

FINANCIAL SERVICES GUIDE

Grace Worldwide (Australia) Pty Ltd can assist you to obtain insurance to protect your goods while they are in transit or storage. This is because we are an authorised representative of Aldridge & Street a Division of Cowden (Vic) Pty Ltd (AFSL 245658), a licensed insurance broker.

This Financial Services Guide describes the insurance services that we can provide to you. It also covers remuneration and benefits received by us for the provision of those services and your rights as to the manner in which you are entitled to have any dispute arising out of these services dealt with.

How we can help with your insurance

We hold a Customer Goods in Transit and Storage Insurance policy. On your behalf, we can arrange for this policy to cover you. Alternatively, you can obtain insurance from an insurance company of your own choice.

If you ask us to arrange Customer Goods in Transit and Storage insurance, we will give you a Product Disclosure Statement (PDS). This will describe the main features of the policy. You should read the PDS to decide if the policy suits your needs, objectives and financial situation before you decide whether to obtain it because we cannot advise you about your insurance needs.

If you need advice or your insurance needs are different from the cover available in our policy, we can refer you to Aldridge & Street who will be able to assist you.



How we are paid

For arranging for you to be insured under our policy, we receive the difference between the amount you pay us for your insurance and the cost of the premium we pay for the policy (which is based upon our annual turnover) and the cost to us of bearing the first \$10,000 of all transit and storage claims. The amount you pay us is based on the value of the goods we are removing or storing on your behalf.

Our staff who arrange your insurance are paid a salary. They do not receive a bonus for arranging insurance for you.

In addition, Aldridge & Street receive a commission of 0-20% of the premium for arranging our policy. They do not receive any amount when we arrange for the policy to cover you.

Complaints and disputes about our services

We are a member of the Australian Furniture Removers Association (AFRA). AFRA handles all complaints or disputes about our services. Contact the Executive Director at AFRA.

AFRA may be contacted at:

Unit 6/7 Packard Avenue,
BAULKHAM HILLS NSW 2153

T: 1800 671 806

F: (02) 9659-5311

If AFRA does not resolve the complaint to your satisfaction, you can refer it to Insurance Brokers Disputes Limited (IBDL). For further information about IBDL, contact them directly on 1800 064 169.



NAME:..... DATE:..... Removal No.:.....

DESTINATION:..... Land / Sea / Air (PLEASE CIRCLE)

Detailed below, on the following pages & overleaf, is important information to assist you to effectively insure your consignment. Please read the steps 1 to 2 and then make your selection from either Option A or Option B.

Step 1	<p>Select type of cover please tick one only</p> <p><input type="checkbox"/> Transit – Insurance while your consignment is in our care for door to door moves.</p> <p><input type="checkbox"/> Transit and Storage – Insurance while in our care during removal and storage.</p> <p><input type="checkbox"/> Storage Only – We offer Fire, Explosion, Lightning and Flood cover only, nominated under the “Risks Covered” section of our Policy Wording</p>
Step 2	<p>Select risks to be covered please tick one only</p> <p><input type="checkbox"/> Grace Easycover – The Ultimate Cover (Option A) – the ultimate, providing cover against all risks. This includes pairs and sets, electrical derangement and atmospheric conditions (refer to “Risks Covered” and “Basis of Settlement” section of our Policy Wording). Grace Easycover – The Ultimate Cover, is based on replacement cost. Replacement cost provides for the replacement (new) cost of items (other than motor vehicles, boats and trailers).</p> <p><input type="checkbox"/> Grace Standard Cover (Option B) – Replacement Cost – this provides cover against all risks, but is subject to limitation in claims for pairs and sets, and exclusion of cover for mechanical and electrical derangement and atmospheric conditions. Replacement cost provides for the replacement (new) cost of any items (other than computers and computer accessories, clothing, motor vehicles, boats and trailers) provide the item is less than 7 years old, or has been specifically declared and valued in the insurance declaration over leaf.</p> <p><input type="checkbox"/> Grace Standard Cover (Option B) – Market Value – this provides cover against all risks, but is subject to limitation in claims for pairs and sets, and exclusion of cover for mechanical and electrical derangement and atmospheric conditions. Market Value allows for the reasonable cost of repair for items damaged, or for items totally lost or destroyed, provides replacement cost less a reasonable allowance for age, condition, wear and tear and depreciation.</p> <p><input type="checkbox"/> Grace Restricted Cover (Option B) – Restricted Cover – this provides cover against specified risk only (refer to “Risks Covered” section of our Policy Wording). Restricted Cover policies provide cover only in the event of total loss, and then for the declared value (which must be based on market value).</p>

The cost of packing and moving your goods can also be covered in the event of a total loss of your consignment.

