

combined cargo policy



Combined Cargo Policy

This policy covers both Transits Within Australia and Import/Exports.

This Policy is made up of three (3) parts:

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

Part 2 – Transits within Australia, and

Part 3 – Imports/Exports.

Conditions of cover are detailed in each section of the policy.

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

Part 1 – Sections Applicable to Both Parts 2 and 3 of the Policy

Section 1 – Meanings of Special Words in this Policy

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

“Insured” or “you” or “your”	means the Insured named in the schedule.
“Underwriter” or “we” or “our” or “us”	means the insurer, Vero Insurance Limited ABN 48 005 297 807. Vero National Marine is a division of the insurer.
“claims excess” or “excess”	means the amount you must pay towards a claim, as specified in the schedule.
“conveyances”	means any ship, vessel, aircraft, postal service, rail and road transport used to transport the insured goods.
“goods” or “insured goods”	means the goods specified in Parts 2 and 3, Section 2 – The Insured Goods. Unless specifically listed in your policy schedule, or agreed in writing by us, we do not insure: <ul style="list-style-type: none">(a) domestic furniture, household goods, personal effects(b) frozen and/or chilled meat, seafood or foodstuffs(c) works of art or antiques(d) precious metals and stones, money (which means any coin or banknote), bullion, cheques, credit or other card sales vouchers, securities, shares, bonds, deeds, bills of exchange, or any documents that represent money(e) plant, machinery and computers (which are not the primary insured goods) where the limit any one conveyance or location exceeds \$25,000(f) tools of trade, electrical and electronic equipment.
“insured transit”	means the transits specified in Parts 2 and 3, Section 1 – The Insured Transits, subject to the geographic limits set out in the schedule.
“limit of liability”	means the limit of liability specified in the schedule.
“policy”	means this policy wording, the current schedule, and any endorsement, all of which are to be read together.

“premium”	means the premium specified in the current schedule, any endorsement premium and any adjustment in accordance with Part 1, Section 5 – General Conditions, Premiums and Declarations, plus any applicable Government charges.
“subject-matter insured”	as appearing in the Institute Clauses has the same meaning as “insured goods” as detailed above.

Section 2 – Agreement

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

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

Section 3 – How Much We Will Pay

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

The terms “GST” and “input tax credits” have the meaning given to them in A New Tax System (Goods and Services Tax) Act 1999.

Section 4 – Policy Exclusions

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

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

- 4.2.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel

- 4.2.2. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- 4.2.3. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 4.2.4. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this Sub-Clause 4.2.4 does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.
- 4.2.5. any chemical, biological, bio-chemical, or electromagnetic weapon.

4.3 Transit and Terrorism Clause

Notwithstanding any provision to the contrary contained in this policy or the clauses referred to therein, it is agreed that in so far as this policy covers loss of or damage to the goods insured caused by terrorism, such cover is conditional upon the goods insured being in the ordinary course of transit and, in any event **shall terminate either:**

- 4.3.1. as per Parts 2 and 3, Section 1 –The Insured Transits, or
- 4.3.2 on delivery to any other warehouse or place of storage, which you elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, whichever shall first occur.

For the purposes of this insurance, “terrorism” means any act(s) of any person(s) or organisations(s) involving:

- ▼ the causing, occasioning or threatening of harm of whatever nature and by whatever means,
- ▼ putting the public or any section of the public in fear,

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

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

This insurance also does not cover:

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

Section 5 – General Conditions

ACQUIRED COMPANY CLAUSE

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

provided that you:

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

AUTOMATIC REINSTATEMENT CLAUSE

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

PREMIUMS AND DECLARATIONS CLAUSE

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

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

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

SUBROGATION CLAUSE

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

WAIVER CLAUSE

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

Section 6 – Extensions

BRANDS AND LABELS CLAUSE

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

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

DELAYED UNPACKING CLAUSE – LIMITED TO 90 DAYS

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

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

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

GENERAL AVERAGE AND SALVAGE CLAUSE

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

Section 7 – Cancellation

You may cancel the policy at any time by giving us written notification.

We may only cancel this policy when permitted to do so by law.

The following notice periods apply:

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

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

Section 8 – Privacy

We respect your Privacy

Privacy Statement

The Privacy Act 1988 (as amended) now applies and requires us to inform you that:

Purpose of collection

We collect personal information (this is information or an opinion about an individual whose identity is apparent or can reasonably be ascertained and which relates to a natural living person) for the purposes of providing insurance services to you, including:

- ▼ evaluating your application,
- ▼ evaluating any request for a change to any insurance provided,
- ▼ providing, administering, and managing the insurance services following acceptance of an application and
- ▼ investigating and, if covered, managing claims made in relation to any insurance you have with us or other members of the group of companies to which we belong.

The personal information collected can be used or disclosed by us for a secondary purpose related to those purposes listed above, but only if you would reasonably expect us to use or disclose the information for this secondary purpose. However for sensitive information, the secondary purpose must be directly related to the purposes listed above.

