



Overseas Household Contents in Transit

Insurance for use by Cartage and Removals Transport Storage (CARTS)

Product Disclosure Statement and Policy Document



Allianz 



This insurance policy is provided by Allianz Australia Insurance Limited AFS Licence No. 234708, ABN 15 000 122 850 (Allianz) of 2 Market Street, Sydney NSW 2000. Arrowsmith & Petruccelli Insurance Brokers Pty Ltd AFS Licence No. 246584 has entered into an agreement with Allianz to issue this product and are acting under a binder arrangement with Us. They are acting as Our agent and not as Your agent.
A commission is payable by Us to them for arranging the insurance.

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Section A

About Allianz

Allianz Australia Insurance Limited AFS Licence No. 234708 ABN 15 000 122 850 is the insurer of the policy and is one of Australia's largest general insurers. We utilise years of local expertise, combined with global experience to offer a wide range of products and services to our customers. As members of the worldwide Allianz Group, we are committed to continuous improvement of our products and services and strive to achieve this through knowledge transfer within the Group, dedicated technical research units, sharing globally new product developments and a wide range of risk management services.

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About this Product Disclosure Statement and Policy Document (PDS)

This document is important. You should read it before making a decision to purchase this insurance. It will help you to decide whether this insurance meets your needs and compare it with others you may be considering.

Purpose of this insurance

This insurance is designed to cover you for certain events that occur during the defined period of transit of your insured household contents to an overseas destination.

Where your goods will be transited by sea you can apply for:

- **Policy Cover Option A** (the broader cover) – This covers loss of or damage to your insured household contents during the defined period of transit caused by risks not otherwise excluded in the policy. This is not available if you are packing your own goods. In this case you can only choose Cover Option B.
- **Policy Cover Option B** (Defined Events type cover) - covers loss of or damage to your insured household contents caused by a covered defined event (e.g. overturning, derailment or jack-knifing of the conveying vehicle and total loss of any of your household contents lost overboard or dropped whilst loading on to, or unloading from a vessel) during the defined period of transit. There is no cover for incidental or other storage under this option.

Where your goods will be transited by air you can apply for:

Air Cargo Cover

This covers loss of or damage to your insured household contents during the defined period of transit caused by risks not otherwise excluded in the policy. This does not cover contents when they are sent by post.

Summary of the available covers

The following provides a summary of some major risks and exclusions of each cover but you need to refer to the full policy terms and conditions for full details.

Summary of Major Risks Covered and Exclusions	Cover Option		
	(A)	(B)	Air Cargo
Fire or explosion	✓	✓	✓
Vessel or craft stranded, sunk, burnt or capsized	✓	✓	✓
Land conveyance overturned or derailed	✓	✓	✓
Collision or contact of vessel, craft or conveyance with any external object	✓ (except water)	✓ (except water)	✓
Discharge of cargo at port of distress	✓	✓	✓
Earthquake, lightning or volcanic eruption	✓	✓	✓
Malicious damage	✓	✗	✓
Theft	✓	✗*	✓
Delay	✗	✗	✗
Inherent defects (inherent vice) of your household contents	✗	✗	✗
Wilful misconduct	✗	✗	✗

Summary of Major Risks Covered and Exclusions	Cover Option		
	(A)	(B)	Air Cargo
General average sacrifice	✓	✓	(n/a)
Jettison	✓	✓	✓
Washing overboard	✓	✓	✓
Entry of sea, river or lake water into vessel, craft, conveyance, container or place of storage	✓	✓	(n/a)
Total loss of any package lost overboard or dropped whilst loading on to, or unloading from, vessel or craft	✓	✓	✓
Piracy	✓	✗	✓
War (subject to the insurers right of cancellation of this cover)	✓	✓	✓
Strikes, riots and civil commotions, including terrorists or any persons acting from a political motive	✓	✓	✓
Use of any atomic or nuclear weapon	✗	✗	✗
Ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear	✗	✗	✗
Insufficiency or unsuitability of packing	✗	✗	✗
Where you are aware of the unseaworthiness of the vessel or craft and/or unfitness of vessel, craft, conveyance, liftvan and/or container at the time of loading of your household contents	✗	✗	(n/a)
Where you are aware of the unfitness of the aircraft conveyance container and/or liftvan at the time of loading of your household contents	(n/a)	(n/a)	✗
Insolvency or financial default of the owners or operators of the vessel or aircraft	✗	✗	✗

* See page 6.

Cooling off period and cancellation rights

Even after you have decided, you have a **cooling off period and cancellation rights** (see “Cooling Off period and cancellation rights under the policy” section for details).

If you have any queries, want further information about the policy or want to confirm a transaction, please use the contact details on the back cover.

Understanding this insurance and its important terms and conditions

To properly understand this insurance you need to read:

- about each of the available types of cover and benefits that are specified in the Available Covers part of this Section A and the relevant institute clauses in Section B;
- the exclusions that apply to restrict the cover set out in the “General Exclusions” part of this Section A, the exclusions in the relevant institute clause in Section B and the schedule;
- the other terms and conditions of the policy which are set out in this Section A (see “Making a claim” and “Other information”) as well as the relevant institute clauses in Section B. These set out certain obligations that you and we have. If you do not meet your obligations we may be able to refuse to pay a claim; and
- the “Words with Special meanings” part in Section A and the institute clauses in Section B which tell you what we mean by certain terms.
- any amendments to the standard terms contained in this document that are agreed specifically with you and included in the Schedule.

Applying for this insurance

When you apply for the insurance by completing our application we agree with you on things such as: the cover option you want; the transit expiry time; your premium; what property you want to cover; the limits and the excesses that will apply to you or others; and whether any standard terms need to be varied (this may be by way of an endorsement).

Your premium is calculated based on a number of factors such as:

- your risk profile and the ratings we apply to your risk profile (eg the type of property being insured, the cover and limits required, and your insurance history etc). In some cases, discounts may apply if you meet certain criteria we set.
- our obligation to pay relevant Government taxes and charges. For example we include an amount that covers stamp duty and GST payable in relation to the policy. We may also include an amount estimated to cover any obligation we have to pay any applicable Government Fire Services Levy in relation to the Policy. These amounts are specified separately in the Schedule we issue.

We tell you the total amount payable when you apply and when and how it can be paid. This is confirmed in the Schedule we issue to you.

The policy sets out the cover we are able to provide you with. You need to decide if the limits, type and level of cover are appropriate for you and will cover your potential loss. If they are not, you may be underinsured and have to bear the part of any loss you are not covered for yourself.

Make sure you keep evidence of ownership of the insured household contents.

Where an excess applies, you are required to bear this amount yourself for any claim. We do not cover you for this amount and reduce the total amount we pay you for any claim by this excess. Any excess will be specified in the schedule.