OPTION A	GRACE EASYCOVER - THE ULTIMATE COVER	OPTION A
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The simple and easy choice if you prefer not to nominate the value of your consignment by item and category under Option B and want to select Grace Easycover – The Ultimate Cover. This provides cover based on a minimum value of AU\$2500 for domestic moves within Australia, and AU\$3500 for international moves to and from Australia, per cubic metre (your consultant will provide you with the total volume of your move to assist you). Grace Easycover – The Ultimate Cover risk protection is not available for consignments under four (4) cubic metres in volume. Please note these values (AU\$2500/AU\$3500) per cubic metre have been assessed by us as a minimum value guide you should consider when insuring your goods. You should carefully consider if this amount is sufficient for your goods, and we recommend you seek independent advice to value your goods if you are in any doubt.

Valuables: This table MUST be completed. Please list and estimate the value of any antique, curio, plate, precious object, work of art, medal, money, coin, stamp, collection of items, fur, piece of precision equipment. Attach a detailed inventory if you need more space

Specified Valuables

Specified Item	Value	Specified Item	Value

The volume of your consignment (as surveyed) is cubic metres

Volume x AU\$2500/AU\$3500 = AU\$ (or if greater, the total value of your goods)
 Packing & Moving costs = AU\$ \$ (Optional)
 Valuables (Specified items) = AU\$
 Total value to be insured = AU\$

Declaration - I declare that the nominated values are correct to the best of my knowledge and that I have informed Grace Removals Group about anything which could affect the risk.

SIGNATURE:..... DATE:/...../.....

CUSTOMER GOODS IN TRANSIT AND STORAGE INSURANCE

Policy Wording

This insurance will be arranged on your behalf by Grace Worldwide (Australia) Pty Ltd as an authorised representative of insurance brokers, Aldridge & Street a division of Cowden (Vic) Pty Ltd (AFSL 245658)

Definitions

In this policy the following words have the meaning set out below:

Grace Removals - Grace Worldwide (Australia) Pty Ltd.

Customer - Persons or entities who contract with Grace Removals to remove and/or store their goods.

Customers' Goods - Physical property which a Customer has asked Grace Removals to move and/or store including household goods and personal effects of every description including antiques, works of art, jewellery, vehicles, boats, and trailers; and office and factory contents of every description including computers and all ancillary equipment, plant and machinery.

Transit - All conveyances by road and/or rail and/or air and/or vessel to and from ports and or places anywhere in Australia or the world. Transit commences when goods are first moved and/or uplifted within the house, office or factory by Grace Removals for the purpose of transit and ceases when the goods are last moved by Grace Removals after delivery to their final destination or such other place as the receiver may instruct. Transit includes packing/unpacking of goods by Grace Removals at uplift or delivery and any storage which is incidental to the transit.

Storage - Any storage by Grace Removals of the Customer's Goods at the Customer's request in an authorized warehouse or compound prior to, during or after transit.

Insurers

This insurance is provided by the following insurers: CGU Insurance Limited (ABN 27 004 478 371 AFSL 238291) insures Australia wide storage perils of fire, lightning, aircraft, earthquake, storm and tempest, flood, water from fixed pipes or systems, riots, strikes and civil commotion, explosion and impact damage. Associated Marine Insurers Agents Pty Ltd (ABN 41 006 104 007 AFSL 235383) as agent for and owned by Zurich Australian Insurance Limited (ABN 13 000 296 640) - insures all other transit and storage risks

Risks Covered

Where the Customer has requested Grace Removals to insure the Customer's Goods, depending on the risks and period of cover and basis of settlement selected by the Customer and shown in the certificate of insurance, this policy insures the Customer's Goods as set out below:

Grace Easycover and Standard Cover - insure all risks of loss or damage to the Customer's Goods during transit from any external cause including accidental damage during packing, loading and unloading by Grace Removals or its representatives.

Restricted Cover - insures loss or damage to the Customer's Goods during transit resulting from:

- fire and explosion;
- lightning and flood;
- overturning and/or derailment of conveyance;
- collision of vessel, aircraft or conveyance;
- crashing or forced landing of aircraft; stranding, sinking, or contact of vessel with any external object other than water;
- entry of water into any vessel, hold, container liftvan or place of storage.

