



**GRACE EASYCOVER**

# Financial Services Guide & Product Disclosure Statement

**grace:**

Always more.

# Financial Services Guide (FSG)

Grace Worldwide (Australia) Pty Ltd can assist you to obtain insurance to protect your goods while they are in transit or storage.

This (FSG) describes the insurance services that Grace Worldwide (Australia) Pty Ltd (Grace, we, us, our) and Arthur J. Gallagher & Co (Aus) Limited (**Gallagher**) (ABN: 34 005 543 920) can provide to you. It covers the charges for those services, your rights as a client and how any complaints you may have will be dealt with.

For more information go to: <https://www.grace.com.au/moving-insurance/>

## WHO WE ACT FOR

We are an authorised representative of **Gallagher** (AR # 259092). **Gallagher** is a licenced insurance broker (AFS licence #238312) and is licenced to advise on and deal in general insurance. **Gallagher** act as an intermediary for the insurer, XL Insurance Company SE (ABN: 36 083 570 441), in distributing this Policy.

If you need advice or your insurance needs are different from the cover available in our Policy, we can refer you to **Gallagher** on 1800 240 432 to assist you further.

## HOW WE CAN HELP WITH YOUR INSURANCE

We hold a group transit and storage insurance Policy. We can arrange for this Policy to cover you. When we do this, we act on behalf of **Gallagher**.

We are authorised by Gallagher to provide you with general advice. This means that the advice has been provided without taking into account your objectives, financial situation or needs. Because of this you should, before acting on the advice, consider the appropriateness of the advice, having regard to your objectives, financial situation or needs.

If you ask us to arrange insurance, we will give you the attached Product Disclosure Statement (PDS). This describes the main features of the Policy.

The Product Disclosure Statement (PDS) included in this document describes the main features of the Policy.

## CLAIMS

**Grace Removals, Gallagher** and W.E. Cox may assist with the processing and advising of any insurance claims.

## 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). 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. In addition to this, they receive a commission of 0-4% of the amount you pay for arranging the Policy to cover you.

**Gallagher** receive a commission of 20% of the premium from the Insurer for arranging our Policy. This forms part of the premium we pay to the Insurer. **Gallagher** also receive a fee from Grace for the professional services it provides to us but does not receive any additional amounts when we arrange for the Policy to cover you.

## COMPLAINTS AND DISPUTES ABOUT OUR REMOVAL SERVICES

If you have a concern, complaint or dispute about our removal services please contact us directly at:

Email: [customerservice@grace.com.au](mailto:customerservice@grace.com.au)  
Phone: 1300 723 844  
4 Tucks Road, Seven Hills NSW 2147  
Phone: +61 2 9838 5600  
<https://www.grace.com.au/moving-insurance/>

We are also a member of the Australian Furniture Removers Association (AFRA) and AFRA handles all such complaints or disputes.

Contact the Executive Director at AFRA at:  
Unit 6/7 Packard Avenue,  
BAULKHAM HILLS NSW 2153  
T: 1800 671 806

## COMPLAINTS AND DISPUTES ABOUT THIS POLICY

### COMPLAINTS & DISPUTE RESOLUTION

There are established procedures for dealing with complaints and disputes regarding your policy or claim. These services are free to all policyholders and may be of assistance, should the need arise.

If you have any concerns or wish to make a complaint in relation to your policy, our services, or your insurance claim, please contact us using the details below, and we will attempt to resolve your concerns in accordance with our Internal Dispute Resolution procedure.

Gallagher Risk & Compliance Team  
Telephone: 1800 068 000  
Email: [complaints@ajg.com.au](mailto:complaints@ajg.com.au)

We will acknowledge receipt of your complaint and do our utmost to resolve the complaint to your satisfaction within 5 **business days**. Where we are unable to do so, our final decision will be provided to you within 30 calendar days of the date on which you first made the complaint.

You may refer your complaint to the Australian Financial Complaints Authority (AFCA) at any time, and if your complaint is not resolved to your satisfaction within 30 calendar days of the date on which you first made the complaint. AFCA's contact details are as follows:

Australian Financial Complaints Authority  
GPO Box 3, Melbourne VIC 3001  
Telephone: 1800 931 678  
Web: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)

Should you choose to refer your complaint to AFCA, you must do so within 2 years of our final decision.

