



# Single Transit Insurance Within Australia

## Product Disclosure Statement and Policy Wording

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# ABOUT THIS 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](mailto:customerservice@proteusinsurance.com.au)

Phone: 1300 767 231

### **To make a claim**

If an event happens which may give rise to a claim, please refer to 6.3 'Claims Procedure' on page 19. If you'd like to make a claim or to enquire about an existing claim please contact:

- Proteus by sending an email to:  
[Claims@proteusinsurance.com.au](mailto:Claims@proteusinsurance.com.au)
- Proteus by calling – 1300 767 251

## 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.

## SINGLE TRANSIT INSURANCE WITHIN AUSTRALIA

This insurance product 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* transported by *you* or a contracted carrier, this policy provides cover for:

- accident or the deliberate act of a third party (clause 2.2.1(a)); or
- defined events including fire, explosion, lightning or flood and theft (clause 2.2.2(a)).

### FOR LIVESTOCK

- *death* of livestock caused by accident or natural causes (clause 2.2.1(b)); or
- *death* caused by defined events (clause 2.2.2(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 and policy wording 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 the *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 3.2 '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 18.

## TERMS AND CONDITIONS

Terms and conditions applicable to *your* policy set out *your* obligations with which *you* need to comply. Please refer to page 12.

*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, under both the Insurance Contracts Act 1984 (Cth) and the Marine Insurance Act 1909 (Cth), to tell *us* anything that *you* know, or could reasonably be expected to know, that may affect *our* decision to insure *you* and on what terms.

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

*You* have the same duty before *you* renew, extend, vary or reinstate an insurance contract.

*You* do not need to tell *us* anything that:

- reduces the risk *we* insure *you* for; or
- is common knowledge; or
- *we* know or should know as an insurer; or
- *we* waive *your* duty to tell *us* about.

### 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, the *insured* has an obligation to disclose to *us* every material circumstance which is known to the *insured* and/or which in the ordinary course of business ought to be known by the *insured*. Every circumstance is material if it would influence the judgement of a prudent insurer in fixing the *premium* or determining whether he will take the risk. If there is a failure to make such disclosure, *we* may avoid the contract.

## NON-DISCLOSURE OR MISREPRESENTATION

If the *insured* makes a misrepresentation to *us*, or if they do not comply with this duty of disclosure and *we* issue this policy with terms and conditions that are different to the terms and conditions that would have been issued had there not been any misrepresentation, or the *insured's* duty of disclosure had been complied with, then:

- *we* may reduce the cover provided so that *we* are placed in the same position as *we* would have been in, had there not been any misrepresentation and the *insured's* duty of disclosure had been complied with; and
- *we* may also cancel this policy; or
- *we* may treat this policy as if it never existed if the misrepresentation or the non-compliance with the *insured's* duty of disclosure was fraudulent.

## 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](http://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 19 '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](http://www.afca.org.au)

**Email:** [info@afca.org.au](mailto: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](http://www.fcs.gov.au)

## HEADINGS

Headings have been included for ease of reference, but do not form part of this 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"><li>• loss of or damage to <i>goods</i> caused by accident or by the deliberate act of a third party; and</li><li>• <i>death</i> of livestock caused by accident or natural causes or slaughter for humane reasons.</li></ul>	14
Defined events for <i>goods</i> or livestock	Cover option B: <ul style="list-style-type: none"><li>• 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</li><li>• <i>death</i> of livestock caused by any one of the defined events (e.g. fire, explosion, collision, overturning).</li><li>• Does not include theft.</li></ul>	14
Additional cover: transits by sea	<ul style="list-style-type: none"><li>• jettison;</li><li>• general average sacrifice;</li><li>• 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.</li></ul>	15
Additional clauses	<ul style="list-style-type: none"><li>• delayed unpacking within 90 days;</li><li>• insolvency of carrier, up to a maximum of 10% of the insured value of the <i>goods</i>;</li><li>• packaging and shipping containers up to \$75,000;</li><li>• packers premises ;</li><li>• pollution hazard;</li><li>• refused <i>goods</i> cover is extended to insure the <i>goods</i> during any delay, storage or onwards transport; and</li><li>• removal of debris/clean up costs up to \$75,000; and</li><li>• re-securing of goods.</li></ul>	16

