;
- delay, loss of market or consequential loss of any description;
- mechanical, electrical or electronic breakdown or malfunction of goods where there is no external evidence that an event insured against has occurred;
- any process or use, trial, testing or repair.

Some of the exclusions may be less common. Before making a decision to purchase this policy you should read the full details of all exclusions contained in the policy wording. Some exclusions may not be relevant to you, however you should be aware of all the exclusions. Please refer to clause 5. 'Exclusions' on page 20.

TERMS AND CONDITIONS

Terms and conditions applicable to *your* policy set out *your* obligations with which *you* need to comply. Please refer to page 6.

You should be aware of all the terms and conditions that apply to this policy. If *you* do not meet the terms and conditions, *we* may be able to decline or reduce any claim payment or cancel *your* policy.

MAKE SURE YOU HAVE THE COVER YOU NEED

You should discuss with *your* intermediary the appropriate amounts and risks for which *you* need to be insured. If *you* do not adequately insure for the relevant risks *you* may have to bear any uninsured losses yourself.

If *you* do not choose appropriate amounts that allow for the correct value of *your goods* *you* may be under insured when *you* make a claim.

CHANGE OF CIRCUMSTANCES

You should also advise *your* intermediary to notify *us* as soon as possible when *your* circumstances change if they are relevant to *your* policy. For instance, if *you* change the destination *your goods* are to be delivered to or *you* purchase additional *goods*. If *you* do not tell *your* intermediary of these changes, in the event of a claim *your* sum insured may not be adequate to cover *your* loss, or *you* may not have any cover under *your* policy.

DUTY OF DISCLOSURE

This contract of insurance will be governed by either the Insurance Contracts Act 1984 (Cth) or the Marine Insurance Act 1909 (Cth).

DUTY OF DISCLOSURE UNDER THE INSURANCE CONTRACTS ACT 1984

Before *you* enter into an insurance contract, *you* have a duty of disclosure under the Insurance Contracts Act 1984 (Cth).

If *we* ask *you* questions that are relevant to *our* decision to insure *you* and on what terms, *you* must tell *us* anything that *you* know and that a reasonable person in the circumstances would include in answering the questions

You have this duty until *we* agree to insure *you*.

IF YOU DO NOT TELL US SOMETHING

If *you* do not tell *us* anything *you* are required to tell *us*, *we* may cancel *your* contract or reduce the amount *we* will pay *you* if *you* make a claim, or both.

If *your* failure to tell *us* is fraudulent, *we* may refuse to pay a claim and treat the contract as if it never existed.

DUTY OF DISCLOSURE UNDER THE MARINE INSURANCE ACT 1909

Your attention is drawn to Sections 23 to 27 of the Marine Insurance Act 1909 (Cth) and, in particular, that any contract of marine insurance is based on utmost good faith and in the absence of such good faith, may be avoided. Further, you have an obligation to disclose to us every material circumstance which is known to you and/or which in the ordinary course of business ought to be known to you. Every circumstance is material if it would influence the judgement of a prudent insurer in fixing the premium or determining whether they will take the risk. If there is a failure to make such disclosure, we may avoid the contract.

HOW WE CALCULATE YOUR PREMIUM

The amount we charge you for your policy is made up of the premium and any government taxes and charges applicable. The premium is the amount we have calculated to cover the risk of insuring your goods. The premium varies depending on the information we receive from you about the risk to be covered by us. The higher the risk is the higher the premium will be. Based on our expertise as an insurer we decide what factors increase our risk and how they should impact on the premium. Each insurer can do this differently.

We calculate your premium on the basis of the information we receive from you when you apply for insurance. Some of the factors impacting the premium are:

- the type of goods to be insured;
- the sum the goods are to be insured for; and
- the type of cover you select.

Premiums may be subject to Commonwealth and State taxes, charges and duty (including Goods and Services Tax (GST)). The premium payable by you and the amount of these taxes, charges and duty will be shown in the schedule.