## PROFESSIONAL INDEMNITY INSURANCE

We and **Gallagher** together have professional indemnity insurance in place which covers us, and our employees for any errors or mistakes relating to our insurance services. This insurance meets the requirements of the Corporations Act and covers claims relating to us, our employees, or **Gallagher's** employees, even after they cease to act for **Gallagher**, provided that the Insurer is notified of the claim when it arises and this is done within the relevant Policy period.

## PRIVACY COLLECTION STATEMENT

We are committed to protecting your personal and sensitive information (together referred to as Personal Information). When we collect, hold, use, disclose, or otherwise handle your Personal Information we must comply with the Privacy Act 1988 (Cth), which includes the Australian Privacy Principles.

We collect, hold, use and handle your Personal Information to perform our functions of providing, the insurance broking services outlined in this FSG. If you do not supply the Personal Information we request, we may not be able to provide our services to you. For example, we may not be able to arrange insurance cover or manage your claim.

We provide your Personal Information to insurers or insurance intermediaries to allow them to determine whether to insure you and if so on what terms.

In facilitating the services outlined in this FSG, **Gallagher** may also need to provide your Personal Information to our outsourced providers. Occasionally this may involve providing your Personal Information to overseas recipients located in the United States of America, the United Kingdom, New Zealand, Singapore or India. Prior to disclosing your information to overseas recipients, **Gallagher** will, where required by law, take steps to ensure that the recipient does not breach the Privacy Act 1988 (Cth) and has sufficient practices and processes to protect your Personal Information.

## Your consent and opting out

From time to time and where we are permitted by law to do so, we may also use or disclose your Personal Information for the purpose of marketing our services, or the products and services of related entities and third parties, to you. Please tell us if you do not want us to use or disclose your Personal Information for marketing purposes. To nominate preferred days and times for receiving marketing calls or to opt-out of receiving marketing information altogether, please email us at [privacy@ajg.com.au](mailto:privacy@ajg.com.au) or call us on our Toll Free Client Inquiry Line, 1800 240 432.

## More information, correction and complaints

For detailed information about how we handle your Personal Information, please see **Gallagher's** Privacy Statement which is available on **Gallagher's** website, [www.ajg.com.au](http://www.ajg.com.au). **Gallagher's** Privacy Statement also contains information about how you may access, update and correct the Personal Information you have provided to us or how you may make complaints in relation to the handling of your Personal Information and how we will deal with your complaint.

This FSG was prepared on 05/10/2021. Distribution of this FSG has been authorised by Arthur J. Gallagher & Co (Aus) Limited.

# Customer's Goods in Transit and Storage Insurance

## PRODUCT DISCLOSURE STATEMENT (PDS) PART 1 – ABOUT YOUR INSURANCE

### ABOUT THIS PRODUCT DISCLOSURE STATEMENT

This Product Disclosure Statement (**PDS**) is a legal document that contains important information to assist you in understanding the coverage provided by the **Policy** and to help **you** make an informed choice about purchasing it.

This PDS and the **Policy** contains general information only. Please read this PDS and the **Policy** carefully to ensure the **Policy** meets **your** needs before deciding to purchase it.

This PDS, the **Policy** and any other documents **we** tell **you** of all form part of the **Policy**, and together form **your** insurance contract.

The preparation date for this PDS is 17 September 2021.

From time to time **we** may need to update the PDS (where permitted or required by law). If this happens a new PDS or a Supplementary PDS will be sent to **you**.

### RETAIL CLIENTS

Under the Corporations Act 2001 and associated Regulations (The Act) Retail Clients are provided with additional levels of protection from other insurance purchasers. The Act defines Retail Clients as:

1. individuals or a small manufacturing business, employing less than 100 people or any other business employing less than 20 people;  
and
2. that are being provided financial services or products that relate to insurance covers including personal property and contents whilst being moved and stored.

Some of the information in this PDS only applies to Retail Clients and it is important that you understand whether you are covered by the additional protection provided.