Additional Risks Covered

In addition to the risks set out above, this policy insures the Customer's Goods for loss or damage caused by or as a result of:

- war (sea and air transit risks) and strikes, riots and civil commotions in the terms of Institute of London Underwriters' Clauses current at the time of shipment; and
- General Average and Salvage Charges adjusted or determined according to the removal contract and/or the governing law and practice, which are incurred to avoid or in connection with the avoidance of loss from any cause other than those excluded elsewhere in the policy.

Basis Of Settlement

Depending on the Basis of Settlement selected by the Customer and shown in the certificate of insurance, if loss or damage occurs as a result of an insured risk, the insurer will pay up to the declared value of any item (and subject to the restrictions set out below):

Replacement Cost

In the event of damage, the reasonable cost of repairs or restoration. For any items totally lost or destroyed, full replacement cost provided that such items are no more than 7 years old or have been specifically declared and valued on the insurance declaration or removal contract. Regardless of which Basis of Settlement is selected, the insurer will only pay market value for the following items: goods more than 7 years old and which have not been declared; computers and computer accessories; clothing; motor vehicles, boats and trailers.

Market Value

In the event of damage, the reasonable cost of repairs or restoration. For any items totally lost or destroyed, their replacement cost less a reasonable allowance for age, condition, wear and tear and depreciation.

Office or Factory Goods, including Plant and Machinery

For office and factory goods, including plant and machinery, the insurers will only pay: the lesser

of the market value and the declared value of the goods at the time of loss; and agreed charges for insurance, packing and freight.

Pairs and Sets

Where one or more articles in a pair or set (including lounge suites) are lost or damaged, the policy only covers the lost or damaged part or parts. The insurers will not pay more than a proportionate part of the insured value of the pair or set without reference to any special value which they may have as a pair or set or depreciation or loss of value. This limitation does not apply to Grace Easycover.

Antique Furniture

For antique furniture, the insurers will only pay the reasonable costs of repair and will not pay any depreciation or loss of value caused by the loss or damage.

Co-insurance (Averaging)

If the declared value of the goods is less than 80% of their actual value at the time of the loss or damage, the amount of the claim will be adjusted in the same proportion as the declared value bears to 80% of the actual value.

Excess

Grace Removals will pay the first \$10,000 in respect of any one claim under this policy for transit and storage. The Customer must contribute the Customer Excess shown in the removal contract.

Exclusions From And Limitations On Cover

Motor Vehicles

This policy does not cover motor vehicles while they are being driven under their own power unless they are being driven by an authorised representative of Grace Removals for the purpose of loading or unloading.

Valuables

This policy does not cover loss or damage to any antique, curio, plate, precious object, work of art, medal, money, coin, stamp, collection of items, fur, piece of precision equipment or the contents of any carton packed by Grace Removals the value of which exceeds \$1000 unless specifically declared on the list of items to be insured or on the removal contract.

Owner Packed Cartons

Any claim for loss or non-delivery of owner packed cartons is limited to \$500.00 unless an itemised valued list of contents is supplied prior to the commencement of the transit. Claims for damage to contents are excluded unless evidence of external damage to the carton.

Other Excluded Risks

This policy does not cover loss or damage or expense caused by:

- delay, loss of use of property or any other form of consequential loss of any description;
- confiscation or detention by customs or other official authorities;
- wear and tear, moths, vermin, infestation, corrosion, contamination or deterioration;

- normal atmospheric or climatic conditions (this exclusion does not apply to Grace Easycover);
- inherent vice or nature of the subject matter;
- vibration, mechanical, electrical or electronic breakdown or derangement of goods where there is no external evidence that an insured event has occurred (this exclusion does not apply to Grace Easycover);
- nuclear risks which means the use, existence or escape of nuclear weapons materials or ionizing radiation from or contamination by radioactivity from any nuclear fuel or nuclear waste from the combustion of nuclear fuel.

Terrorism Exclusion

This policy excludes any loss, damage, liability or expense arising from terrorism and/or steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, anticipated, threatened, suspected or perceived terrorism. For the purposes of this clause, terrorism means any act(s) of any person(s) or organisation(s) involving the causing, occasioning or threatening of harm of whatever nature and by whatever means or 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.

Notwithstanding any provision to the contrary contained in this policy, it is agreed that this policy covers loss or damage to the Customer's Goods caused by any terrorist or any person acting from a political motive, from when the Customer's Goods are first moved for the purpose of being conveyed to a destination outside the premises at which loading takes place and ends when they are last moved in being delivered at the destination, or at any earlier point where the ordinary course of transit is interrupted by the Customer.