HOW TO PAY YOUR PREMIUM AND WHAT HAPPENS IF YOU DO NOT PAY

Premiums are charged and are payable before the transit of your goods commences. If you do not pay your premium by this date you may not have any cover and we may refuse to pay a claim. Your intermediary can tell you what other methods may be available to make your premium payment.

TAXATION INFORMATION

We show all taxes and charges as separate items on all schedules (for example GST and stamp duty). Details about GST as it relates to claims payments are shown in the policy wording under 6.6 'Payments in respect to Goods and Services Tax'.

PRIVACY

Zurich is bound by the Privacy Act 1988 (Cth). We collect, disclose and handle information, and in some cases personal or sensitive (eg health) information, about *you* ('*your* details') to assess applications, administer policies, contact *you*, enhance *our* products and services and manage claims ('Purposes'). If *you* do not provide *your* information, we may not be able to do those things. By providing *us*, *our* representatives or *your* intermediary with information, you consent to *us* using, disclosing to third parties and collecting from third parties *your* details for the Purposes.

We may disclose *your* details, including *your* sensitive information, to relevant third parties including *your* intermediary, affiliates of Zurich Insurance Group Ltd, other insurers and reinsurers, *our* banking gateway providers and credit card transactions processors, *our* service providers, *our* business partners, health practitioners, *your* employer, parties affected by claims, government bodies, regulators, law enforcement bodies and as required by law, within Australia and overseas.

We may obtain *your* details from relevant third parties, including those listed above. Before giving *us* information about another person, please give them a copy of this document. Laws authorising or requiring *us* to collect information include the Insurance Contracts Act 1984 (Cth), Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth), Corporations Act 2001 (Cth), Autonomous Sanctions Act 2011 (Cth), A New Tax System (Goods and Services Tax) Act 1999 (Cth) and other financial services, crime prevention, trade sanctions and tax laws.

Zurich's Privacy Policy, available at www.zurich.com.au or by telephoning *us* on 132 687, provides further information and lists service providers, business partners and countries in which recipients of *your* details are likely to be located. It also sets out how we handle complaints and how *you* can access or correct *your* details or make a complaint.

GENERAL INSURANCE CODE OF PRACTICE

Zurich is a signatory to the General Insurance Code of Practice (the Code) and Proteus Marine Insurance supports the Code.

The objectives of the Code are:

- to commit *us* to high standards of service;
- to promote better, more informed relations between *us* and *you*;
- to maintain and promote trust and confidence in the general insurance industry;
- to provide fair and effective mechanisms for the resolution of complaints and disputes *you* make about *us*; and
- to promote continuous improvement of the general insurance industry through education and training.

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

Further information about the Code or the Code Governance Committee and *your* rights under it is available at <https://insurancecouncil.com.au/cop/> or by contacting *us*.

HOW TO MAKE A CLAIM

If *you* need to make a claim, please refer to page 21 'Claims procedure' under Claims conditions. If *you* have any queries, please contact *your* intermediary as soon as possible or call *us* on 1300 767 251.

COMPLAINTS AND DISPUTES RESOLUTION PROCESS

If *you* have a complaint about an insurance product *we* have issued or the service *you* have received from *us*, please contact *your* intermediary to initiate *your* complaint with *us*. If *you* are unable to contact *your* intermediary, *you* can contact *us* directly on 1300 767 251. *We* will acknowledge receipt of *your* complaint within 24 hours or as soon as practicable.

If *you* are not satisfied with *our* initial response, *you* may access *our* internal dispute resolution process. Please refer to the Feedback & Complaints section on the Proteus Marine Insurance website for details of *our* internal dispute resolution process.

We expect that *our* internal dispute resolution process will deal fairly and promptly with *your* complaint, however, *you* may take *your* complaint to the Australian Financial Complaints Authority (AFCA) at any time.