### ABOUT AXA XL – THE INSURER

The Insurer of this Policy is XL Insurance Company SE, Australian branch (ABN: 36 083 570 441). XL Insurance Company SE is part of the AXA XL, division of the AXA Group.

AXA XL is authorised and regulated in Australia by the Australian Prudential Regulation Authority (APRA) to conduct general insurance business.

Throughout this PDS, references to '**we**', '**our**' or '**us**' means AXA XL.

**Our** contact details are as follows:

AXA XL  
Level 28, Angel Place  
123 Pitt Street, Sydney NSW 2000  
More information can be found at our website: [www.axaxl.com](http://www.axaxl.com)

### ABOUT GALLAGHER, GRACE REMOVALS, W.E. COX (AUSTRALASIA)

Arthur J Gallagher (Aus) Limited (**Gallagher**) is the broker who acts as our intermediary (the intermediary of the Insurer) to distribute this Policy. Gallagher appoints **Grace Removals** as their Authorised Representative to sell this product to you.

AXA XL may, at their discretion, engage W.E. Cox (Australasia) Pty Ltd in their capacity as Loss Adjusters. W.E. Cox (Australasia) Pty Ltd are an independent claims handling and adjusting company.

# Customer's Goods in Transit and Storage Insurance (PDS)

## TARGET MARKET DETERMINATION

We are required by law to produce a Target Market Determination (TMD) if you are a retail client acquiring a retail product - the TMD provides information on:

1. who our Target Market for this product is;
2. any conditions or restrictions on who the product can be sold to;
3. events and circumstances that would reasonably suggest that this TMD is no longer appropriate and review periods; and
4. reporting obligations and periods.

The TMD for this policy is available from Us. Please contact Us if you would like a copy of the TMD.

## 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

You have the option of Grace Easycover Ultimate (Option A) , Grace Easycover Essentials (Option B) or Restricted Cover. These cover options insure **you** for risks of loss or **damage** to **your** goods during Transit. The cover afforded differs between the 3 options.

Alternatively, if **you** elect to take cover for "Storage Only", this insures **you** against loss or **damage** to **your** goods (excluding theft) during storage only.

### WHY SHOULD YOU TAKE OUT INSURANCE?

Regardless of any contractual rights **you** may have against any company undertaking the removal of **your** goods, there are many circumstances where they will not be liable to make good any loss or **damage** to **your** goods, for example where the goods are damaged as a result of an accident that is not the company's fault. Transit and Storage Insurance can assist to fill this gap.

### BASIS OF SETTLEMENT

The cover insures **your** goods:

- for either their "Replacement Value" or "Market Value", depending on the item, its age and which cover option you select.
- subject to certain limits and exclusions; and
- with specified items of additional cover.

**Please Note:** regardless of which Basis of Settlement is selected, the Insurer will only pay market value for the following items: goods more than 10 years old or which have not been declared and agreed in writing.

If you select the Restricted Cover option, the Insurer will only pay Market Value.

This cover varies between the Easycover Ultimate (Option A), Easycover Essentials (Option B), Restricted Cover and Storage Only options.

The **Policy** wording in Part 2 of this PDS sets out details of how cover applies and how claim payments will be calculated.

## LIMITS AND EXCLUSIONS FROM COVER

The below summarises the limits on the covers provided set out in full under "EXCLUSIONS FROM COVER" in the Policy.

Goods	Limitations/Exclusions
Items more than 10 years old	Market value cover unless the item is listed and value declared on your <b>Insurance Declaration</b> .
Office and factory goods	The lesser of Market Value and Declared Value (the amount you nominate on the <b>Insurance Declaration</b> ).
Pairs and sets	Only the lost or damaged parts payable (Easycover Essentials (Option B), Restricted and Storage Only options only).
Antique(s), Works of Art & Musical Instruments	Reasonable cost of repair. Loss of Value not covered.
Owner packed cartons	Maximum of \$500 for loss or non-delivery of a carton unless an itemized list of contents and values is provided before transit commences.
Valuables worth more than \$10,000	Limited to a maximum of \$20,000 Easycover Ultimate (Option A) or \$10,000 Easycover Essentials (Option B), unless specifically listed and valued on your <b>Insurance Declaration</b> .
Flood	Not covered by the <b>Policy</b> if caused by water from or action by the sea or tidal wave.
Terrorism	Transit cover only.
Various other risks	Refer <b>Policy</b> wording – Other Excluded Risks.