Claims Procedures

As soon as possible after the happening of any event which may give rise to a claim under the policy, the Customer must:

- Take all reasonable steps to prevent any further loss or damage;
- Note details of any loss or damage on Grace Removals' inventory and/or condition report;
- Contact Grace Removals' branch claims officer tel: 13 14 42, email: insurance@grace.com.au
- Within 3 days of receipt of the goods, lodge a written claim with Grace Removals (using any form provided by it).

The Customer must not authorise the repair or replacement of the lost or damaged goods without the consent of Grace Removals or the insurer. Grace Removals or the insurer, at its expense, may appoint a loss assessor to inspect damaged goods.

Grace Removals may settle claims under this policy under instructions from the insurer. If the

claim is for more than the amount detailed in the excess, Grace Removals must send to the insurer the inventory and/or condition report, removal contract and full details of the items lost or damaged.

Special Conditions

Premium

The amount payable by the Customer for this insurance may be varied provided the Customer receives one month's prior notice of any change.

Duty of Disclosure

Before entering into a contract of general insurance with an insurer, the insured has a duty, under the Insurance Contracts Act 1984, to disclose to the insurer every matter that the insured knows, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

The insured has the same duty to disclose those matters to the insurer before any renewal, extension, variation or reinstatement of a contract of general insurance.

The duty however does not require disclosure of matters:

- That diminish the risk to be undertaken by the insurer;
- That are common knowledge;
- That the insurer knows or, in the ordinary course of his business ought to know;
- As to which compliance with the duty is waived by the insurer.

Non Disclosure

If the insured fails to comply with the duty of disclosure, the insurer may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract. If the non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

Goods and Services Tax

If the insured is liable to pay goods and services tax (GST) in respect of any goods, services or other supply which are the subject of a claim under the policy the insurers will pay the insured for that GST liability. However, where the insurers make a payment under this policy for the acquisition of goods, services or other supply the insurers will reduce the amount of the payment by the amount of any input tax credit the insured is or will be or would have been entitled under the Goods and Services Tax Act 1999 in relation to that acquisition whether or not the acquisition is actually made. Where the insurers make a payment under this policy as compensation for the acquisition of goods, services or other supply the insurers will reduce the amount of the payment by the amount of any input tax credit the insured would have been entitled to under the Goods and Services tax Act 1999 had the payment been applied to acquire such goods, services or supply.

Privacy

The insurer collects personal information for the purpose of providing insurance products, services, processing and assessing claims. The insured can choose not to provide this information, however the insurer may not be able to process its requests. The insurer may disclose information it holds about the insured to other insurers, an insurance reference service or as required by law. In the event of a claim, the insurer may disclose information to and/or collect additional information about the insured from investigators or legal advisors. The insured may contact the insurer if it wishes to update or access the information the insurer holds about it or if it does not wish to receive any marketing material directly from the insurer (such as special offers and discounts).

Moves To Other Countries

Insurance arranged by Grace will protect your consignment for 30 days prior to the departure of your vessel/aircraft, for the duration of the voyage, and for 30 days after the arrival at our partner's warehouse overseas. If you require storage beyond this, please discuss a policy extension with your consultant.

CUSTOMER GOODS IN TRANSIT AND STORAGE INSURANCE

Product Disclosure Statement

This Product Disclosure Statement provides information about the main features of our Customer Goods in Transit and Storage Insurance.

Why Should I take out insurance?

Regardless of any contractual rights you may have against any company undertaking the removal of your goods, there are many circumstances in which the removalist will not be liable to make good any loss or damage to your goods, for example if the goods are damaged as the result of an accident that is not the removalist's fault.

Customer Goods in Transit and Storage Insurance can assist to fill this gap.

Who to contact about your policy

Your first point of contact about the policy should be Grace Removals. If we cannot answer your enquiry, you can contact our broker, Aldridge & Street, for whom we are an authorised representative. Aldridge & Street can be contacted by telephone (03 9867 7663), facsimile (03 9867 7669) or letter (Level 6, 14 Queens Road, Melbourne 3004).

Insurer

A number of different insurers have combined together to provide the insurance in the Customer Goods in Transit and Storage Policy.

For transit and storage claims, the first \$10,000 of the policy is insured by us.

Above this amount, the risks of fire, lightning, aircraft, earthquake, storm and tempest, flood, water from fixed pipes or systems, riots, strikes and civil commotion, explosion and impact damage while the goods are in storage are insured by CGU Insurance Limited (ABN 27 004 478 371 AFSL 238291) of 485 La Trobe Street Melbourne Vic 3000 and the rest of the transit and storage cover is insured by Associated Marine Insurers Agents Pty Ltd (ABN 41 006 104 007 AFSL235383) as agent for and owned by Zurich Australian Insurance Limited (ABN 13 000 296 640) of 495 Collins Street Melbourne Vic 3000.