AFCA is an independent external dispute resolution scheme. *We* are a member of this scheme and *we* agree to be bound by its determinations about a dispute. AFCA provides fair and independent financial services complaint resolution that is free to *you*.

Their contact details are:

Website: www.afca.org.au

Email: info@afca.org.au

Freecall: 1800 931 678

In writing to: The Australian Financial Complaints Authority, GPO Box 3, Melbourne, Victoria 3001.

If *your* complaint or dispute falls outside the AFCA Rules, *you* can seek independent legal advice or access any other external dispute resolution options that may be available to *you*.

FINANCIAL CLAIMS SCHEME

Zurich is an insurance company authorised under the Insurance Act 1973 (Cth) to carry on general insurance business in Australia. As such, *we* are subject to prudential requirements and standards, regulated by the Australian Prudential Regulation Authority (APRA).

This policy may be a protected policy under the Federal Government's Financial Claims Scheme, (FCS) which is administered by APRA.

The FCS may apply in the event that a general insurance company becomes insolvent. If the FCS applies, a person who is entitled to make a claim under this insurance policy may be entitled to a payment under the FCS. Access to the FCS is subject to eligibility criteria.

Further information about the FCS can be obtained at www.fcs.gov.au

HEADINGS

Headings have been included for ease of reference, but do not form part of the policy.

UPDATING THIS PDS

Certain information in this PDS may change from time to time. If the updated information is not materially adverse from the point of view of a reasonable person deciding whether or not to purchase this product, a paper copy of the updated information will be available free of charge upon request, by contacting *your* intermediary or *us* by using the contact details on the back cover of this document. Please note that *we* may also choose to issue a new PDS or supplementary PDS in other circumstances.

BENEFITS OF COVER AVAILABLE

The following is a summary only of the major benefits available under this policy. Please refer to each Section for full details of coverage and applicable terms and conditions.

Summary of covers available	Benefits of cover available	Page No
Comprehensive cover for <i>goods</i> or livestock	Cover option A: <ul style="list-style-type: none"> • loss of or damage to <i>goods</i> caused by accident or by the deliberate act of a third party; and • <i>death</i> of livestock caused by accident or natural causes or slaughter for humane reasons. 	14
Defined events for <i>goods</i> or livestock	Cover option B: <ul style="list-style-type: none"> • loss of or damage to <i>goods</i> caused by any one of the defined events (e.g. fire, explosion, collision, overturning) and including theft; and • <i>death</i> of livestock caused by any one of the defined events (e.g. fire, explosion, collision, overturning). • Does not include theft. 	14
Additional cover: transits by sea	<ul style="list-style-type: none"> • jettison; • General Average sacrifice; • General Average and Salvage Charges, in accordance with the contract of affreightment and the governing law and practice, incurred in connection with avoiding a loss covered by this policy. 	15
Additional clauses	<ul style="list-style-type: none"> • delayed unpacking within 90 days; • insolvency of carrier, up to a maximum of 10% of the insured value of the <i>goods</i>; • packaging and shipping containers up to \$75,000; • packers premises ; • pollution hazard; • refused <i>goods</i> cover is extended to insure the <i>goods</i> during any delay, storage or onwards transport; and • removal of debris/clean up costs up to \$75,000; and • re-securing of goods. 	19

SINGLE TRANSIT (WITHIN AUSTRALIA) INSURANCE POLICY WORDING

Subject to the prior payment of, or *your* agreement to pay, the premium set out in the *schedule*, we agree to provide insurance as set out in this policy.

In issuing this policy, we have relied on the information contained in the proposal form and/or any other information given by *you* or on *your* behalf.

1. THE COVER

We insure *you* against physical loss, destruction of or damage to *goods* or *death* of livestock caused by certain events as specified in the *schedule*. The insurance only applies to the insured transit that commences during the *period of insurance* specified in the *schedule* from the point of departure to the destination each as specified in the *schedule*.