# SINGLE TRANSIT INSURANCE WITHIN AUSTRALIA 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. DEFINITIONS

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

### 1.1 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:

- 1.1.1 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
- 1.1.2 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
- 1.1.3 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 insured hereunder;

and includes, but is not limited to, a disease that is or becomes listed on the National Notifiable Disease List and/or is or becomes a temporary addition to the National Notifiable Disease List and/or has or could give rise to a public health event of national significance and/or is or becomes a listed human disease (where National Notifiable Disease List means the list established and in force from time to time under section 11 of the National Health Security Act 2007 (Cth) and listed human disease has the meaning given by section 42 of the Biosecurity Act 2015 (Cth).

### 1.2 CONVEYANCE

*conveyance* means any road, rail, ship, vessel, aircraft or postal service used to transport the goods. This includes a trailer when attached to a registered road vehicle.

### 1.3 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.

### 1.4 DEATH

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

## 1.5 GOODS

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

## 1.6 INSURED, YOU, YOUR

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

## 1.7 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.

## 1.8 PERIOD OF INSURANCE

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

## 1.9 SCHEDULE

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

## 1.10 TERRORISM

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

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

1.10.2 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.

## 1.11 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.

## 1.12 WE, US OR OUR

*we, us or our* means Zurich Australian Insurance Limited (ZAIL) and includes Proteus Marine Insurance when acting as an agent of ZAIL.

# 2. 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*.

## 2.1 COVER COMMENCES

Cover commences:

2.1.1 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

2.1.2 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 *conveyance* 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 *conveyance* 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 *conveyance's* arrival; and
- (c) cover excludes the risks of dismantling, re-assembly and testing of *goods*.

## 2.2 EVENTS INSURED AGAINST

### 2.2.1 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 following injury.

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.

### 2.2.2 Cover option B

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

- (a) loss of or damage to *goods* caused 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 *goods* with something not on or part of the *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 *conveyance*;
  - vi. overturning, jackknifing or derailment of the *conveyance*;
  - vii. grounding, sinking or capsizing of the *conveyance*;
  - viii. crashing or forced landing of the *conveyance*;
  - 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 *conveyance*;
  - iv. hijack or armed hold up of the *conveyance*;
  - v. overturning, jackknifing or derailment of the *conveyance*;
  - vi. grounding, sinking or capsizing of the *conveyance*;
  - vii. crashing or forced landing of the *conveyance*; or
  - viii. discharge of livestock at a port of distress.

## 2.3 ADDITIONAL COVER

**2.3.1** 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.

### 2.3.2 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.

## 3. CONDITIONS OF COVER

### 3.1 CONDITIONS OF INSURANCE

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

### 3.2 BASIS OF VALUATION

The agreed value of the *goods* are 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, whichever value is higher, at the time of the commencement of the insured transit, of replacing the *goods* with similar *goods* of the same age and condition.

### 3.3 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.

### 3.4 SUM INSURED

The sum insured stated in:

- 3.4.1 the *schedule*;
- 3.4.2 any endorsements; and
- 3.4.3 any sub-limits expressed in this policy,

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

### 3.5 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.

## 4. ADDITIONAL CLAUSES

### 4.1 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 or trademarked cartons 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 of the *goods*.

### 4.2 DELAYED UNPACKING

Where packages that contain the *goods* are not opened immediately upon delivery at their destination any loss or damage subsequently discovered upon opening the packages will be deemed to have occurred during transit provided:

- 4.2.1 the loss or damage is discovered within ninety (90) days of arrival; and
- 4.2.2 any packages bearing outward signs of loss or damage (including wetting or staining) at the time of arrival are opened and inspected immediately.

### 4.3 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 reasonably have been aware, that such insolvency or financial default could have occurred during the insured transit.