Disclosure

We may disclose your personal information (and receive personal information from), when necessary and in connection with the purposes listed above, to other members of the group of companies to which we belong, your insurance broker or our agent, Government bodies, loss assessors, claim investigators, reinsurers, other insurance companies, mailing houses, claims reference providers, other service providers, hospitals, medical and health professionals, legal and other professional advisers.

Consequences if information is not provided

If you do not provide us with the information we need we will be unable to consider your application for insurance cover, administer your policy or manage any claim under your policy.

Access

You can request access to the personal information by contacting Vero Insurance Limited.

Privacy Statement issued

Vero Insurance Limited, 465 Victoria Avenue, Chatswood, NSW 2067.

Section 9 – Law & Practice

This policy is subject to Australian law and jurisdiction:

▼ Part 2 – Transits Within Australia is subject to the Insurance Contracts Act 1984,

▼ Part 3 – Imports/Exports is subject to the Marine Insurance Act 1909,

and any replacement legislation.

Section 10 – Claims Procedures

These procedures are important.

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

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

If your claim is covered by this policy we will settle it and look at attempting to obtain a recovery from the party responsible for the loss or damage (and if we obtain a recovery we should be able to refund your claims excess).

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

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

Receiving and signing for the goods

When the goods are delivered, you will be asked to sign the carrier’s receipt (and usually acknowledge that the consignment was received in good condition).

If there is any obvious evidence of any damage to the goods or their cartons, etc., **do not sign** the document. If a signature is required, add a note to the effect that the goods were delivered damaged. That is what is termed a “qualified receipt”.

If you suspect that there is damage, even if it is not obvious, add a note to say that you are accepting the goods in apparent good order and condition.

Giving a signature without any comment is termed “giving (or signing) a clean receipt”. A clean receipt may mean, effectively, that you agree that the goods were not damaged at the time the signature was given. That makes it difficult for you to prove to the carrier that you have a valid claim.

If there is any evidence of damage or shortage **do not under any circumstances** give a clean receipt.

If your goods are delivered in a shipping container, examine the locks and seals and compare the numbers with those listed on the shipping documents, preferably **before the container is removed from the truck or train that delivered it to your premises**, and inspect the container (especially the roof if you can gain access) for holes or obvious damage (particularly to, and around, the doors).

If the seal (or any of the seals, if there are more than one) is missing, or the number is different to that listed on the shipping documents, or there is evidence of damage to the container, do not give a clean receipt. Note on the document that the seal is missing or that the number is different, or that the container has a hole in the roof, etc., and insist that the vehicle's driver is satisfied that is the case, and have the delivery receipt noted accordingly.

If there is any loss or damage, you or your agent must take whatever measures that are reasonable to prevent or minimise any further loss or damage. The costs can be submitted as a part of your claim on this policy. Please keep records (and any receipts, etc.) of what expenses were incurred.

This is Particularly Important

Immediately submit a written claim, by facsimile or letter, on **any** party whom you think is (or even might be) responsible for the loss or damage. That claim should include:

- ▼ the references of the party to whom it is addressed (e.g., the name of the ship, the voyage number and the bill of lading number in a claim on the ship or its agent; the air waybill and flight numbers in the claim on an airline or its agent), and
- ▼ the basic details of the type and extent of the loss or damage, and an indication of the monetary value of the loss or damage (include an estimate if the exact figure is not known - it is more important to get the claim made quickly than to get the figure exact).

The claim should be forceful, and should be along the lines of

"The goods have arrived short delivered/damaged and it is obvious that this occurred whilst the goods were in your care. We are holding you responsible for the loss and request your payment of the estimated (repair costs, or value, or whatever is appropriate) of \$....."

Should you wish to inspect the goods, please contact" "

You should not mention that the goods are insured.

Many carriers require any claim to be made within 3 to 7 days. This is so that they can be reasonably satisfied that the damage occurred during the transit (and not after it arrived). If the carrier is not immediately advised, it will, possibly, not have the opportunity to inspect the damage and it will be more inclined to reject your claim for lack of evidence acceptable to it.

Do not dispose of any damaged goods without giving us the opportunity to examine those goods

Immediately advise us of the loss or damage. We may decide to appoint a surveyor or an assessor to inspect the damage to determine the cause, and who might be responsible for it.

Submit to us, a written claim detailing:

- ▼ the nature and extent of the loss or damage
- ▼ any other insurance that may exist on the goods.

Attach original or legible photocopies (of both sides of any document that has anything on the reverse) of any of the following that are applicable to the circumstances:

- ▼ shipping invoices, specifications, packing lists, weight notes, gate passes
- ▼ commercial invoices, customs documents
- ▼ bill of lading, air waybill, or consignment note (an original is preferable, and may be required for any recovery action against the carrier)
- ▼ copies of all correspondence exchanged with the carrier
- ▼ any internal (within your company) reports or memos detailing the extent of the damage
- ▼ repair quotations or receipts,

and any other documents that might confirm the circumstances of the loss or damage and substantiate the amount/s being claimed.