You should also read the GST Notice in the “Making a claim” section to understand how GST is applied to a claim.

What your policy consists of

Where we agree to enter into a policy with you, your policy consists of:

- this Allianz Overseas Household Contents in Transit insurance product disclosure statement and policy document, and
- a schedule provided by us, which sets out who is insured, the cover(s) provided, the period of

insurance, the limits of liability, excesses and other important information, such as amendments to the standard terms and conditions of this document.

You should carefully read and retain this document and the schedule. These documents should be read together as they jointly form the contract of insurance between you and us. Any new or replacement schedule we may send you, detailing changes to your insurance or the period of insurance, will become the current schedule.

Our agreement with you

We will insure you in accordance with the terms of the relevant cover option applicable to you as specified in your schedule, subject to the other terms and conditions of the policy.

Cover is provided on the basis:

- that you have paid or will pay us the premium for the cover,
- of the verbal and/or written information provided by you which you gave after having been advised of your duty of disclosure either verbally or in writing. If you failed to comply with your duty of disclosure, we may be entitled to reduce our liability under the policy in respect of a claim and/or we may cancel your policy. If you have told us something which is fraudulent, we also have the option of avoiding your insurance from the effective date stated in the current schedule. For your assistance we have provided a full explanation of your duty of disclosure and the consequences of non-disclosure, under the heading “Duty of Disclosure”, on page 10.

We only provide cover up to the sum insured specified in the schedule for the relevant cover, subject to any applicable excesses.

Words with special meanings

Some of the words in the policy have special meanings wherever they appear. These words and their meanings are defined below:

“**aircraft**” means, for the purposes of Air Cargo cover only, any aircraft in which your goods are transited.

“**carrier**” means the person named in the schedule that you have contracted with to transit your household contents. In the institute clauses this person includes the “Consignee”.

“**collection**” means a group of individual items, pairs or sets which are of a similar type and which, when assembled and displayed together as a group, take on a value greater than the sum of the individual items’, pairs’ or sets’ values.

“**excess**” means the amount you, or the person making

the claim, must pay towards the claim. We do not cover you for this amount and we reduce the amount we pay you for any claim by the excess. The amount of the excess is set out in your current schedule. You are only required to pay one excess in respect of any claim(s) arising out of the same insured event.

“flood” entry of sea, lake or river water into a vessel, hold conveyance container, liftvan or place of storage.

“general average” means a contribution that may be required by you to any costs, including jettison of cargo owned by others, that are incurred to prevent the total loss of a conveying vessel and cargo. The amount to be contributed is proportional to the value that your cargo bears to the combined value of the ship and all the cargo on board.

“household contents” means property which belongs to you (or for which you are legally responsible) including all of your household goods and personal effects.

However, it excludes:

- a. money, cheques or other negotiable instruments
- b. animals, birds, fish, insects, reptiles or spiders
- c. trees, shrubs and plants
- d. motor vehicles (including motor or trail bikes) whether they are capable of being registered or not
- e. caravans or trailers
- f. boats and other watercraft,

unless the particular excluded item is specified on the schedule as covered by way of endorsement.

The reference to “goods” in the institute clauses means the above household contents as defined.

“incidental storage” means where the household contents are temporarily stored by your carrier during the ordinary course of the insured transit without you requesting this storage.

“institute clauses” means the clauses included in Part B as part of this PDS which are the market standard wordings for this type of insurance prepared by the Institute of London Underwriters. Unless otherwise stated, in the event of any inconsistency between the terms of the institute clauses and any other terms of this insurance, the other terms will prevail.

“period of transit” means in relation to each relevant household contents item:

- **Under Cover Option A and Air Cargo Cover (except for cover provided under Institute War Clauses (Cargo) and (Air Cargo))** – the period of time starting from the moment the item is first handled or moved by your carrier for the purpose of being packed for insured transit at the point of transit specified in your schedule, continuing during transit in the

carrier’s conveyance and ceasing on the earlier of:

- the storage of the item other than in a conveyance used for the transit, except where the storage is incidental storage or agreed storage;
- the placement of the item at the transit destination;
- the transit expiry time; or
- any expiry time stated under the “Duration” section of the relevant institute clause.
- **Under Cover Option B (except for cover provided under Institute War Clause (Cargo))** – the period of time starting from the moment the item is loaded onto the conveyance for the purpose of the insured transit, continuing during transit in the conveyance and ceasing at the earlier of:
 - the time the unloading of the item from the conveyance commences;
 - delivery of the item to a place from where it will be stored, allocated or distributed; or
 - any expiry time stated under the “Duration” section of Institute Cargo Clause B.
- **Under Institute War Clause (Cargo)** - the period:
 - commencing at the time that the item is first loaded on the vessel that is to transport the item from one port or place to another where such voyage involves a sea passage and ceasing at the earlier of:
 - the time it is discharged from the vessel at the final port or place of discharge;
 - on expiry of 15 days from midnight of the day of arrival at the final place of discharge; or
 - any other expiry time stated under the “Duration” section of the Institute War Clause (Cargo); or
 - specified in the “Duration” section of the Institute War Clause (Cargo) where the insurance reattaches or is extended under that clause.
- **Under Institute War Clause (Air Cargo)** - the period:
 - commencing at the time that the item is first loaded on the aircraft for commencement of the air transit insured and ceases at the earlier of:
 - the time it is discharged from the aircraft at the aircraft’s final place of discharge;
 - on expiry of 15 days from midnight of the day of arrival of the aircraft at the final place of discharge; and
 - any other expiry time stated under the “Duration” section of the Institute War Clause (Air Cargo); or

- specified in the “Duration” section of the Institute War Clause (Air Cargo) where the insurance reattaches or is extended under that clause.

“**schedule**” means the most recent schedule we give you which contains the specific insurance details for you.

“**set**” means a group of similar or related items that belong together.

“**subject-matter**” as it appears in the institute clauses has the same meaning as household contents.

“**transit destination**” means the destination located overseas specified in the schedule.

“**transit expiry time**” means the transit expiry time specified in the schedule.

“**vessel**” means, for the purposes of Cover Options A and B only, any vessel or craft in which your goods are transited.

“**we**”, “**our**” or “**us**” means Allianz Australia Insurance Limited AFS Licence No. 234708 ABN 15 000 122 850 (Allianz) of 2 Market Street, Sydney, NSW, 2000.

“**war risks**” means:

- war, civil war, revolution, rebellion, insurrection, or civil strife arising from these, or any hostile act by or against a belligerent power;
- actual or attempted capture, seizure, arrest, restraint or detainment arising from the above and the consequences of any such actual or attempted capture, seizure, arrest, restraint or detainment; or
- derelict mines, torpedoes, bombs or other derelict weapons of war.