# Customer's Goods in Transit and Storage Insurance (PDS)

The following exclusions (set out in full under "EXCLUSIONS FROM COVER" in the Policy) are paramount and shall override any inconsistencies otherwise contained within the Policy:

Goods	Limitations/Exclusions
Communicable Disease	This excludes any loss, any loss, damage, liability, claim, cost or expense of whatsoever nature caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease, such as COVID-19.
Act of Terrorism	This excludes any loss, damage, cost, expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any Act of Terrorism.
Cyber	This excludes any loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer system programme, malicious code, computer virus, computer process or any other electronic system.
Sanctions	This excludes any cover or any liability to pay any claim or provide any benefit to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

These are the major exclusions and limitations in the Policy; however, there may be others.

You can check the Policy wording in Part 2 of the PDS for full details

## EXCESS

Under the Easycover Ultimate (Option A) cover, You do not pay an **excess** when claiming under this Policy. Claims made under the Grace Easycover Essentials (Option B), Restricted Cover and Storage Only Cover options are subject to a \$250 claim **excess**.

## CONDITIONS

Some conditions apply to **your Policy**. Full details are set out in the **Policy** wording in Part 2 of this PDS.

## AMENDMENTS TO THE POLICY

There shall be no amendments, modifications or alterations to this policy, except when made by written endorsement agreed to by the Insurer.

## COST OF THE POLICY

The amount **you** pay for this insurance is made up of the premium and applicable taxes and charges. The premium payable depends on the value of the goods being removed or stored. Other factors which **Grace** takes into account in determining the premium include:

- The type of insurance selected by **you** (Transit or Storage);
- The distance the goods are transported or the period for which the goods are stored; and
- The insurance cover selected (Ultimate, Essentials, Restricted Cover or Storage Only).

## TAXATION

The amount of taxes and charges payable in relation to this insurance will be set out in the Evidence of Insurance.

## HOW DO YOU 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:

- For Replacement Cost Cover – The cost to **you** to purchase new replacement items of the same type and quality (with no allowance for depreciation).
- For Market Value Cover – Replacement cost less an allowance for age, condition, wear and tear, and depreciation.
- If **you** have selected Grace Easycover Ultimate (Option A)/ Easycover Essentials (Option B) using the minimum insured meterage values of \$2,000/\$3,000, **you** should carefully consider if the amount(s) is sufficient for **your** goods and **we** recommend **you** seek independent advice to the value of **your** goods if **you** are in any doubt.

## HOW YOU PAY FOR THE INSURANCE

The premium will be shown on the quotation for **your** Contract for Removal and/or Storage which **Grace Removals** will provide to **you** before **your** goods are removed. When **you** accept the quotation, **Grace Removals** will invoice **you**.

If **you** purchase the Easycover Ultimate (Option A) cover, Easycover Essentials (Option B) cover or 'Restricted Cover', **you** will need to pay for the insurance when **you** pay **your** removal charges. If you purchase S storage Only cover, **Grace Removals** will invoice **you** at the same time as for the storage charges.

## DUTY NOT TO MISREPRESENT

There are specific duties that apply to you when you enter into, vary or extend a consumer insurance contract which is obtained wholly or predominantly for your personal, domestic or household purposes eg domestic car, house, travel or accident & illness insurance.

You have a duty to take reasonable care not to make a misrepresentation to the Insurer when answering questions that the Insurer will ask you and providing the Insurer with information. Before you enter into, vary or extend a consumer insurance contract, the Insurer will ask you questions that are relevant to the Insurer's decision to insure you and on what terms.

You must take reasonable care not to make a misrepresentation to the Insurer when answering those questions. A misrepresentation includes a statement that is in any way false, misleading, dishonest or which does not fairly reflect the truth. It is important that you answer these questions fully and accurately, to the best of your knowledge.