Original documents are preferred. They can be returned for your records, if required, after the claim and any recovery action has been finalised.

We may wish to appoint a surveyor to report to us on aspects of the loss. **You should co-operate** with the surveyor as this will assist swift consideration of your claim.

If you have **any** queries in regard to any of these procedures, please phone us to discuss.

Part 2 – Transits Within Australia

Section 1 – The Insured Transits

- 1.1 The insured transits are only by the conveyances (as defined) and are those specified in the schedule, commencing within the period of insurance shown in the schedule, and each insured transit:
 - 1.1.1 **commences** in respect of each item of goods when the item is first moved for the specific purpose of loading on to the conveying vehicle for transit to a destination outside the premises,
 - 1.1.2 **terminates**
 - 1.1.2.1 when each item of goods is delivered to the intended destination either in the receiver's premises or such other place as you or the receiver may instruct, or
 - 1.1.2.2 on the expiry of seventy two hours after that item is unloaded from the final conveying vehicle,whichever occurs first.
- 1.2 The insured transits exclude any period of dismantling, erection, commissioning, testing, or storage other than in the ordinary course of transit.
- 1.3 The insured transits shall **include**:
 - 1.3.1 whilst in any **packer's premises** for a period of up to one month for the purpose of packing,
 - 1.3.2 whilst at any exhibition or display, (other than in your owned or controlled premises) limited to a maximum of fourteen days and to a value of \$25,000 any one exhibition or display,
 - 1.3.3 any period where the goods are "shut out" from the conveyance or intended destination,
 - 1.3.4 any insured goods which have been "overcarried", until return to port of destination.

Section 2 – The Insured Goods

We insure:

- 2.1 the **goods and or merchandise** described in the policy schedule, including **all retail and sales packaging**,
- 2.2 **shipping containers** in your care, custody or control, to the extent that you are legally liable to pay for any physical loss of or damage to the container/s, up to a limit of \$20,000 any one claim or series of claims arising from any one insured event,
- 2.3 goods, of the kind described in the schedule, in which **you as a buyer or seller retain a contingent financial interest**, to the extent that:
 - 2.3.1 the goods are lost or damaged, and the loss or damage would be covered under this policy, and
 - 2.3.2 the other party under the terms of sale is legally liable to pay you for the goods or for the loss or damage, but fails to do so, and
 - 2.3.3 you have taken all reasonable steps to safeguard the goods and to recover payment from the other party

It is a condition of this Clause that the existence of this cover is not disclosed to any other party interested in the goods.

When we pay for such lost or damaged goods, you authorise us to act in your name in any recovery action we may take against the other party and you undertake to give us reasonable assistance in that action.

If included in your policy schedule, we also insure:

- 2.4 **traveller's samples** in transit in your or your employee's care, custody and control, up to a limit of \$10,000 any one claim or series of claims arising from any one insured event
- 2.5 any **return goods**, inwards or outwards, where you have the responsibility to insure the goods in transit, or have assumed that responsibility prior to any loss or damage to the goods being reported to you
- 2.6 **stock transfers**.

Section 3 – The Insured Events

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

Section 4 – How Much We Will Pay

- 4.1 Subject to the terms, exclusions, any provisions contained in the schedule and the limit of liability of this policy, at our option we will pay you, repairers or other parties agreed with you:
 - 4.1.1 **for goods other than plant, machinery, computers and the like**, the lesser of:
 - 4.1.1.1 the cost of repairing or reinstating the goods to a condition equal to but no better or more extensive than its condition immediately prior to the loss or damage (including the reasonable cost of any necessary overtime), or
 - 4.1.1.2 the invoice value covering the goods whilst in transit (including freight if separately invoiced to the receiver of the goods), or
 - 4.1.1.3 if there is no invoice value, the cost of replacing the goods with similar goods of the same age and condition or as near as possible to that age and condition.
 - 4.1.2 **for plant, machinery, computers and the like (up to five years old)**, the lesser of:
 - 4.1.2.1 the cost of repairing or reinstating the goods to a condition equal to but no better or more extensive than when new (including the reasonable costs of any necessary overtime), or
 - 4.1.2.2 in the case of a purchase or sale, the purchase or sale price plus the cost of packing and transport, or
 - 4.1.2.3 in the case of movement of return goods (inwards or outwards), stock transfers, and movement of goods other than for the reason of purchase or sale, we will pay the new replacement cost or, if not available, as near as possible to the same make, model and specifications as is available.