#### 4.4 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 reasonably 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*.

#### 4.5 PACKER'S 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.

#### 4.6 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.

#### 4.7 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.

#### 4.8 REMOVAL OF DEBRIS, DISPOSAL AND AUTHORITIES' COSTS

In the event of loss and/or damage by an insured peril to the *goods* and notwithstanding *our* liability to pay a total loss, it is agreed the cover provided by this policy extends to include:

- 4.8.1 all costs of clean-up and/or deteriorated and/or contaminated *goods*; and
- 4.8.2 all costs other than fines and penalties levied by any recognised emergency service or any statutory authority including but not limited to police, ambulance, fire services and environmental protection services.

Provided always that this extension will only cover costs incurred that relate to the *goods*.

The maximum we will pay under this clause is \$75,000 for any one loss or series of losses arising from the one insured event unless specified otherwise on the *schedule*.

#### 4.9 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.

## 4.10 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*.

## 4.11 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*.

## 4.12 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:

- 4.12.1 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
- 4.12.2 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.

# 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 2.2;  
*Ordinary leakage* means a natural reduction of *goods* with a liquid content which is regarded as inevitable and not accidental  
*Ordinary loss in weight* means a natural reduction of the weight of *goods* which is regarded as inevitable and not accidental.
- 5.2 delay, loss of market or *consequential loss* of any description;  
*Consequential loss* means:
  - (a) loss of profit incurred;
  - (b) special extra running costs incurred to avoid or minimise a loss of profit; or
  - (c) any other cost.
- 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 4.3;
- 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, oxidation 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* being any actual or alleged loss, liability, damage, compensation, injury, sickness, disease, medical payment, claim, cost, expense, or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently, or in any sequence with, a *communicable disease* or the fear or threat (whether actual or perceived) of a *communicable disease*.

## 6. CLAIMS CONDITIONS

### 6.1 APPORTIONMENT OF RECOVERIES

Where a recovery is obtained from a carrier or other third party, such recovery will be apportioned between *you* and *us* in the same proportion as *we* have each borne such loss.

### 6.2 CLAIMS CLAUSE

Notwithstanding that the shipowner or other carrier has failed to acknowledge or otherwise reply to correspondence from *you* regarding their liability for loss or damage, it is agreed that claims recoverable under this policy will be settled by *us* on production of all other applicable supporting documents reasonably required.

### 6.3 CLAIMS PROCEDURE

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

*You* and/or your agent must, as soon as is reasonably practicable:

- 6.3.1 take all reasonable measures to avoid or minimise any loss, damage or expense (*we* will pay the reasonable cost of doing this);
- 6.3.2 inform the Police after a theft is discovered;
- 6.3.3 claim as soon as reasonably practicable against the carriers, port authorities or other bailees for any missing packages or *goods* and do not agree to release those parties from liability;
- 6.3.4 in no circumstances, other than under written protest, give clean receipts where *goods* are in damaged or doubtful condition;
- 6.3.5 in no circumstances, other than under written protest, sign a receipt for *goods* which are in damaged or doubtful condition without noting the damage or doubt regarding the condition on that receipt;
- 6.3.6 give notice of intention to claim, in writing, to the carriers or bailees within three days of delivery (or as soon as is reasonably practicable if the loss or damage was not apparent at the time of taking delivery);

**6.3.7** when delivery is made by shipping container, ensure that the shipping container and seals are examined by the responsible official;

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

**6.3.8** notify *us*, or *our* nominated survey/settling agent, what has happened and promptly send full details as may be reasonably required including details of any other insurance on the *goods* and the following documentation:

- (a) original policy;
- (b) original or copy of shipping invoices, shipping specifications and/or weight notes;
- (c) original consignment note, bill of lading, waybill and/or another contract of carriage;
- (d) landing account and weight notes at final destination;
- (e) documentary evidence of the extent of the loss or damage; and
- (f) any correspondence with the carrier or bailee about their liability for loss or damage.