# Customer's Goods in Transit and Storage Insurance (PDS)

When answering the Insurer's questions:

- take reasonable care to make sure your answers are true, honest, up to date and complete in all respects. You may breach the duty if you answer without any care as to its truth or if you only guess or suspect the truth. If in doubt, pause the application and obtain the true facts before answering; and
- if another person is answering for you, the Insurer will treat their answers as yours. In such a case you should check the questions have been answered correctly on your behalf by them.

If you do not take reasonable care not to make a misrepresentation to the Insurer, the Insurer may cancel your contract, or deny or reduce the amount the insurer will pay you for a claim, in accordance with the Insurer's rights at law.

If you are unsure about your duties to the Insurer or you need additional assistance, contact Gallagher.

## Duty of Disclosure

If you are applying for or renewing any other insurance, which is not consumer insurance contract, you must tell the Insurer all information that is known to you, that a reasonable person could be expected to know that is relevant to the Insurer's decision to insure you and on what terms. This includes all relevant information that you ought to know in the ordinary course of your business.

You do not need to tell the Insurer anything:

- that reduces the risk it insures you for;
- is common knowledge;
- that the insurer knows or should know; or
- which the insurer waived your duty to tell it about.

## Non-disclosure

If you fail to comply with your Duty of Disclosure, the Insurer may cancel our contract or reduce the amount it will pay you if you make a claim, or both. If your failure to comply with the Duty of Disclosure is fraudulent, the insurer may refuse to pay a claim and treat the contract as if it never existed.

If you are in doubt about whether or not a particular matter should be disclosed, please contact Gallagher.

## People You Represent

You must make sure you explain the Duty of Disclosure or Duty not to misrepresent to any person you represent when we arrange any insurance cover for you. Alternatively, you may ask any person you represent to contact Gallagher and Gallagher will explain their Duty of Disclosure or Duty not to misrepresent to them directly.

## Duty of Disclosure under the Marine Insurance Act 1909

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

## THE MEANING OF CERTAIN WORDS

You will note that throughout this PDS and the **Policy** some words are in bold. **We** are highlighting these words as they have special meanings within this PDS and the **Policy**. **We** have defined these words in the Definitions section of the **Policy**.

## PRIVACY COLLECTION STATEMENT

We are committed to safeguarding and protecting your privacy. We are bound by the provisions of the Privacy Act 1988 (Cth) which sets out the standards to meet in the collection, use and disclosure of personal information. We will only collect personal information from you to allow us to quote on and insure your risks and matters incidental thereto, including investigating, processing and managing claims.

We may provide your personal information to others, such as our related bodies corporate, other insurers or our reinsurers, claims investigators, lawyers and other professionals, and government bodies. Some of these recipients may be outside of Australia, such as to Europe, the United Kingdom, India, Poland and the United States. Any disclosure outside Australia will be in compliance with the Privacy Act. We will not under any circumstances trade, rent or sell your information.

If you do not provide us with complete, accurate and up-to-date information, we cannot properly quote for your insurance and we cannot insure you. If you provide us with personal information about anyone else, we will rely on you to have told them that you will provide their information to us, to whom we may provide it, the purposes for which we will use it and that they can access it. If the information is sensitive, we rely on you to have obtained their consent on these matters.

If you wish to access or correct your personal information, or wish to raise any concerns as to how we handle your personal information, please write to:

The Privacy Officer  
AXA XL  
Level 28, Angel Place 123 Pitt Street  
Sydney NSW 2000  
E: [privacyaustralia@axaxl.com](mailto:privacyaustralia@axaxl.com)

Our full privacy policy is available at <https://axaxl.com/privacy-notice>. If you require further information about how we deal with your personal data under European Economic Area (EEA) data protection laws, please refer to our European Privacy Notice at <https://axaxl.com/privacy-notice> or contact the Privacy Officer using the contact details above.

## COOLING OFF

If **your Policy** is for 12 months or more, **you** may return this insurance **Policy** up to 14 days after the date of the invoice for this insurance and receive a full refund (the cooling off period). However, **you** may not return the **Policy** after the removal or storage of **your** goods has commenced or if **you** have made a claim or if your policy has ended.

To return the **Policy**, notify **Grace Removals** within the cooling off period. Any premium paid will be returned. The notification can be made by telephone or posted to the address detailed in this **Policy**.