- 4.1.3 **for plant, machinery, computers and the like (more than five years old)**, the lesser of:
- 4.1.3.1 the cost of repairing or reinstating the goods to a condition equal to but no better or more extensive than its condition immediately prior to the loss or damage (including the reasonable cost of any necessary overtime), or
 - 4.1.3.2 in the case of a purchase or sale, the purchase or sale price plus the cost of packing and transport. However, in the case of movement of return goods (inwards or outwards), stock transfers, and movement of goods other than for the reason of purchase or sale, we will pay the greater of the written down book value in your books of account or the current market value.
- 4.2 If we agree to pay a claim, we will also pay you the following **additional benefits** (if you are required to pay these costs):
- 4.2.1 the cost of **air freighting replacement parts** from suppliers to the original destination, even if the original transit was not by air freight, up to the greater of \$10,000 or 10% of the insured value of the damaged goods (calculated according to Section 4.1 above)
 - 4.2.2 the reasonable costs and expenses incurred in **cleaning up or decontaminating your premises** following the delivery or return of salvaged goods, plus the cost of transport and disposal costs to remove those goods, up to a limit of \$50,000 any one accident or series of accidents arising from any one insured event
 - 4.2.3 **clean up and disposal costs at any accident site**, where you are legally or contractually obliged to pay those costs, up to a limit of \$50,000 any one accident or series of accidents arising from any one insured event
 - 4.2.4 any **additional freight or salvage charges** that you are required to pay to remove your goods from any accident site, including the cost of transport to forward the goods to their intended destination or to return the goods to the place from which they were despatched, and
 - 4.2.5 the reasonable costs paid by you to **avoid or minimise any further loss or damage** to the goods.
- 4.3 If the insured transit is interrupted or terminated due to the **insolvency or financial default of the carrier**, whether or not loss or damage has been occasioned to the goods, we will pay you the extra costs of freight and/or storage to forward the goods to their intended destination, or to return the goods to the place from which they were despatched, up to a maximum of 10% of the insured value of the goods.

Section 5 – Your Duty of Disclosure

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

What you must tell us

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

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

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

Your general duty applies to renewals and changes

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

Your general duty is limited for new policies

When you apply for a new policy your duty of disclosure applies, but you do not need to disclose something to us unless we specifically ask you about it. However, you must be honest in answering any questions we ask you. You have a legal duty to tell us anything you know, and which a reasonable person in your circumstances would include in answering the questions. We will use the answers in deciding whether to insure you and anyone else to be insured under the policy, and on what terms.

Who needs to tell us

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

If you do not tell us

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

Part 3 – Import/Exports

Section 1 – The Insured Transits

- 1.1 The insured transits are as detailed in the Transit Clause of the appropriate Institute Clause, and within the geographic limits set out in the schedule.
 - 1.2 The Transit Clause of the Institute Cargo Clauses (A), the Institute Strikes Clauses, the Institute Cargo Clauses (C) and the Institute Cargo Clauses (Air) are extended so that transit commences in respect of each item of goods when the item is first moved for the specific purpose of loading on to the conveying vehicle for transit to a destination outside the premises, continues during the ordinary course of transit and terminates when each item of goods is delivered to the intended destination either in the receivers premises or such other place as the receiver may instruct or seventy two hours after unloading from the final conveying vehicle, which shall ever first occur.
 - 1.3 **The insured transits shall include:**
 - 1.3.1 any insured goods at the risk of the Insured in transit to the premises of any **packer**, whilst there being packed and awaiting shipment (up to a maximum of 90 days) and thence in transit to final destination.
 - 1.3.2 any insured goods which have been **“shut out”** from the intended vessel, whilst waiting on the wharf, quay or pier or transfer to and whilst at another wharf, quay or pier and by such forwarding conveyances subject to the Insured notifying the Underwriter as soon as they become aware of such an event.
 - 1.3.3 any insured goods which have been **“overcarried”**, until return to port of destination.
- In all other respects the termination provisions contained in the abovementioned Clauses shall apply.

Section 2 – The Insured Goods

We insure:

- 2.1 the **goods and or merchandise** described in the policy schedule, including **all retail and sales packaging**,
- 2.2 **shipping containers** in your care, custody or control, to the extent that you are legally liable to pay for any physical loss of or damage to the container/s,

If included in your policy schedule, we also insure:

- 2.3 **traveller’s samples** in transit in your or your employee’s care, custody and control, up to a limit of \$10,000 any one claim or series of claims arising from any one insured event
- 2.4 any **return goods**, inwards or outwards, where you have the responsibility to insure the goods in transit, or have assumed that responsibility prior to any loss or damage to the goods being reported to you
- 2.5 **stock transfers.**

Section 3 – The Insured Events

Unless otherwise stated in the Policy Schedule, all insured shipments are subject to the following clauses.