“**you**” or “**your**” means the person(s) named in the current schedule as the insured and those persons who live with you permanently who are any of the following:

- your legal spouse or de facto (meaning a de facto relationship where you and your partner are living together in a genuine domestic relationship), or
- any member of your own family and your legal spouse’s or de facto’s family.

In the institute clauses, “assured” has the same meaning as “you” or “your”.

Available Covers

Marine Covers

Cover Option A

(only applies if specified in your schedule as applicable - Not available if you are packing your own goods)

Subject to the other policy terms and conditions which apply, we cover you for loss of or damage to your household contents from any event occurring during the period of transit in accordance with Institute Cargo Clauses (A), Institute War Clauses (Cargo), Institute Strikes Clauses (Cargo), Institute Classification Clause and Institute War Cancellation Clause (Cargo).

Cover Option B

(only applies if specified in your schedule as applicable - Available if you are packing your own goods or they are being packed for you)

Subject to the other policy terms and conditions which apply, we cover you for loss of or damage to your household contents for the defined events as specified in and in accordance with Institute Cargo Clauses (B), Institute War Clauses (Cargo) and Institute Strikes Clauses (Cargo), Institute Classification Clause and Institute War Cancellation Clause (Cargo), provided the covered event occurs during the period of transit.

However, we will cover you for theft, pilferage and non-delivery during the defined period of transit if you supply us with an itemised value of your goods prior to the commencement of transit.

The vessel by which the sea transit is made under Cover Option A or B must fall within the Qualifying Vessel definition in the Institute Classification Clause.

Air Cargo Cover

(only applies if specified in your schedule as applicable - This cover will apply whether or not you have packed your own goods).

Subject to the other policy terms and conditions which apply, we cover you for loss of or damage to your household contents from any event occurring during the period of transit in accordance with Institute Cargo Clauses (Air), Institute War Clauses (Air Cargo), and Institute Strikes Clauses (Air Cargo).

Please read the other terms, conditions and exclusions of this document and the schedule which affect the covers under the institute clauses.

Other benefits we will provide

We will also cover you for the following additional benefits listed below subject to the specific terms and conditions of each benefit.

1. Delayed Unpacking (Applies to Cover Option A and Air Cargo only)

Where cases/cartons/packages of household contents moved in the insured transit are not opened in due course on arrival at the transit destination, any concealed losses or damage caused in transit by events covered under Cover Option A or the Air Cargo cover, as applicable, but which only come to light when the cases/cartons/packages are unpacked, shall still be recoverable under these cover options, except where:

- the damage is discovered later than 45 days after arrival at the transit destination specified in your schedule or the transit expiry time, whichever is earlier; and
- packages bearing outward signs of loss and/or damage at the time of arrival at the destination named in your schedule have not been inspected immediately by you.

2. Removal of Debris (Applies to all cover options)

In the event of damage to household contents moved in the insured transit caused by an event covered under the relevant Cover Option and even where we must pay the total sum insured, we will also pay all costs and expenses incurred in the removal and/or disposal of the damaged household contents, up to a total amount of \$5,000 for any one or all claims.

Any payment we make under this benefit is in addition to your household contents sum insured.

How we will settle your household contents claim

1. Subject to the following, at our option we will either:
 - a. repair or replace your household contents to the same condition as when they were new; or
 - b. pay you the reasonable cost of repairing or replacing your personal effects to the same condition as when they were new. We will adjust your claims payment in accordance with the GST provision – see “Making a claim” section “GST Notice”.
2. If your claim relates to any of the items listed below, we will deduct an amount from any claim

settlement for depreciation, wear and tear based on age and condition:

- a. clothing;
 - b. household linen, manchester and other household items consisting solely of fabric;
 - c. analogue mobile telephones; or
 - d. computer equipment more than 3 years old from the date of manufacture.
3. If any part of a pair, set or collection is lost or damaged, we will not pay any more than the value of the part which is lost or damaged. No allowance will be made for any reduction in the value of the remaining part or parts of the pair, set or collection.
 4. In the event of damage to any article of furniture, or article of antique nature insured under this insurance, claims settlement is limited to the reasonable cost of repair and no claim is to attach to this policy for any loss in value consequent to the damage.
 5. You must pay the relevant excess if you have a claim under the policy. It applies for each event giving rise to a claim. We do not cover you for this amount and we reduce the amount we pay you for any claim by the excess. The amount of the excess is set out in your current schedule. You are only required to pay one excess in respect of any claim(s) arising out of the same insured event.

The claims handling requirements of the institute clauses will also apply to the extent that they are not inconsistent with the above clauses.

General Exclusions (applicable to all cover options)

1. Irrespective of anything contained in the institute clauses, there is no cover under this policy for loss, liability, injury, expense or damage:
 - a. **Wilful misconduct**
caused by, arising from or in anyway connected with loss damage or expense attributable to willful misconduct by you.
 - b. **Lawful seizure**
caused by, arising from or in anyway connected with the lawful confiscation, destruction, detention, nationalisation, requisition or seizure;

c. **Nuclear**

caused by, arising from or in anyway connected with ionising radiation or contamination by radioactivity from:

- any nuclear fuel or nuclear waste,
- the combustion of nuclear fuel (including any self-sustained process of nuclear fission), or
- nuclear weapons employing atomic or nuclear fission and/or fusion or any other like reaction or radioactive force or matter;

d. **War risks:**

- caused by, arising from or in anyway connected with a war risk preventing the transit of your goods by air or sea;
- caused by, arising from or in anyway connected with war risks incurred after the expiry of 7 days from midnight on the date we issued a notice informing you that you are no longer covered for such risks;

e. **Wear and tear**

caused by, arising from or in anyway connected with depreciation, ordinary leakage or loss in weight or volume, gradual deterioration, wear and tear;

f. **Inherent defects (inherent vice)**

caused by inherent defects, faulty design, structural defects or poor workmanship;

g. **Delay**

where the proximate cause (i.e. dominant or effective cause) was delay howsoever caused;

h. **Electrical, Mechanical or Electronic breakdown**

caused by, arising from or in anyway connected with electrical, mechanical or electronic breakdown unless there is visible, external evidence of physical damage to the item resulting from an insured event;

i. **Insufficiency or Unsuitability of Packing of your Household Contents**

The packing includes stowage in a container, but only when the stowage is completed by you or your agent before the period of transit commences.

j. **Insolvency or Financial Default**

arising from the insolvency or financial default of the owners, managers, charterers or operators of the vessel or aircraft, as applicable, in which your household contents are being transited.

k. **Strikes and Terrorism**

caused by:

- strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions; or
- any terrorist or any person acting from a political motive;

where the:

- transit of your goods by air or sea is not able to take place; or
- loss damage or expense arises from the absence, shortage or withholding of labour of any description whatsoever resulting from any strike lockout, labour disturbance, riot or civil commotion.