## CANCELLATION CLAUSE

### a. Insured's Right to Cancel

This Policy may be cancelled at any time by written request to Us, in which case You shall then be entitled to a refund of Premium for the unexpired Period of Insurance, provided that no claim has been made on this Policy during that same period.

# Customer's Goods in Transit and Storage Insurance (PDS)

## b. Insurer's Right to Cancel

We may, by thirty (30) days' notice in writing to You, cancel this Policy in accordance to s60 of the Insurance Contracts Act 1984. You shall then be entitled to a refund of Premium for any unexpired Period of Insurance

## c. War Risks & Strikes

In respect of War risks, this Policy may be cancelled in accordance with the provisions of the Institute War Cancellation Clause (Cargo).

In respect of strikes, riots and civil commotions risks, We may cancel this Policy at seven (7) days' notice with the exception of consignments to and from U.S.A, where forty-eight (48) hours' notice applies.

Cancellation will be effective from 4:00pm L.S.T on the day on which the notice of cancellation is effective.

This condition is subject at all times to the provisions of the Marine Insurance Act 1909 (Cth).

To cancel the policy, you should contact **Grace Removals** whose details are below.

## WHO TO CONTACT ABOUT YOUR POLICY

Your first point of contact about the **Policy** should be **Grace Removals**. Their contact details are:

Email: [customerservice@grace.com.au](mailto:customerservice@grace.com.au)  
4 Tucks Road  
Seven Hills NSW 2147  
Phone: +61 2 9838 5600  
Phone: 1300 723 844  
<https://www.grace.com.au/moving-insurance/>

If **Grace Removals** cannot answer your enquiry, you can contact **Gallagher** Arthur J Gallagher (Aus) Limited (**Gallagher**), the broker who acts as our intermediary to distribute this Policy. **Gallagher** appoints **Grace Removals** as an Authorised Representative to sell this product to you. **Gallagher** can be contacted on telephone 1800 068 000 or email: [complaints@ajg.com.au](mailto:complaints@ajg.com.au)

## WHAT DO I DO IF I NEED TO MAKE A CLAIM?

The **Policy** wording in Part 2 of this PDS has detailed instructions about how to make a claim.

## COMPLAINTS AND DISPUTE RESOLUTION

There are established procedures for dealing with complaints and disputes regarding your policy or claim. These services are free to all policyholders and may be of assistance, should the need arise.

If you have any concerns or wish to make a complaint in relation to your policy, our services, or your insurance claim, please contact us using the details below, and we will attempt to resolve your concerns in accordance with our Internal Dispute Resolution procedure.

Internal Dispute Resolutions Officer  
XL Insurance Company SE  
Level 28, Angel Place  
123 Pitt Street, Sydney NSW 2000  
Telephone: 02 8235 5100  
Email: [idxaustralia@axaxl.com](mailto:idxaustralia@axaxl.com)

We will acknowledge receipt of your complaint and do our utmost to resolve the complaint to your satisfaction within **10 business days**. Where we are unable to do so, our final decision will be provided to you within 30 calendar days of the date on which you first made the complaint.

You may refer your complaint to the Australian Financial Complaints Authority (AFCA) at any time, and if your complaint is not resolved to your satisfaction within 30 calendar days of the date on which you first made the complaint. AFCA's contact details are as follows:

Australian Financial Complaints Authority  
GPO Box 3, Melbourne VIC 3001  
Telephone: 1800 931 678  
Web: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)

Should you choose to refer your complaint to AFCA, you must do so within 2 years of our final decision.

## FINANCIAL CLAIMS SCHEME

You may be entitled to payment under the financial claims scheme in the event that we become insolvent. Access to the scheme is subject to eligibility criteria. Information about the scheme can be obtained from the Australian Prudential Regulation Authority (APRA) website at [www.apra.gov.au](http://www.apra.gov.au) and the APRA hotline on 1300 13 10 60.