Sea Transits

Institute Cargo Clauses (A) 1/1/82
Institute Strikes Clauses (Cargo) 1/1/82
Institute War Clauses (Cargo) 1/1/82
Institute Theft, Pilferage and Non-delivery Clause 1/12/82
Institute Replacement Clause 1/1/34
Institute Classification Clause 01/01/01

Air Transits

Institute Cargo Clauses (Air) (excluding sendings by post) 1/1/82
Institute Strikes Clauses (Air Cargo) 1/1/82
Institute War Clauses (Air Cargo) (excluding sendings by post) 1/1/82
Institute Theft, Pilferage and Non-delivery Clause 1/12/82
Institute Replacement Clause 1/1/34

Postal Transits

Institute Cargo Clauses (A) 1/1/82
Institute Cargo Clauses (Air)(excluding sendings by Post) 1/1/82 amended to include postal sendings
Institute Strikes Clauses (Cargo) 1/1/82
Institute War Clauses (Sendings by post) 1/1/82 not applicable to postal sendings within Australia
Institute Theft, Pilferage and Non-delivery Clause 1/12/82
Institute Replacement Clause 1/1/34

Section 4 – How Much We Will Pay

- 4.1 Subject to the terms, exclusions, any provisions contained in the schedule and the limit of liability of this policy, we will pay claims in accordance with the Basis of Valuation shown in the Policy Schedule.
- 4.2 Claims under this policy **are subject to the application of average or underinsurance.**

Section 5 – Extensions

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

DEBRIS REMOVAL CLAUSE

If we pay a claim under this policy the cover is extended to include the cost of removal and disposal of damaged, deteriorated or contaminated insured goods and the cost of cleaning up or decontaminating the premises, location or conveyance. Our limit of liability under this Clause is limited to \$50,000 any one incident.

DECK CARGO CLAUSE

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

DUTY PAYABLE CLAUSE (applicable to imports into Australia only)

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

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

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

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

EXCHANGE RATE CLAUSE

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

EXPEDITING EXPENSES CLAUSE (applicable to imports of machinery into Australia only)

In the event of loss or damage from a peril insured it is agreed that where:

- ▼ replacement of any part or parts is necessary to prevent interruption of the Insured's business, and
- ▼ repair or replacement to original shipped condition cannot be effected in Australia,

the Underwriter will pay the extra cost involved for transit by airfreight of such replacement part or parts from the suppliers to destination, even if the original transit was not by airfreight, up to the greater of \$10,000 or 10% of the insured value of the damaged goods.

FOB & CFR PRE-SHIPMENT CLAUSE (applicable to imports into Australia only)

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

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

INSOLVENCY EXCLUSION CLAUSE

The Insolvency Exclusion Clause, where appearing in the relevant Institute Clauses, is deleted and replaced by the following:

In no case shall this insurance cover loss, damage or expense caused by insolvency or financial default of the owners, managers, charterers or operators of the vessel or aircraft where, at the time of loading of the insured goods on board the vessel or aircraft, the Insured is aware, or in the ordinary course of business should be aware, that such insolvency or financial default will prevent the normal prosecution of the voyage.

This Clause shall not apply where the insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the insured goods in good faith under a binding contract.

REPLACEMENT CLAUSE – USED MACHINERY

In the event of a claim for loss or damage to the insured goods as a result of a peril insured by this policy, the amount recoverable hereunder shall not exceed the cost of repairing or reinstating same to a condition equal to but no better or more extensive than its condition immediately prior to such loss or damage.

Provided always that in no case shall the liability of the Underwriter exceed the insured value of the insured goods. If there is no specified insured value, nor an agreed basis of valuation to establish same, the insured value shall be (a) in the case of a purchase or sale, the purchase or sale price plus the cost of packing and transport; or (b) in the case of movement of the insured goods other than for the reason of purchase or sale, the written down book value or the current market value (whichever is the highest).

REVISED INSUFFICIENCY OF PACKING CLAUSE

In the event of a claim being made for loss or damage which is alleged to be caused by insufficiency or unsuitability of packing or preparation of the insured goods, the Underwriter agrees that they will not use such alleged insufficiency or unsuitability as a defence against the claim in any case where the packing or preparation was carried out by a party other than the named Insured and the insufficiency or unsuitability arose entirely without the named Insured's privity or knowledge.

The Insured agrees to assist the Underwriter in all respects to pursue rights of recovery against sellers and/or other responsible third parties.

This Clause shall over-ride any inconsistent provision in the clauses forming part of this policy.

SEALED CONTAINER CLAUSE

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

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

WAR AND STRIKES VARIATION CLAUSE

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

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

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

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

Institute Cargo Clauses (A)

Risks Covered

- | | | |
|---|---|---|
| 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. | Risks
Clause |
| 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. | General
Average
Clause |
| 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. | "Both to
Blame
Collision"
Clause |

Exclusions

- | | | |
|---|---|---|
| 4 | In no case shall this insurance cover | General
Exclusions
Clause |
| | 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 | 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. | Unseaworthiness
and Unfitness
Exclusion
Clause |
| | 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 | War
Exclusion
Clause |
| | 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 | Strikes
Exclusion
Clause |
| | 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 | 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 | Transit
Clause |
| | 8.1.1 on delivery to the Consignees' or other final warehouse or place of storage at the destination named herein, | |
| | 8.1.2 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 | |
| | 8.1.2.1 for storage other than in the ordinary course of transit or | |
| | 8.1.2.2 for allocation or distribution, | |
| | or | |
| | 8.1.3 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. | |
| | 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. | |