Please refer to the exclusions of the institute clauses which will also apply.

Cooling off period and cancellation rights under the policy

- Even after you make a decision to purchase this insurance, you still have cooling off rights. You can return your policy by notifying us in writing within 14 days of cover commencing and we will refund the premium paid unless the period of transit has commenced, something has occurred for which a claim may be payable under the policy or your rights under the policy have ended (e.g. the period of transit ends).
- Irrespective of the cooling off rights, you may cancel this policy at any time by telephoning us.
- We have the right to cancel this policy in certain circumstances permitted by law. These include:
 - if you have failed to comply with your duty of disclosure, or
 - where you have made a misrepresentation to us during negotiations prior to the issue of this policy, or
 - where you have failed to comply with a provision of your policy, including the term relating to payment of premium, or
 - where you have made a fraudulent claim under your policy or under some other contract of insurance that provides cover during the same period of time that our policy covers you.

Where the policy is cancelled we will refund what is left of the premium you paid by deducting an amount

which covers the period for which you have been insured by us and any non-refundable government taxes, fees and charges.

Making a claim

The following apply, irrespective of anything contained in the institute clauses.

What you must do

We may not pay your claim if you do not act as follows:

1. Do not admit liability

You must not:

- a. admit guilt or liability, or make a promise or offer of payment in connection with any claim;
 - b. offer or agree to settle any claim;
- without our written consent.

2. Prevent further damage

You must take all reasonable precautions to prevent any further loss or damage.

3. Contact the police

Inform the police immediately of any malicious damage, theft, attempted theft or loss of insured property.

4. Keep evidence of the loss or damage

You must keep evidence of any loss or damage to your insured property. You may not authorise any repairs or replacement unless you are preventing further loss, damage or liability from occurring.

5. Contact our nominated survey agent as soon as possible

If there is any loss or damage which is likely to result in a claim, you must give the survey agent immediate notice of the full details of any loss or damage. You or your representative must give them full details in the manner we request which will be either:

- a. in writing by completing our claim form which can be downloaded from our website; or
- b. verbally.

You must also:

- provide the survey agent with any original receipts, proof of ownership or quotes we require to settle your claim,
- inform the survey agent if your property is insured under any other policy.

What happens after you make a claim

1. Assist the survey agent with your claim

You must assist our agent with your claim. This means you give them all the information and assistance with your claim which they may reasonably require. If you do not do so we may not pay your claim or provide cover.

If we have the right to recover any amount payable under this policy from any other person, you must co-operate with us in any action we may take.

2. Our rights of recovery

We have the right to recover from any person the amount of any claim payable to you under this policy and we will have full discretion in the conduct, settlement or defence of any claim in your name.

3. GST Notice

Sums Insured

All monetary limits in this policy do not include an amount for GST, but may be increased for GST in some circumstances (see below). You should have regard to the impact of GST when calculating how much you insure for, and obtain tax advice where required.

Claim Settlements – where we agree to pay

Despite the other provisions of this policy our liability to pay you any claim is subject to the following.

Where you are liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a damaged item insured under the policy), and we agree to pay the claim, we will pay for this GST amount.

Where you are liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a damaged item insured under the policy), and we agree to pay the claim, we will pay for this GST amount. However, if your sum insured / limit of indemnity is not sufficient to cover your loss, we will only pay the GST amount that relates to your settlement of your claim. We will reduce the GST amount we pay for by any input tax credits to which you are or would be entitled on a relevant acquisition.

We will pay the GST amount less any input tax credit in addition to the sum insured / limit of indemnity or other limits shown in the policy or schedule.

Where we make a payment under this policy as compensation instead of payment for a relevant acquisition, we will reduce the amount of payment by the amount of any input tax credit that you would have been entitled to had the payment been applied to a relevant acquisition.

We will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by your business which is relevant to your claim.

Disclosure – Input Tax Credit Entitlement

If you register, or are registered, for GST you are required to tell us your entitlement to an input tax credit on your premium. If you fail to disclose or understate your entitlement, you may be liable for GST on a claim we may pay. This policy does not cover you for this GST liability, or for any fine, penalty or charge that you may be liable for due to your failure to disclose or a misstatement made by you in relation to your entitlement to an input tax credit for the premium.

“GST”, “input tax credit”, “acquisition”, “supply”, “tax invoice”, and “adjustment note”, have the meaning given in the A New Tax System (Goods and Services Tax) Act 1999.

Please refer to the claims conditions of the institute clauses which also apply, except to the extent they impose lesser conditions.

Other information

Duty of Disclosure

Before you enter into your policy with us, you have a duty to disclose to us every matter that you know, or a reasonable person in the circumstances could be expected to know, is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms. This duty is known as your Duty of Disclosure and is required under both the Marine Insurance Act 1909, which governs Cover Options A and B and the Insurance Contracts Act 1984 which governs Air Cargo Cover.

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

Your duty however does not require disclosure of a matter:

- that diminishes the risk to be undertaken by us;
- that is of common knowledge;
- that we know or, in the ordinary course of business, ought to know;
- as to which compliance with your duty is waived by us.

Who does the Duty of Disclosure apply to?

The duty of disclosure applies to you and everyone that is an insured under the contract of insurance.

What happens if you or they do not comply with the Duty of Disclosure?

Where the Insurance Contracts act applies (Air Cargo Cover only)

If you, or they, fail to comply with the duty of disclosure, we may be entitled to reduce our liability under your

policy in respect of a claim or cancel it. If the non-disclosure is fraudulent, we may be able to treat your policy as if it was never effected.

Where the Marine Insurance act applies (Cover Options A and B only)

We may avoid the contract from inception.

Applicable Law

This insurance is governed by and construed in accordance with the law of New South Wales and the Commonwealth of Australia (“Laws”) and in taking out your policy you agree that this “Jurisdiction and Choice of Law” clause applies. Where any term of this insurance is inconsistent with the Laws, the Laws shall prevail.

Privacy Act 1988 – Information

We collect your personal information directly from you where reasonably practicable or if not, from other sources. We collect it to provide our various services and products (e.g. to market, arrange and administer insurance and to handle and settle claims) and to conduct market or customer research. We also use it to develop and identify services of our related companies and alliance partners that may interest you (but you can opt out of this by calling the Allianz Direct Marketing Privacy Service Line on 13 26 64 EST 8am-6pm, Monday to Friday or indicate your decision in the appropriate area of the Privacy section of our website at www.allianz.com.au). If you do not provide the information we require we may not be able to provide you with this service.