1.1 COVER COMMENCES

Cover commences:

- 1.1.1 for *goods* other than livestock, when the *goods* are first moved for the purpose of being conveyed to a destination outside the premises at which loading takes place and ends when the *goods* are last moved in being delivered at the destination; and
- 1.1.2 for livestock, when each animal enters the conveyance or its loading ramp and ends when the animal is discharged from the conveyance or its loading ramp at the destination.

The cover granted under this transit clause is subject to:

- (a) the *conveying vehicle* departing for its destination within seventy-two (72) hours of the commencement of loading. If this period is exceeded cover ceases after seventy-two (72) hours and recommences when the *conveying vehicle* actually departs for its destination;
- (b) the placement or positioning of the *goods* within the warehouse or premises must be:
 - i. directly associated with the transit, and
 - ii. completed within seventy-two (72) hours of the *conveying vehicles* arrival; and
- (c) cover excludes the risks of dismantling, re-assembly and testing of *goods*.

1.2 EVENTS INSURED AGAINST

1.2.1 Cover option A

If Cover option A is shown in the *schedule*, the insurance is against:

- (a) loss of or damage to *goods* caused by accident or by the deliberate act of a third party; and
- (b) *death* of livestock caused by accident or natural causes or slaughter for humane reasons.

Where the insured *goods* include refrigerated *goods* this policy excludes loss or damage resulting from any variation in temperature howsoever caused unless the variation in temperature is directly caused by:

- (i) a peril insured by Cover option B;
- (ii) accidental failure, breakdown, stoppage, or malfunction of refrigerating machinery resulting in its failure to perform its normal or intended refrigeration cycle for at least two (2) consecutive hours or the number of hours specified in the *schedule*; or
- (iii) mismanagement of refrigerating machinery which term shall include the incorrect setting of the refrigeration unit's temperature control.

1.2.2 Cover option B

If Cover option B is shown in the *schedule*, the insurance is against:

- (a) loss of or damage to *goods* caused any one of the following events:
 - i. fire, explosion, lightning or flood;
 - ii. collision of the conveyance with an external object;
 - iii. collision of the *goods* with something not on or part of the land conveyance carrying the *goods*;
 - iv. hijack or armed hold up of the conveyance;
 - v. total loss of any package being lost overboard or dropped while loading onto or unloading from a vessel or craft;
 - vi. overturning, jackknifing or derailment of the land conveyance;
 - vii. grounding, sinking or capsizing of the conveying vessel;
 - viii. crashing or forced landing of the conveying aircraft;
 - ix. discharge of *goods* at a port of distress; or
 - x. theft.

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

- (b) *death* of livestock caused by any one of the following events:
 - i. fire, explosion, lightning or flood;
 - ii. collision of the conveyance with an external object;
 - iii. collision of the livestock with something not on or part of the land conveyance;
 - iv. hijack or armed hold up of the conveyance;
 - v. overturning, jackknifing or derailment of the land conveyance;
 - vi. grounding, sinking or capsizing of the conveying vessel;
 - vii. crashing or forced landing of the conveying aircraft; or
 - viii. discharge of livestock at a port of distress.

1.3 ADDITIONAL COVER

1.3.1 In relation to transit by sea, the insurance is also against each of the following:

- (a) jettison;
- (b) General Average sacrifice; and
- (c) General Average and Salvage Charges, in accordance with the contract of affreightment and the governing law and practice, incurred in connection with avoiding a loss covered by this policy.

1.3.2 Livestock

When caused by an insured event, we will pay all reasonable costs and expenses necessarily incurred in:

- (a) maintaining the livestock at agistment; and
- (b) mustering of the livestock at the scene of the accident.

We will also pay for loss of livestock due to 'wandering off' from the scene of the accident.

Subject to a limit of \$1,000 per animal to a maximum of \$25,000 one loss or series of losses caused by the one insured event.