**6.3.9** not authorise any repairs to the *goods* without *our* consent (not to be unreasonably withheld).

In the event of a claim, *we* shall consult with *you* and take into account *your* interests regarding the option of settling the loss either by payment, repair, reinstatement, or replacement, but *you* agree that *we* will have ultimate discretion in the settlement of any claim.

Measures taken by *you* or *us* with the object of saving, protecting or recovering the *goods* shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Failure to comply with the above conditions concerning claims procedures and documentation may prejudice *your* claim under this policy.

## 6.4 CLAIMS SETTLEMENT

**6.4.1** 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 3.2.

**6.4.2** 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 3.2) 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 3.2).

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

**6.4.3** 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 EXCESS

In the event of a claim *you* must bear the first amount of the loss *you* are claiming. This is the policy excess and will be specified in the *schedule* or elsewhere in this policy.

## 6.6 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.

## 6.7 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.

## 6.8 OWN REPAIRS

In respect to damage claims recoverable under this policy, where *you* are appointed to effect these repairs, it is agreed that the repair costs shall be based on *your* normal commercial rate for similar repairs including *your* normal element of profit.

## 6.9 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:

- 6.9.1 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
- 6.9.2 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.

## 6.10 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 reasonably require.

Where *we* elect to exercise these rights *we* will, where it is reasonable to do so, consult with *you* and take into account *your* interests or concerns regarding enforcement of such rights.

## 6.11 SURVEY FEES

In the event of *you* and/or *your* consignee complying with the instructions contained in this policy or on the certificate of insurance to call for a survey in respect of loss or damage that may result in a claim, it is agreed that the expenses incurred and fees charged in respect of that survey are recoverable under this policy (subject to this policy excess) even though a claim may not be subsequently lodged.

## 7. GENERAL CONDITIONS

### 7.1 APPLICABLE LEGISLATION

To the extent that this policy is subject to either the Marine Insurance Act 1909 (Cth) or the Insurance Contracts Act 1984 (Cth) nothing in it intends to reduce or waive either *your* or *our* privileges, rights or remedies available under those Acts.

If *you* fail to comply with a provision of this policy requiring compliance including the claims conditions under clause 6 and general conditions under clause 7, we may be able to:

- (a) refuse a claim;
- (b) reduce *our* liability to pay a claim by an amount that fairly represents the extent to which *our* interests are prejudiced by the failure to comply; or
- (c) cancel the policy.

### 7.2 ASSIGNMENT OF INTEREST

*You* may only transfer a right under this policy with our written consent (not to be unreasonably withheld)

### 7.3 NOTIFICATION OF MATERIAL CHANGE

If *you* want to make a change to this policy, the change becomes effective when *we* agree to it in writing.

*You* must notify *us* or *your* insurance broker or agent that acts on *your* behalf as soon as reasonably practicable and prior to the shipment departure date if *you* change:

- the shipment departure date;
- the destination the *goods* is to be shipped to or from;
- the type or quantity of the *goods* *you* are sending; or
- the method by which the *goods* is being sent. e.g. no longer using professional carrier.

*We* reserve the right to assess any such change and may accept or deny coverage and/or vary the terms of coverage for any increased risk the change poses. If *we* and *you* agree to accept or vary the terms of coverage, *you* must pay such reasonable additional premium as *we* may require for any such coverage

*Your* failure to notify *us* of a change could result in *us* declining a claim made under this policy and/or cancelling or avoiding this policy.

If *you* fail to comply with this condition, we may be able to:

- (a) refuse a claim;
- (b) reduce *our* liability to pay a claim by an amount that fairly represents the extent to which *our* interests are prejudiced by the failure to comply; or
- (c) cancel the 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:

- 7.4.1 headings are descriptive only, not an aid to interpretation;
- 7.4.2 singular includes the plural, and vice versa; and
- 7.4.3 the male includes the female and neuter.

## 7.5 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 any competent State, Territory, or Federal court in the Commonwealth 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.

## 7.6 REASONABLE CARE

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

## 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 TRADE AND ECONOMIC 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.



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