Significant features and benefits of the policy

You may select from a number of alternative types of cover available under the policy for loss or damage to your goods.

Type of Risks - Ultimate Cover and Standard Cover insures you for most risks of loss or damage to your goods. However, Restricted Cover only insures you for accidental loss or damage which occurs as a result of:

- fire, explosion, lightning, and flood
- overturning and/or derailment of conveyance
- collision of vessel, aircraft or conveyance
- crashing or forced landing of aircraft
- stranding, sinking, or contact of a vessel with any external object other than water

- entry of water into any vessel, hold or place of storage

Basis of Settlement

Under Replacement Cost cover, if your goods are lost or totally destroyed, for most types of goods you receive the new replacement cost provided the goods are less than 7 years old. Under Market Value cover, you only receive the current market value of the goods. If the goods are damaged, both covers will cover the reasonable cost of repair.

Limits and exclusions from cover

Goods	Limitations/exclusions
Items more than 7 years old	Market Value cover unless listed on your Insurance Declaration
Computers and computer accessories Clothing Motor vehicles, boats and trailers	Market Value cover only
Office and factory goods	The lesser of Market Value and Declared Value (plus insurance, packing and freight)
Pairs and sets	Only the lost or damaged parts
Antique furniture	Reasonable cost of repair
Owner packed cartons	Restricted cover only. Limited to \$500 for non delivery unless an itemized list of contents is provided before transit commences Damage to contents excluded unless evidence of external damage to carton
Motor vehicles being driven under their own power	Not covered unless being loaded or unloaded by Grace Removals
Valuables worth more than \$1000	Not covered unless listed on your Insurance Declaration
Terrorism	Transit cover only
Various other risks	Not covered as detailed in the Policy Wording

The table above summarises the limits on the covers provided.

Cost of the policy

The amount you pay for the insurance depends on the value of the goods being removed or stored.

Other factors which determine the premium include:

- the type of insurance selected by you (market or replacement value, transit or storage);
- the distance the goods are transported or period for which the goods are stored;
- the insurance cover selected (all risks or only specified risks.)

The amount you pay includes any stamp duty and GST. Our quotation for your transit insurance is firm. Our storage insurance rate (if applicable) may be varied by us subject to one month's notice to you.

How do I select the amount to be insured?

It is important that you insure your goods for their full value. This means that you should tell us about the:

- new current value for Replacement Cost Cover (with no allowance for depreciation)
- replacement cost less an allowance for depreciation for Market Value Cover.

If the declared value of the goods is less than 80% of their actual value at the time of the loss or damage, the amount of the claim will be reduced in the same proportion as the declared value bears to 80% of the actual value.

How you pay for the insurance

The premium will be shown on the quotation which we will provide to you before your goods are removed. When you accept the quotation, we will invoice you.

You pay for transit insurance when you pay your removal charges. We will invoice you for storage insurance at the same time as we invoice you for storage charges.

Excess

The amount that you receive for a claim will be reduced by \$100 for removals and storage within Australia and \$200 for international removals and storage. This is known as an excess.

Conditions

Some conditions apply to your policy. Full details are set out in the Policy Wording. The significant conditions are summarised below:

Duty of disclosure

When you apply for insurance the insurer relies upon the information you provide to decide whether to insure you, and anyone else to be covered, and on what terms. If you do not answer all questions honestly the insurer may reduce or refuse a claim, or cancel the policy.

Cooling off

You may return the insurance contract up to 20 days after the date of the invoice for the removal, storage and insurance (the cooling off period). However you may not return the insurance contract after the commencement of the work.

To return the contract, notify us within the cooling off period. Any premium paid will be returned. The notification can be made by telephone or posted to the address detailed on the removal contract or invoice.

What do I do if I need to make a claim?

The policy wording has detailed instructions about how to make a claim.

Complaints and disputes about the policy

If you have a concern, complaint or dispute about the policy which involves a claim, contact the Executive Director at AFRA on 1800 671 806. AFRA will try to resolve your problem immediately. If they are unable to do so, you can request that your problem be dealt with under their internal dispute resolution process.

If you are not happy with their decision, you may take your complaint to the General Insurance Enquiries and Complaints Scheme (IEC), an external dispute resolution body. IEC's Claims Review Panel adjudicates disputes relating to claims. **IEC can be contacted on 1300 780 808.**