We disclose information to third parties who assist us in the above (e.g. insurers, insurance intermediaries, insurance reference bureaus, related companies, our advisers, persons involved in claims, external claims data collectors and verifiers, your agents and other persons where required by law). We prohibit them from using it for purposes other than those we supplied it for. Where you provide us with information about another person for the above purposes, you must tell us if you haven’t got their consent to this. If you wish to gain access to your personal information (including to correct or update it), have a complaint about a breach of your privacy or you have any query on how your personal information is collected or used, or any other query relating to privacy, contact us.

General Insurance Code of Practice – providing you with even better service

The General Insurance Code of Practice was developed by the Insurance Council of Australia to further raise standards of practice and service across the insurance industry. We keenly support the standards set out in the

Code. You can obtain more information on the Code of Practice and how it assists you by contacting us using the details on the back cover.

Dispute resolution process – helping you solve any problems

We have a free internal complaints resolution process that can be accessed by contacting us using the details on the back cover. If this process doesn't resolve the complaint, and you have Air Cargo cover, you may be able to access a free external dispute resolution scheme we belong to run by the Insurance Ombudsman Service Limited, an independent organisation. We will tell you how you can contact them.

If this insurance has been issued through an insurance intermediary

If your policy has been issued through our agent, or a broker who is acting under a binder arrangement with us, then they are acting as our agent and not as your agent.

If your policy has been issued by a broker, other than a broker acting under a binder arrangement with us, then the broker is acting as your agent.

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

Phoning for assistance

If you need to clarify any of the information contained in this policy wording or you have any other queries regarding your insurance policy, please use the contact details on the back cover.

For all enquiries please call your Insurance Intermediary.

Other PDS Information

Other documents may form part of this Product Disclosure Statement (PDS). Any such documents will include a statement identifying them as part of this PDS and will be provided to you at the same time as you receive this PDS.

Information in this document (or any other document that makes up our Product Disclosure Statement) that is not materially adverse from the point of view of a reasonable person in considering whether to buy this insurance may change from time to time where permitted by law. We record any such changes and on contacting us we will make a paper copy available free of charge.

Section B – Institute Cargo Clauses

Cover Option A

Institute Cargo Clauses (A)

Risks Covered

1. This insurance covers all risks of loss of or damage to the subject-matter insured except as provided in Clauses 4, 5, 6 and 7 below.
2. This insurance covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 4, 5, 6 and 7 or elsewhere in this insurance.
3. This insurance is extended to indemnify the Assured against such proportion of liability under the contract of affreightment "Both to Blame Collision" Clause as is in respect of a loss recoverable hereunder. In the event of any claim by shipowners under the said Clause the Assured agree to notify the Underwriters who shall have the right, at their own cost and expense, to defend the Assured against such claim.

Exclusions

4. In no case shall this insurance cover:
 - 4.1 loss, damage or expense attributable to wilful misconduct of the Assured
 - 4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 4.3 loss, damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 4.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
 - 4.4 loss, damage or expense caused by inherent vice or nature of the subject-matter insured
 - 4.5 loss, damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 4.6 loss, damage or expense arising from insolvency or financial default of the owners, managers, charterers or operators of the vessel

- 4.7 loss, damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- 5.1 In no case shall this insurance cover loss, damage or expense arising from:
- unseaworthiness of vessel or craft,
 - unfitness of vessel, craft, conveyance container or liftvan for the safe carriage of the subject-matter insured,
 - where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.
- 5.2 The Underwriters waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination, unless the Assured or their servants are privy to such unseaworthiness or unfitness.
6. In no case shall this insurance cover loss, damage or expense caused by:
- 6.1 war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
- 6.2 capture, seizure, arrest, restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat
- 6.3 derelict mines torpedoes bombs or other derelict weapons of war.
7. In no case shall this insurance cover loss, damage or expense:
- 7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
- 7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
- 7.3 caused by any terrorist or any person acting from a political motive.

Duration

- 8.1 This insurance attaches from the time the goods leave the warehouse or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either:
- on delivery to the Consignees' or other final warehouse or place of storage at the destination named herein,
 - on delivery to any other warehouse or place of storage, whether prior to or at the destination

named herein, which the Assured elect to use either

- for storage other than in the ordinary course of transit or
- for allocation or distribution, or
- on the expiry of 60 days after completion of discharge overseas of the goods hereby insured from the overseas vessel at the final port of discharge,

whichever shall first occur.

- 8.2 If, after discharge overseas from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.
- 8.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to shipowners or charterers under the contract of affreightment.
9. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before delivery of the goods as provided for in Clause 8 above, then this insurance shall also terminate **unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters**, either:
- 9.1 until the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the goods hereby insured at such port or place, whichever shall first occur,
- or
- 9.2 if the goods are forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 8 above.
10. Where, after attachment of this insurance, the destination is changed by the Assured, **held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.**

Claims

11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.

11.2 Subject to 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Underwriters were not.

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

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

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

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

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

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

The agreed value of the cargo shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the cargo by the Assured, and liability under this insurance shall be

in such proportion as the sum insured herein bears to such total amount insured.

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

Benefit of Insurance

15. This insurance shall not inure to the benefit of the carrier or other bailee.

Minimising Losses

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

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

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

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

Avoidance of Delay

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

Law and Practice

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

Cover Option B

(For use only with the new Marine Policy Form)

Institute Cargo Clauses (B)

Risks Covered

1. This insurance covers, except as provided in Clauses 4, 5, 6 and 7 below,
 - loss of or damage to the subject-matter insured reasonably attributable to
 - fire or explosion
 - vessel or craft being stranded, grounded sunk or capsized
 - overturning or derailment of land conveyance

- collision or contact of vessel, craft or conveyance with any external object other than water
 - discharge of cargo at a port of distress
 - earthquake, volcanic eruption or lightning,
 - loss of or damage to the subject-matter insured caused by
 - general average sacrifice
 - jettison or washing overboard
 - entry of sea, lake or river water into vessel, craft, hold conveyance container, liftvan or place of storage,
 - total loss of any package lost overboard or dropped whilst loading on to, or unloading from, vessel or craft.
2. This insurance covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 4, 5, 6 and 7 or elsewhere in this insurance.
3. This insurance is extended to indemnify the Assured against such proportion of liability under the contract of affreightment “Both to Blame Collision” Clause as is in respect of a loss recoverable hereunder.

In the event of any claim by shipowners under the said Clause the Assured agree to notify the Underwriters who shall have the right, at their own cost and expense, to defend the Assured against such claim.