<p>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 <i>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</i>, either</p> <p>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,</p> <p>or</p> <p>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.</p>	<p>Termination of Contract of Carriage Clause</p>
<p>10 Where, after attachment of this insurance, the destination is changed by the Assured, <i>held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.</i></p>	<p>Change of Voyage Clause</p>
<p>Claims</p>	
<p>11 11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.</p> <p>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.</p>	<p>Insurable Interest Clause</p>
<p>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.</p>	<p>Forwarding Charges Clause</p>
<p>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.</p>	<p>Constructive Total Loss Clause</p>
<p>14 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.</p> <p>In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.</p> <p>14.2 Where this insurance is on Increased Value the following clause shall apply:</p> <p>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.</p> <p>In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.</p>	<p>Increased Value Clause</p>
<p>Benefit of Insurance</p>	
<p>15 This insurance shall not inure to the benefit of the carrier or other bailee.</p>	<p>Not to Inure Clause</p>
<p>Minimising Losses</p>	
<p>16 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder</p> <p>16.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and</p> <p>16.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised</p> <p>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.</p>	<p>Duty of Assured Clause</p>
<p>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.</p>	<p>Waiver Clause</p>
<p>Avoidance of Delay</p>	
<p>18 It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.</p>	<p>Reasonable-Despatch Clause</p>
<p>Law and Practice</p>	
<p>19 This insurance is subject to Australian law and practice.</p>	<p>Australian Law and Practice Clause</p>

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)

Risks Covered

- | | |
|--|--------------------------------------|
| <p>1 This insurance covers, except as provided in Clauses 3 and 4 below, loss of or damage to the subject-matter insured caused by</p> <p>1.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions</p> <p>1.2 any terrorist or any person acting from a political motive.</p> | <p>Risks Clause</p> |
| <p>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.</p> | <p>General Average Clause</p> |

Exclusions

- | | |
|---|--|
| <p>3 In no case shall this insurance cover</p> <p>3.1 loss damage or expense attributable to wilful misconduct of the Assured</p> <p>3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured</p> <p>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)</p> <p>3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured</p> <p>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)</p> <p>3.6 loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the vessel</p> <p>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</p> <p>3.8 any claim based upon loss of or frustration of the voyage or adventure</p> <p>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</p> <p>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.</p> | <p>General Exclusions Clause</p> |
| <p>4 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.</p> <p>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.</p> | <p>Unseaworthiness and Unfitness Exclusion Clause</p> |

Duration

- | | |
|--|------------------------------|
| <p>5 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</p> <p>5.1.1 on delivery to the Consignees' or other final warehouse or place of storage at the destination named herein,</p> <p>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</p> <p>5.1.2.1 for storage other than in the ordinary course of transit or</p> <p>5.1.2.2 for allocation or distribution,</p> <p>or</p> <p>5.1.3 on the expiry of 60 days after completion of discharge overside of the goods hereby insured from the overseas vessel at the final port of discharge, whichever shall first occur.</p> <p>5.2 If, after discharge overside 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.</p> <p>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 shipowners or charterers under the contract of affreightment.</p> | <p>Transit Clause</p> |
|--|------------------------------|

- | | |
|--|---|
| <p>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 <i>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</i>, either</p> <p>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</p> <p>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.</p> | <p>Termination of Contract of Carriage Clause</p> |
| <p>7 Where, after attachment of this insurance, the destination is changed by the Assured, <i>held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters</i>.</p> | <p>Change of Voyage Clause</p> |

Claims

- | | |
|---|----------------------------------|
| <p>8 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.</p> <p>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.</p> | <p>Insurable Interest Clause</p> |
| <p>9 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.</p> <p>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.</p> | <p>Increased Value Clause</p> |

Benefit of Insurance

- | | |
|---|----------------------------|
| <p>10 This insurance shall not inure to the benefit of the carrier or other bailee.</p> | <p>Not to Inure Clause</p> |
|---|----------------------------|

Minimising Losses

- | | |
|--|-------------------------------|
| <p>11 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder</p> <p>11.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and</p> <p>11.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised</p> <p>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.</p> | <p>Duty of Assured Clause</p> |
| <p>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.</p> | <p>Waiver Clause</p> |

Avoidance of Delay

- | | |
|--|-----------------------------------|
| <p>13 It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.</p> | <p>Reasonable Despatch Clause</p> |
|--|-----------------------------------|

Law and Practice

- | | |
|---|---|
| <p>14 This insurance is subject to Australian law and practice.</p> | <p>Australian Law and Practice Clause</p> |
|---|---|

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 Clauses (Cargo)

Risks Covered

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

Exclusions

- | | |
|---|---|
| <p>3 In no case shall this insurance cover</p> <p>3.1 loss damage or expense attributable to wilful misconduct of the Assured</p> <p>3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured</p> <p>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)</p> <p>3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured</p> <p>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)</p> <p>3.6 loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the vessel</p> <p>3.7 any claim based upon loss of or frustration of the voyage or adventure</p> <p>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.</p> | <p>General
Exclusions
Clause</p> |
| <p>4 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.</p> <p>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.</p> | <p>Unseaworthiness
and Unfitness
Exclusion
Clause</p> |