2. CONDITIONS OF COVER

2.1 CONDITIONS OF INSURANCE

The conditions of insurance are as specified in this policy wording, the *schedule* and attachments and any clauses referred to in the *schedule*, all of which are to be read together.

2.2 BASIS OF VALUATION

The agreed value of the *goods* is their invoice cost or value, plus any costs incidental to the insured transit that are not covered by the invoice. If there is no invoice value, their agreed value is their market value or the cost, at the time of the commencement of the insured transit, of replacing the *goods* with similar *goods* of the same age and condition.

2.3 LIMITS ON COVER

The insurance is limited to the sum insured stated in the *schedule* for any one loss or series of losses arising from the same event.

If an excess is specified in this policy or *schedule*, you must bear that amount first in respect of a claim or series of claims resulting from an event insured against.

2.4 BASIS OF CLAIMS SETTLEMENT

2.4.1 Total loss (actual or constructive)

Claims are settled for the insured value calculated in accordance with the basis of valuation as calculated according to the Basis of valuation clause 2.2.

2.4.2 Partial loss or damage

Where there is a partial loss of *goods*, unless otherwise specified in this policy, claims are settled as follows:

- (a) where part of the *goods* are totally lost, settlement of such claim will be for such proportion of the insured value (calculated in accordance with the Basis of valuation clause 2.2) as the insured value of the part lost bears to the insured value of the whole; or
- (b) where the whole or any part of the *goods* have been delivered damaged at its destination, settlement of such claim, at our option is:
 - (i) the cost of repairing or replacing lost or damaged *goods* including freight costs; or
 - (ii) the percentage of depreciation of the damaged *goods* as applied to the insured value (calculated in accordance with the Basis of valuation clause 2.2).

We have the option of settling a claim by payment, repair, reinstatement, or replacement.

2.5 USED MACHINERY AND PLANT

In the event of loss or damage to machinery and plant greater than 5 years old, cover under this policy will be restricted to the cost of reinstatement.

Reinstatement shall mean:

- 2.5.1** where such property is lost or destroyed the replacement cost of similar property in a condition equal to, but not better or more extensive than its condition at the time of loss.; or
- 2.5.2** where such property is damaged, the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as, but not better or more extensive than its condition at the time of loss.

2.6 BRANDS/LABELS

In the event of loss or damage of *goods* bearing embossed or indented brands or labels or other permanent markings identifying *you* as the manufacturer or supplier, or exclusive and/or secret formula that may be involved, the *goods* may be retained by *you* to dispose of as *you* see fit, provided a reasonable allowance is agreed for the value of the damaged and undamaged *goods*.

Where only the labels of the *goods* are affected by the insured event, the amount payable by *us* is limited to the reasonable cost of reconditioning and re-labelling, subject to *our* liability not exceeding the sum insured as detailed in the *schedule*.

2.7 COMPENSATION FROM OTHER PARTIES (WAIVER OF RIGHTS)

Where another party is liable to compensate *you* for any loss or damage which is covered by this policy but where *you* have agreed not to seek recovery of any monies from that party, *we* will not provide cover under this policy for such loss or damage, or may reduce *our* liability under this policy contract as permitted by law.

2.8 SUM INSURED

The sum insured stated in:

- 2.8.1** the *schedule*;
- 2.8.2** any endorsements; and
- 2.8.3** any sub-limits expressed in this policy,

apply to any one accident or series of accidents caused by the one event.

2.9 MINIMISING LOSSES

In addition to *your* claim for loss or damage, *we* will also reimburse *you* for any charges properly and reasonably incurred by *you* in taking such measures as would be reasonable for the purpose of averting or minimising any loss recoverable under this policy.

2.10 OTHER POLICIES OF INSURANCE (NON-CONTRIBUTION)

If, at the time of any loss 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 of the loss, damage or expense.