Exclusions

4. In no case shall this insurance cover:
- 4.1 loss, damage or expense attributable to wilful misconduct of the Assured
 - 4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 4.3 loss, damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 4.3 “packing” shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
 - 4.4 loss, damage or expense caused by inherent vice or nature of the subject-matter insured
- 4.5 loss, damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 4.6 loss, damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the vessel
 - 4.7 deliberate damage to or deliberate destruction of the subject-matter insured or any part thereof by the wrongful act of any person or persons
 - 4.8 loss, damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- 5.1 In no case shall this insurance cover loss, damage or expense arising from:
- unseaworthiness of vessel or craft,
 - unfitness of vessel, craft, conveyance container or liftvan for the safe carriage of the subject-matter insured,
 - where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.
 - The Underwriters waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination, unless the Assured or their servants are privy to such unseaworthiness or unfitness.
6. In no case shall this insurance cover loss, damage or expense caused by:
- 6.1 war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 6.2 capture, seizure, arrest, restraint or detainment, and the consequences thereof or any attempt thereat
 - 6.3 derelict mines, torpedoes, bombs or other derelict weapons of war.
7. In no case shall this insurance cover loss, damage or expense:
- 7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
 - 7.3 caused by any terrorist or any person acting from a political motive.

Duration

8.1 This insurance attaches from the time the goods leave the warehouse or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either:

- on delivery to the Consignees' or other final warehouse or place of storage at the destination named herein,
- on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either
- for storage other than in the ordinary course of transit, or
- for allocation or distribution, or
- on the expiry of 60 days after completion of discharge overseas of the goods hereby insured from the overseas vessel at the final port of discharge,

whichever shall first occur.

8.2 If, after discharge overseas from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.

8.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, re-shipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to shipowners or charterers under the contract of affreightment.

9. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before delivery of the goods as provided for in Clause 8 above, then this insurance shall also terminate **unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters**, either:

9.1 until the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the goods hereby insured at such port or place, whichever shall first occur, or

9.2 if the goods are forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 8 above.

10. Where, after attachment of this insurance, the destination is changed by the Assured, **held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.**

Claims

11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.

11.2 Subject to 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Underwriters were not.

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

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

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

14.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured. In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances

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

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

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

Benefit of Insurance

15. This insurance shall not inure to the benefit of the carrier or other bailee.

Minimising Losses

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

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

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

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

Avoidance of Delay

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

Law and Practice

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

Institute War Clauses (Cargo)

Cover Options A and B

Risks Covered

1. This insurance covers, except as provided in Clauses 3 and 4 below, loss of or damage to the subject-matter insured caused by:

1.1 war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power

1.2 capture, seizure, arrest, restraint or detainment, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat

1.3 derelict mines, torpedoes, bombs or other derelict weapons of war.

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

Exclusions

3. In no case shall this insurance cover:

3.1 loss, damage or expense attributable to wilful misconduct of the Assured

3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured

3.3 loss, damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)

3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured

3.5 loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)

3.6 loss, damage or expense arising from insolvency or financial default of the owners, managers, charterers or operators of the vessel

3.7 any claim based upon loss of or frustration of the voyage or adventure

3.8 loss, damage or expense arising from any hostile use of any weapon of war, employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

4.1 In no case shall this insurance cover loss, damage or expense arising from unseaworthiness of vessel or craft, unfitness of vessel, craft, conveyance container or liftvan for the safe carriage of the subject-matter

insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.

- 4.2 The Underwriters waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination, unless the Assured or their servants are privy to such unseaworthiness or unfitness.

Duration

- 5.1 This insurance:

- 5.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on an oversea vessel and
- 5.1.2 terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is discharged from an oversea vessel at the final port or place of discharge or on expiry of 15 days counting from midnight of the day of arrival of the vessel at the final port or place of discharge, whichever shall first occur; nevertheless, **subject to prompt notice to the Underwriters and to an additional premium**, such insurance
- 5.1.3 reattaches when, without having discharged the subject-matter insured at the final port or place of discharge, the vessel sails therefrom, and
- 5.1.4 terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the vessel at the final (or substituted) port or place of discharge, or on expiry of 15 days counting from midnight of the day of re-arrival of the vessel at the final port or place of discharge or arrival of the vessel at a substituted port or place of discharge, whichever shall first occur.

- 5.2 If during the insured voyage the oversea vessel arrives at an intermediate port or place to discharge the subject-matter insured for on-carriage by oversea vessel or by aircraft, or the goods are discharged from the vessel at a port or place of refuge, then, subject to 5.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the vessel at such port or place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying oversea vessel or aircraft. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that

part is at such port or place. If the goods are on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 5.2

- 5.2.1 where the on-carriage is by oversea vessel this insurance continues subject to the terms of these clauses,

or

- 5.2.2 where the on-carriage is by aircraft, the current Institute War Clauses (Air Cargo) (excluding sendings by Post) shall be deemed to form part of this insurance and shall apply to the on-carriage by air.

- 5.3 If the voyage in the contract of carriage is terminated at a port or place other than the destination agreed therein, such port or place shall be deemed the final port of discharge and such insurance terminates in accordance with 5.1.2. If the subject-matter insured is subsequently reshipped to the original or any other destination, then provided notice is given to the Underwriters before the commencement of such further transit and subject to an additional premium, such insurance reattaches:

- 5.3.1 in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying vessel for the voyage;

- 5.3.2 in the case of the subject-matter not having been discharged, when the vessel sails from such deemed final port of discharge;

thereafter such insurance terminates in accordance with 5.1.4.

- 5.4 The insurance against the risks of mines and derelict torpedoes, floating or submerged, is extended whilst the subject-matter insured or any part thereof is on craft whilst in transit to or from the oversea vessel, but in no case beyond the expiry of 60 days after discharge from the oversea vessel unless otherwise specially agreed by the Underwriters.

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

(For the purpose of Clause 5 “arrival” shall be deemed to mean that the vessel is anchored, moored or otherwise secured at a berth or place within the Harbour Authority area. If such a berth or place is not available, arrival is deemed to have occurred when the vessel first anchors,

moors or otherwise secures either at or off the intended port or place of discharge "oversea vessel" shall be deemed to mean a vessel carrying the subject-matter from one port or place to another where such voyage involves a sea passage by that vessel)

6. Where, after attachment of this insurance, the destination is changed by the Assured, held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.
7. Anything contained in this contract which is inconsistent with Clauses 3.7, 3.8 or 5 shall, to the extent of such inconsistency, be null and void.

Claims

- 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 8.2 Subject to 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Underwriters were not.
- 9.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.