Duration

- | | |
|---|---------------------------|
| <p>5 5.1 This insurance</p> <p>5.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on an overseas vessel</p> <p>and</p> <p>5.1.2 terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is discharged from an overseas vessel at the final port or place of discharge, or</p> <p>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;</p> <p>nevertheless,</p> <p><i>subject to prompt notice to the Underwriters and to an additional premium, such insurance</i></p> <p>5.1.3 reattaches when, without having discharged the subject-matter insured at the final port or place of discharge, the vessel sails therefrom,</p> <p>and</p> <p>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,</p> <p>or</p> <p>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.</p> <p>5.2 If during the insured voyage the overseas vessel arrives at an intermediate port or place to discharge the subject-matter insured for on-carriage by overseas vessel or by aircraft, or the 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 overseas vessel or aircraft. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such port or place. If the goods are on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 5.2</p> <p>5.2.1 where the on-carriage is by overseas vessel this insurance continues subject to the terms of these clauses,</p> <p>or</p> <p>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.</p> | <p>Transit
Clause</p> |
|---|---------------------------|

- 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 overseas vessel, but in no case beyond the expiry of 60 days after discharge from the overseas 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.**

Change of Voyage Clause

Claims

- 8 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 8.2 Subject to 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 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.

Insurable Interest Clause

Increased Value Clause

Benefit of Insurance

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

Not to Inure Clause

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.

Duty of Assured Clause

Waiver Clause

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.

Reasonable Despatch Clause

Law and Practice

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

Australian Law and Practice Clause

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.

1/12/82

Institute Theft, Pilferage and Non-Delivery Clause (For use only with Institute Clauses)

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

CL. 272.. — © Copyright — The Institute of London Underwriters

1/1/34

Institute Replacement Clause

In the event of loss of or damage to any part or parts of an insured machine caused by a peril covered by the Policy the sum recoverable shall not exceed the cost of replacement or repair of such part or parts plus charges for forwarding and refitting, if incurred, but excluding duty unless the full duty is included in the amount insured, in which case loss, if any, sustained by payment of additional duty shall also be recoverable.

Provided always that in no case shall the liability of Under-writers exceed the insured value of the complete machine.

CL 161. — © Copyright — The Institute of London Underwriters

Institute Classification Clause 01/01/2001

Qualifying Vessels

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

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

Age Limitation

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

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

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

Craft Clause

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

National Flag Society

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

Prompt Notice

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

Law and Practice

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

Institute Cargo Clauses (Air) (excluding sendings by Post)

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.

Risks
Clause

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.

General
Exclusions
Clause

War
Exclusion
Clause

Strikes
Exclusion
Clause

Duration

- 5 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
 - 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.*

Transit
Clause

Termination of
Contract of
Carriage Clause

Change of
Transit Clause

Claims

- 8** 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss Insurable Interest Clause
- 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. Forwarding Charges Clause
- 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. Constructive Total Loss Clause
- 11** 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. Increased Value Clause
- 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. Not to Inure Clause

Minimising Losses

- 13** It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder Duty of Assured Clause
- 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. Waiver Clause

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. Reasonable Despatch Clause

Law and Practice

- 16** This insurance is subject to Australian law and practice. Australian Law and Practice Clause

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 (Air Cargo)

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.

Risks
Clause

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.

General
Exclusions
Clause

Duration

- 3 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
 - 3.1.3 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.*

Transit
Clause

Termination of
Contract of
Carriage Clause

Change of
Transit
Clause

Claims

- 6 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. **Insurable Interest Clause**
- 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 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. **Increased Value Clause**

Benefit of Insurance

- 8 This insurance shall not inure to the benefit of the carrier or other bailee. **Not to Inure Clause**

Minimising Losses

- 9 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder **Duty of Assured Clause**
- 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. **Waiver Clause**

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. **Reasonable Despatch Clause**

Law and Practice

- 12 This insurance is subject to Australian law and practice. **Australian Law and Practice Clause**

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 Clauses (Air Cargo) (excluding sendings by Post)

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.

Risks
Clause

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.

General
Exclusions
Clause

Duration

- 3** 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.

Transit
Clause

- 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.**

Change of
Transit Clause

Claims

- 6 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 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.

Insurable
Interest
Clause

Increased
Value
Clause

Benefit of Insurance

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

Not to
Inure Clause

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.

Duty of
Assured Clause

Waiver
Clause

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.