2.11 REPLACEMENT AND REPAIR OF MACHINERY

In the event of loss or damage to any part(s) of an insured machine consisting of more than one part, cover under this policy shall not exceed the cost of replacement or repair of the part(s) plus labour and re-fitting and carriage costs. Duty incurred in the provision of the part(s) shall also be claimable provided that the full duty payable on the part(s) is included in the total sum insured. Our limit of liability will not exceed the sum insured of the machine or manufactured item.

2.12 SORTING CHARGES

Where, following an incident that is recoverable under this policy, *our* surveyor requires or recommends that packages and/or damaged *goods* be sorted in order to ascertain or assess the nature and/or extent of loss and/or damage, expenses arising from such sorting shall be recoverable hereunder notwithstanding that a claim for such loss or damage is not ultimately made by *you*.

2.13 UNDERINSURANCE

We require *you* to insure for the full value or maximum potential risk. If *you* do not do so, and *you* are underinsured, *we* may pay *you* less in the event of a claim, calculated in accordance with this policy, which will take into account the degree of underinsurance.

2.14 USED MACHINERY AND PLANT

In the event of loss or damage to machinery and plant greater than five years old, cover under this policy will be restricted to the cost of reinstatement.

3. DEFINITIONS

When used in this policy, *schedule* or endorsements the following definitions will apply:

3.1 COMMUNICABLE DISEASE

communicable disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

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

3.2 CONVEYING VEHICLE

conveying vehicle means the vehicle and/or the trailer when attached to a registered road vehicle used to carry the insured *goods*.

3.3 CYBER ATTACK

cyber attack means the deliberate exploitation, or an attack initiated from a computer to another for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

3.4 DEATH

death means the expiration of livestock or their slaughter for humane reasons following injury.

3.5 GOODS

goods mean the subject matter insured including livestock, shipping containers, flatracks and packaging.

3.6 INSURED, YOU, YOUR

insured, you, your means the Insured as named in the *schedule* or as otherwise defined in the policy.

3.7 NUCLEAR OR RADIOACTIVE

nuclear or radioactive means the ionising radiations from or the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter or nuclear waste, weapon, device, fuel, installation, reactor or any component of these.

3.8 PERIOD OF INSURANCE

period of insurance means the *Period of Insurance* stated in the *schedule*.

3.9 SCHEDULE

schedule means the Schedule attaching to and forming part of the policy, including any *schedule* substituted for the original *schedule*.

3.10 TERRORISM

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

3.10.1 the causing, occasioning or threatening of harm of whatever nature and by whatever means; or

3.10.2 putting the public or any section of the public in fear,

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

3.11 WAR OR WARLIKE ACTIVITIES

war or warlike activities 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.

4. ADDITIONAL CLAUSES

4.1 DELAYED UNPACKING

Where packages of the interest insured are not opened immediately upon arrival, loss or damage covered by this policy which was not immediately apparent at the time of arrival and where there is no evidence to the contrary such loss or damage shall be deemed to have occurred during transit and recoverable under this policy provided:

4.1.1 the damage is discovered within 90 days of arrival; and

4.1.2 any packages bearing outward signs of loss or damage at the time of arrival are opened and inspected immediately.

4.2 INSOLVENCY OF CARRIER

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 dispatched, up to a maximum of 10% of the insured value of the *goods*.

This cover will not apply where, at the time of loading of the *goods* on board the conveyance, *you* were aware, or in the ordinary course of *your* business should be aware, that such insolvency or financial default could have occurred during the insured transit.

4.3 PACKAGING AND SHIPPING CONTAINERS

This policy covers accidental loss of, or damage to, packaging and shipping containers while carried in transit. Expenses incurred in demurrage charges following the late return of shipping containers are also covered where the charges are necessary due to *you* retaining containers for *our* inspection following a claim and upon *our* instruction.