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

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

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

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

Benefit of Insurance

10. This insurance shall not inure to the benefit of the carrier or other bailee.

Minimising Losses

11. It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder:
 - 11.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
 - 11.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.
12. Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Avoidance of Delay

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

Law and Practice

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

NOTE:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation.

Institute Strikes Clauses (Cargo)

Cover Options A and B

Risks Covered

1. This insurance covers, except as provided in Clauses 3 and 4 below, loss of or damage to the subject-matter insured caused by:
 - 1.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 1.2 any terrorist or any person acting from a political motive.
2. This insurance covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from a risk covered under these clauses.

Exclusions

3. In no case shall this insurance cover:
 - 3.1 loss, damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss, damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 3.3 “packing” shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
 - 3.4 loss, damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss, damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 3.6 loss, damage or expense arising from insolvency or financial default of the owners, managers, charterers or operators of the vessel
 - 3.7 loss, damage or expense arising from the absence, shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion
 - 3.8 any claim based upon loss of or frustration of the voyage or adventure
 - 3.9 loss, damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 3.10 loss, damage or expense caused by war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.
- 4.1 In no case shall this insurance cover loss, damage or expense arising from unseaworthiness of vessel or craft, unfitness of vessel, craft, conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.
- 4.2 The Underwriters waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to

destination, unless the Assured or their servants are privy to such unseaworthiness or unfitness.

Duration

- 5.1 This insurance attaches from the time the goods leave the warehouse or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either:
 - 5.1.1 on delivery to the Consignees’ or other final warehouse or place of storage at the destination named herein,
 - 5.1.2 on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either
 - 5.1.2.1 for storage other than in the ordinary course of transit or
 - 5.1.2.2 for allocation or distribution, or
 - 5.1.3 on the expiry of 60 days after completion of discharge overseas of the goods hereby insured from the overseas vessel at the final port of discharge,
whichever shall first occur.
- 5.2 If, after discharge overseas from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.
- 5.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 6 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transhipment and during any variation of the adventure arising from the exercise of a liberty granted to shipowners or charterers under the contract of affreightment.
6. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before delivery of the goods as provided for in Clause 5 above, then this insurance shall also terminate **unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters, either:**

- 6.1 until the goods are sold and delivered at such port or place, or unless otherwise specially agreed, until the expiry of 60 days after arrival of the goods hereby insured at such port or place, whichever shall first occur, or
- 6.2 if the goods are forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 5 above.
- 7. Where, after attachment of this insurance, the destination is changed by the Assured, **held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.**

Claims

- 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 8.2 Subject to 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Underwriters were not.
- 9.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.

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

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

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

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

Benefit of Insurance

- 10. This insurance shall not inure to the benefit of the carrier or other bailee.

Minimising Losses

- 11. It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder:
 - 11.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
 - 11.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.
- 12. Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Avoidance of Delay

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

Law and Practice

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

Institute Classification Clause 01/01/2001

Cover Options A and B

Qualifying Vessels

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

Cargoes and/or interests carried by vessels not classed as above must be notified promptly to underwriters for rates and condition to be agreed. Should a loss occur prior to such

agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable commercial market terms.

Age Limitation

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

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

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

Craft Clause

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

National Flag Society

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

Prompt Notice

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

Law and Practice

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

Institute Cargo Clauses (Air)

(excluding sendings by Post)

Air Cargo Cover

Risks Covered

1. This insurance covers all risks of loss of or damage to the subject-matter insured except as provided in Clauses 2, 3 and 4 below.

Exclusions

2. In no case shall this insurance cover:
 - 2.1 loss, damage or expense attributable to wilful misconduct of the Assured
 - 2.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 2.3 loss, damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 2.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
 - 2.4 loss, damage or expense caused by inherent vice or nature of the subject-matter insured
 - 2.5 loss, damage or expense arising from unfitness of aircraft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unfitness at the time the subject-matter insured is loaded therein
 - 2.6 loss, damage or expense proximately caused by delay, even though the delay be caused by a risk insured against
 - 2.7 loss, damage or expense arising from insolvency or financial default of the owners, managers, charterers or operators of the aircraft
 - 2.8 loss, damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
3. In no case shall this insurance cover loss, damage or expense caused by:
 - 3.1 war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 3.2 capture, seizure, arrest, restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat
 - 3.3 derelict mines, torpedoes, bombs or other derelict weapons of war.
4. In no case shall this insurance cover loss, damage or expense:
 - 4.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions

- 4.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
- 4.3 caused by any terrorist or any person acting from a political motive.

Duration

- 5.1 This insurance attaches from the time the subject-matter insured leaves the warehouse, premises or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either:
 - 5.1.1 on delivery to the Consignees' or other final warehouse, premises or place of storage at the destination named herein,
 - 5.1.2 on delivery to any other warehouse, premises or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either:
 - 5.1.2.1 for storage other than in the ordinary course of transit or
 - 5.1.2.2 for allocation or distribution
 - or
 - 5.1.3 on the expiry of 30 days after unloading the subject-matter insured from the aircraft at the final place of discharge, whichever shall first occur.
- 5.2 If, after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is forwarded to a destination other than that to which it is insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.
- 5.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 6 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.
- 6. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a place other than the destination named therein or the transit is otherwise terminated before delivery of the subject-matter insured as provided for in Clause 5 above, then this insurance shall also terminate **unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject**

to an additional premium if required by the Underwriters, either:

- 6.1 until the subject-matter is sold and delivered at such place or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter hereby insured at such place, whichever shall first occur,
- or
- 6.2 if the subject-matter is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 5 above.
- 7. Where, after attachment of this insurance, the destination is changed by the Assured, **held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.**

Claims

- 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 8.2 Subject to 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Underwriters were not.
- 9. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a place other than that to which the subject-matter is covered under this insurance, the Underwriters will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject-matter to the destination to which it is insured hereunder.

This Clause 9, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 2, 3 and 4 above, and shall not include charges arising from the fault, negligence, insolvency or financial default of the Assured or their servants.
- 10. No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter to the destination to which it is insured would exceed its value on arrival.

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

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

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

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

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

Benefit of Insurance

12. This insurance shall not inure to the benefit of the carrier or other bailee.

Minimising Losses

13. It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder:

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

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

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

Avoidance of Delay

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

Law and Practice

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

Institute War Clauses (Air Cargo)

(excluding sendings by Post)

Air Cargo Cover

Risks Covered

1. This insurance covers, except as provided in Clause 2 below, loss of or damage to the subject-matter insured caused by:
 - 1.1 war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 1.2 capture, seizure, arrest, restraint or detention, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat
 - 1.3 derelict mines, torpedoes, bombs or other derelict weapons of war.