Reasonable
Despatch
Clause

Law and Practice

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

Australian Law
and Practice
Clause

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 Clauses (sendings by Post)

Risks Covered

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

Exclusions

- | | |
|--|--|
| <p>3 In no case shall this insurance cover</p> <p>3.1 loss damage or expense attributable to wilful misconduct of the Assured</p> <p>3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured</p> <p>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)</p> <p>3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured</p> <p>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)</p> <p>3.6 any claim based upon loss of or frustration of the voyage or adventure</p> <p>3.7 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.</p> | <p>General
Exclusions
Clause</p> |
|--|--|

Duration

- | | |
|---|---------------------------|
| <p>4 This insurance attaches only as the subject-matter insured and as to any part as that part leaves the premises of the senders at the place named in the insurance for the commencement of the transit and continues, but with the exclusion of any period during which the subject-matter is in packers' premises, until the subject-matter insured and as to any part as that part is delivered to the address on the postal package(s) when this insurance shall terminate.</p> | <p>Transit
Clause</p> |
| <p>5 Anything contained in this contract which is inconsistent with Clauses 3.6, 3.7 or 4 shall, to the extent of such inconsistency, be null and void.</p> | |

Claims

- | | |
|---|--|
| <p>6 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.</p> <p>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.</p> | <p>Insurable
Interest
Clause</p> |
|---|--|

Minimising Losses

- | | |
|--|---------------------------------------|
| <p>7 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder</p> <p>7.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and</p> <p>7.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised</p> <p>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.</p> | <p>Duty of
Assured
Clause</p> |
| <p>8 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.</p> | <p>Waiver
Clause</p> |

Avoidance of Delay

- | | |
|--|---|
| <p>9 It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.</p> | <p>Reasonable
Despatch
Clause</p> |
|--|---|

Law and Practice

- | | |
|--|---|
| <p>10 This insurance is subject to Australian law and practice.</p> | <p>Australian Law
and Practice
Clause</p> |
|--|---|

Institute Cargo Clauses (C)

Risks Covered

- | | |
|---|---|
| <p>1 This insurance covers, except as provided in Clauses 4,5, 6 and 7 below,</p> <p>1.1 loss of or damage to the subject-matter insured reasonably attributable to</p> <p>1.1.1 fire or explosion</p> <p>1.1.2 vessel or craft being stranded grounded sunk or capsized</p> <p>1.1.3 overturning or derailment of land conveyance</p> <p>1.1.4 collision or contact of vessel craft or conveyance with any external object other than water</p> <p>1.1.5 discharge of cargo at a port of distress,</p> <p>1.2 loss of or damage to the subject-matter insured caused by</p> <p>1.2.1 general average sacrifice</p> <p>1.2.2 jettison.</p> | <p>Risks
Clause</p> |
| <p>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.</p> | <p>General
Average
Clause</p> |
| <p>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.</p> | <p>"Both to
Blame
Collision"
Clause</p> |

Exclusions

- | | |
|---|---|
| <p>4 In no case shall this insurance cover</p> <p>4.1 loss damage or expense attributable to wilful misconduct of the Assured</p> <p>4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured</p> <p>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)</p> <p>4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured</p> <p>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)</p> <p>4.6 loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the vessel</p> <p>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</p> <p>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.</p> | <p>General
Exclusions
Clause</p> |
| <p>5 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.</p> <p>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.</p> | <p>Unseaworthiness
and Unfitness
Exclusion
Clause</p> |
| <p>6 In no case shall this insurance cover loss damage or expense caused by</p> <p>6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power</p> <p>6.2 capture seizure arrest restraint or detainment, and the consequences thereof or any attempt thereat</p> <p>6.3 derelict mines torpedoes bombs or other derelict weapons of war.</p> | <p>War
Exclusion
Clause</p> |
| <p>7 In no case shall this insurance cover loss damage or expense</p> <p>7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions</p> <p>7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions</p> <p>7.3 caused by any terrorist or any person acting from a political motive.</p> | <p>Strikes
Exclusion
Clause</p> |

Duration

- | | |
|--|---------------------------|
| <p>8 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</p> <p>8.1.1 on delivery to the Consignees' or other final warehouse or place of storage at the destination named herein,</p> <p>8.1.2 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</p> <p>8.1.2.1 for storage other than in the ordinary course of transit or</p> <p>8.1.2.2 for allocation or distribution,</p> <p>or</p> <p>8.1.3 on the expiry of 60 days after completion of discharge overside of the goods hereby insured from the oversea vessel at the final port of discharge, whichever shall first occur.</p> | <p>Transit
Clause</p> |
|--|---------------------------|

- 8.2 If, after discharge overside from the oversea 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.*

Termination of Contract of Carriage Clause

Change of Voyage Clause

Claims

- 11 11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 11.2 Subject to 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 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.

Insurable Interest Clause

Forwarding Charges Clause

Constructive Total Loss Clause

Increased Value Clause

Benefit of Insurance

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

Not to Inure Clause

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.

Duty of Assured Clause

Waiver Clause

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.

Reasonable Despatch Clause

Law and Practice

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

Australian Law and Practice Clause

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.

Notes & Endorsements

Insured by:
Vero Insurance Limited ABN 48 005 297 807
Vero National Marine is a division of Vero Insurance Limited