Subject to a limit of \$75,000 unless otherwise specified in the *schedule* and provided the costs are not recoverable under any other policy of insurance.

4.4 PACKERS' PREMISES

The insured *goods* are covered from the time of leaving the supplier's warehouse while in transit to the packer's warehouse. Cover remains in force while at the packer's warehouses and thereafter while in transit to the final destination.

4.5 POLLUTION HAZARD

You are insured for loss of or damage to the insured *goods* caused by government authorities acting in the public interest to prevent or to mitigate a pollution hazard or threat following an accident insured under this policy.

4.6 REFUSED GOODS

In the event that *you* or *your* customer either refuse delivery or are unable to accept delivery of insured *goods*, cover is extended to insure the *goods* during any delay, storage or onward transport.

4.7 REMOVAL OF DEBRIS/CLEAN UP COSTS

This policy covers all reasonable costs and expenses incurred in unloading, removing and disposing of insured *goods* that have been damaged by an insured event as well as clean up of the accident site.

Subject to a limit of \$75,000 unless otherwise specified in the *schedule* and provided the costs are not recoverable under any other policy of insurance.

4.8 RE-SECURING OF GOODS

This policy covers all reasonable costs and expenses incurred in re-securing the insured *goods* where there has been movement of the *goods* in transit, which makes re-securing necessary. This cover applies even though there may be no claim resulting from the incident provided these circumstances were outside *your* control and *you* could not be reasonably expected to have knowledge of them in the normal course of *your* business.

Subject to a limit of \$5,000 unless otherwise specified in the *schedule* and provided these costs are not recoverable under any other policy of insurance.

5. EXCLUSIONS

The insurance does not cover *you* against loss or damage to *goods* or *death* of livestock or against any related expenses caused by any of the following:

- 5.1 ordinary leakage, ordinary loss in weight or volume or inherent vice of the *goods* other than refrigerated *goods* due to variation in temperature as provided by the insured events detailed in clause 1.2;
- 5.2 delay, loss of market or consequential loss of any description;
- 5.3 mechanical, electrical or electronic breakdown or malfunction of *goods* where there is no external evidence that an event insured against has occurred;
- 5.4 any process or use, trial, testing or repair;
- 5.5 arising from the insolvency or financial default of the carrier other than as provided by clause 4.2;
- 5.6 the absence, shortage or withholding of labour of any description resulting from any strike, lockout, labour disturbance, riot or civil commotion;
- 5.7 the inoculation of animals and/or its after effects, infectious diseases, rejection, abortion; loss/*death* of foetus, loss of use or delay;
- 5.8 loss or damage that existed or occurred prior to the commencement of the insured transit;
- 5.9 rust, oxidisation and/or discolouration unless caused by an insured event;
- 5.10 *war* or *warlike activities*;

- 5.11 anything *nuclear or radioactive*;
- 5.12 any chemical, biological, bio-chemical or electromagnetic weapon;
- 5.13 *cyber attack*;
- 5.14 *terrorism* and/or steps taken to prevent, suppress, control or reduce the consequence of any actual, attempted, anticipated, threatened, suspected or perceived *terrorism*, unless caused by a terrorist or any person acting from a political motive while the insured *goods* are in the ordinary course of transit; or
- 5.15 *communicable disease* or any action taken by you in response to a regulatory authority's response to a *communicable disease*, its potential consequences or the fear or threat (whether actual or perceived) of a *communicable disease*.

For the purposes of this exclusion 5.15 loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:

- (a) for a *communicable disease*; or
- (b) any property insured hereunder that is affected by such *communicable disease*.

6. CLAIMS CONDITIONS

6.1 CLAIMS PROCEDURE

When loss or damage happens which may give rise to a claim under this policy, *you* should take all reasonable measures to avert or minimise the loss and ensure that all rights against any third parties are properly preserved and exercised.