Exclusions

2. In no case shall this insurance cover:
 - 2.1 loss, damage or expense attributable to wilful misconduct of the Assured
 - 2.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 2.3 loss, damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 2.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
 - 2.4 loss, damage or expense caused by inherent vice or nature of the subject-matter insured
 - 2.5 loss, damage or expense arising from unfitness of aircraft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unfitness at the time the subject-matter insured is loaded therein
 - 2.6 loss, damage or expense proximately caused by delay, even though the delay be caused by a risk insured against

- 2.7 loss, damage or expense arising from insolvency or financial default of the owners, managers, charterers or operators of the aircraft
- 2.8 any claim based upon loss of or frustration of the voyage or adventure
- 2.9 loss damage or expense arising from any hostile use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

Duration

- 3.1 This insurance:
 - 3.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on the aircraft for the commencement of the air transit insured and
 - 3.1.2 terminates, subject to 3.2 and 3.3 below, either as the subject-matter insured and as to any part as that part is discharged from the aircraft at the final place of discharge or on expiry of 15 days counting from midnight of the day of arrival of the aircraft at the final place of discharge, whichever shall first occur; nevertheless, **subject to prompt notice to the Underwriters and to an additional premium**, such insurance
 - 3.1.3 reattaches when, without having discharged the subject-matter insured at the final place of discharge, the aircraft departs therefrom, and
 - 3.1.4 terminates, subject to 3.2 and 3.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the aircraft at the final (or substituted) place of discharge, or on expiry of 15 days counting from midnight of the day of re-arrival of the aircraft at the final place of discharge or arrival of the aircraft at a substituted place of discharge, whichever shall first occur.
- 3.2 If during the insured transit the aircraft arrives at an intermediate place to discharge the subject-matter insured for on-carriage by aircraft or oversea vessel, then, subject to 3.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the aircraft at such place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying aircraft or oversea vessel. During the period of 15 days the insurance remains in force after

discharge only whilst the subject-matter insured and as to any part as that part is at such intermediate place. If the goods are on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 3.2

- 3.2.1 where the on-carriage is by aircraft this insurance continues subject to the terms of these clauses,
- or
- 3.2.2 where the on-carriage is by oversea vessel, the current Institute War Clauses (Cargo) shall be deemed to form part of this insurance and shall apply to the on-carriage by sea.

- 3.3 If the air transit in the contract of carriage is terminated at a place other than the destination agreed therein, that place shall be deemed to be the final place of discharge and such insurance terminates in accordance with 3.1.2. If the subject-matter insured is subsequently consigned to the original or any other destination, then, **provided notice is given to the Underwriters before the commencement of such further transit and subject to an additional premium**, such insurance reattaches:

- 3.3.1 in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying aircraft for the transit;
- 3.3.2 in the case of the subject-matter insured not having been discharged, when the aircraft departs from such deemed final place of discharge;

thereafter such insurance terminates in accordance with 3.1.4.

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

(For the purpose of Clause 3 “oversea vessel” shall be deemed to mean a vessel carrying the subject-matter from one port or place to another where such voyage involves a sea passage by that vessel)

- 4. Where, after attachment of this insurance, the destination is changed by the Assured, **held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.**
- 5. Anything contained in this contract which is inconsistent with Clauses 2.8, 2.9 or 3 shall, to the extent of such inconsistency, be null and void.

Claims

- 6.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 6.2 Subject to 6.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Underwriters were not.
- 7.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.

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

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

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

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

Benefit of Insurance

8. This insurance shall not inure to the benefit of the carrier or other bailee.

Minimising Losses

9. It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder:
 - 9.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
 - 9.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

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

Avoidance of Delay

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

Law and Practice

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

Institute Strikes Clauses (Air Cargo)

Air Cargo Cover

Risks Covered

1. This insurance covers, except as provided in Clause 2 below, loss of or damage to the subject-matter insured caused by:
 - 1.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 1.2 any terrorist or any person acting from a political motive.

Exclusions

2. In no case shall this insurance cover:
 - 2.1 loss, damage or expense attributable to wilful misconduct of the Assured
 - 2.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 2.3 loss, damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 2.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
 - 2.4 loss, damage or expense caused by inherent vice or nature of the subject-matter insured
 - 2.5 loss, damage or expense arising from unfitness of aircraft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unfitness at the time the subject-matter insured is loaded therein

- 2.6 loss, damage or expense proximately caused by delay, even though the delay be caused by a risk insured against
- 2.7 loss, damage or expense arising from insolvency or financial default of the owners, managers, charterers or operators of the aircraft
- 2.8 loss, damage or expense arising from the absence, shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion
- 2.9 any claim based upon loss of or frustration of the voyage or adventure
- 2.10 loss, damage or expense arising from the use of any weapon of war, employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 2.11 loss, damage or expense caused by war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.

Duration

- 3.1 This insurance attaches from the time the subject-matter insured leaves the warehouse, premises or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either:
 - 3.1.1 on delivery to the Consignees' or other final warehouse, premises or place of storage at the destination named herein
 - 3.1.2 on delivery to any other warehouse, premises or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either
 - 3.1.2.1 for storage other than in the ordinary course of transit or
 - 3.1.2.2 for allocation or distribution

or

 - 3.1.3 on the expiry of 30 days after unloading the subject-matter insured from the aircraft at the final place of discharge,

whichever shall first occur.
- 3.2 If, after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is forwarded to a destination other than that to which it is insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.
- 3.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 4 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.
- 4. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a place other than the destination named therein or the transit is otherwise terminated before delivery of the subject-matter insured as provided for in Clause 3 above, then this insurance shall also terminate **unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters, either:**
 - 4.1 until the subject-matter is sold and delivered at such place or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter hereby insured at such place, whichever shall first occur,
 - or
 - 4.2 if the subject-matter is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 3 above.
- 5. Where, after attachment of this insurance, the destination is changed by the Assured, **held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.**

Claims

- 6.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 6.2 Subject to 6.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Underwriters were not.
- 7.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.

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

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

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

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

Benefit of Insurance

8. This insurance shall not inure to the benefit of the carrier or other bailee.

Minimising Losses

9. It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder:
- 9.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
- 9.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.
10. Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Avoidance of Delay

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

Law and Practice

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

NOTE:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation.

Institute War Cancellation Clause (Cargo)

The cover against war risks (as defined in the relevant Institute War Clauses) may be cancelled by either the Underwriters or the Assured except in respect of any insurance which shall have attached in accordance with the conditions of the Institute War Clauses before the cancellation becomes effective. Such cancellation shall however only become effective on the expiry of 7 days from midnight of the day on which notice of the cancellation is issued by or to the Underwriters.

For all enquiries please call Your Insurance Intermediary or
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