If the event involves theft, and theft is an insured event, or an accident has occurred involving a vehicle owned or operated by *you* and another vehicle, *you* must notify the police as soon as possible and, if *we* require it, obtain a police report.

You must notify *us* of what has happened and send *us* full details within 30 days, including details of any other insurance over the *goods*.

You must not authorise any repairs to the *goods* without *our* consent.

6.2 CLAIMS SETTLEMENT

In the event of a claim, *we* will settle the loss by payment, repair, reinstatement or replacement.

6.3 EXCESS

In the event of a claim *you* must bear first the amount of any excess specified in the *schedule* or elsewhere in this policy wording.

6.4 FOREIGN CURRENCY INVOICE

If the amount of a claim is to be calculated based on an invoice in a currency other than Australian dollars, the claim will be paid in Australian dollars at the rate of exchange current at the date the loss or damage occurred.

6.5 OTHER INSURANCE

When making a claim on this policy *you* must also supply *us* with details of all policies that may pay or partially pay that claim.

6.6 PAYMENTS IN RESPECT TO GOODS AND SERVICES TAX

If *you* are liable for Goods and Services Tax (GST) in respect of any *goods*, services or other supply which are the subject of a claim under this policy *we* will pay *you* for that GST liability. However:

- 6.6.1 where *we* make a payment under this policy for the acquisition of *goods*, services or other supply, *we* will reduce the payment by the amount of any input tax credit *you* are, or will be, or would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 (Cth) in relation to that acquisition whether or not the acquisition is actually made; or
- 6.6.2 where *we* make a payment under this policy as compensation for the acquisition of *goods*, services or other supply, *we* will reduce the payment by the amount of any input tax credit *you* would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 (Cth) had the payment been applied to acquire such *goods*, services or supply.

6.7 RIGHTS OF SUBROGATION

We are entitled to exercise any rights *you* may have against anyone else in relation to the *goods* for which *we* have settled a claim under this policy. *You* must cooperate fully with *us* in exercising those rights and must give *us* any information or assistance *we* may require.

7. GENERAL CONDITIONS

7.1 APPLICABLE LEGISLATION

To the extent that this policy covers risks governed by the Marine Insurance Act 1909 (Cth) this policy will be subject to the provisions of the Act. To the extent that this policy covers other risks it will be subject to the Insurance Contracts Act 1984 (Cth).

7.2 PROPER LAW AND JURISDICTION

The construction, interpretation and meaning of the provisions of this policy will be determined in accordance with the laws of the State or Territory of Australia in which this policy was issued.

In the event of any dispute arising under this policy, including but not limited to its construction, interpretation, validity or performance, the parties to this policy submit to the exclusive jurisdiction of the courts of Australia.

A reference to any statute, regulation or subordinate legislation includes any amendment, replacement, successor or equivalent to or of that statute, regulation or subordinate legislation.

7.3 NOTIFICATION OF MATERIAL CHANGE

You must notify *us* as soon as possible of any material change in the risk covered by this policy.

7.4 PLURALS AND TITLES

The proposal, this policy, the *schedule* and any endorsements are one contract in which, unless the context otherwise requires:

- 8.7.1 headings are descriptive only, not an aid to interpretation;
- 8.7.2 singular includes the plural, and vice versa; and
- 8.7.3 the male includes the female and neuter.

7.5 REASONABLE CARE

You must take reasonable care to prevent loss, destruction, damage or *death* covered by this policy.

7.6 SANCTIONS REGULATION

Notwithstanding any other terms or conditions under this policy, we shall not be deemed to provide coverage and will not make any payments nor provide any service or benefit to any *insured* or any other party to the extent that such cover, payment, service, benefit and/or any business or activity of the *insured* would violate any applicable trade or economic sanctions, law or regulation.

7.7 THIRD PARTIES

If anyone else is entitled to make a claim under this policy, that person and/or entity must also comply with its terms.

7.8 TRANSFER

You may only transfer a right under this policy with our written consent.



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