## Part 2 – CUSTOMER'S GOODS IN TRANSIT AND STORAGE INSURANCE

### POLICY WORDING

This insurance is provided by XL Insurance Company SE (ABN: 36 083 570 441). (the Insurer) and is arranged on your behalf by Grace Worldwide (Australia) Pty Ltd (**Grace Removals**) as an authorised representative of the insurance brokers, Arthur J. Gallagher (Aus) Limited (AFSL 238312) (**Gallagher**). **Gallagher** act as our Intermediary in distributing this Policy and may assist you with claims or with any complaints you may have about **Grace Removals**.

### DEFINITIONS

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

**Business Day** – means a day that is not a Saturday, a Sunday or a public holiday or bank holiday in the capital city of the State or Territory that governs this Agreement.

**Basis of Valuation** - means the agreed formula stated in the Policy, unless otherwise agreed and specified in the Schedule, that will be used to calculate the value of the Insured Goods and will be the basis for any Premium calculation or claim settlement.

**Customer** – Person/s or entities who contract with **Grace Removals** to remove and/or store their goods and noted on the Certificate of Insurance. Also referred to as **You/Your and/or the Insured**.

**Customer's Goods** - Physical property which you have asked **Grace Removals** to move and/or store including household goods and personal effects of every description including: **Valuables**, and office and factory contents of every description including computers, all ancillary equipment, plant and machinery.

**Customer's Goods excludes:** vehicles, boats, caravans and trailers, bullion, cash, bank notes, deeds, bonds, bills of exchange or other documents representing money, coin or stamp collections, animals, plants, medicines, food stuffs, corrosive goods, perishables, paints, pressurised containers, fire arms and ammunition or any goods prohibited by law, cigarettes, e-cigarettes, smoking implements or tobacco products.

# Customer's Goods in Transit and Storage Insurance (PDS)

**Damage** - means physical loss or damage which was unintended, unforeseen, unlooked-for and which could not reasonably be expected nor designed by You or any person acting for You or on Your behalf who has actual knowledge of the method of transportation of the Goods.

**Excess** - means the applicable amount(s) stated in this document or the Schedule, which this Policy does not cover and will be retained and payable by You.

**Flood - means:**

- a. temporary condition of partial or complete inundation of normally dry land by water:
  - i. overflowing from the normal confines of any natural watercourse or lake (whether or not altered or modified) or any reservoir, canal or dam; or
  - ii. which is caused by an accumulation or flowing of water on the ground resulting from precipitation; or
- b. a mud slide or mud flow which is caused or precipitated by an accumulation of water on, or under, the ground; or
- c. water discharged from sewerage or waste water systems due to pressure induced by floodwater.

You are not covered by the **Policy** if **damage** is caused by water from or action by the sea or tidal wave.

**Gallagher** - means the broker and distributor of this product Arthur J. Gallagher & Co (Aus) Limited, ABN 34 005 543 920, AFSL No. 238312, Arthur J. Gallagher (Aus) Pty Ltd ABN 33 061 063 303, AFSL No. 227017 and Specialised Broking Associates Pty Ltd ABN 92 085 489 210, AFSL No. 227119. They act as intermediary for the Insurer in distributing this Policy.

**General Average** - means the contribution by all the parties in a sea adventure to make good a loss sustained by one of the parties for voluntary sacrifices of part of the ship or cargo to save the residue and lives of those onboard from impending peril and for extraordinary expense necessarily incurred for the general benefit of all the interests involved.

**Grace Removals** - Grace Worldwide (Australia) Pty Ltd, the removal company who may sub contract removal jobs to other removal companies. **Grace Removals** acts as an Authorised Representative (AR # 259092) of Gallagher who are licenced insurance broker (AFS licence #238312).

**Institute Clauses** - means the standard wordings as prepared by the Lloyd's Market Association and International Underwriting Association of London amended to be subject to Australian law and practice. In the event of any of these clauses being altered or added to, their updated version shall automatically form part of this Policy, unless the alteration or addition reduces Your cover in which case You shall be advised in writing.

If We give You written notice of a revision of these clauses, then the revised clauses will apply to risks attaching from midnight 30 days after Our notice has been given to You. A posted notice is deemed given to You at the time it would have been delivered in the normal course of the postal service.

The clauses referenced within this PDS can be found in full at the end of this document.

**Insurance Declaration** - means the Customer's Insurance Declaration of insured items and values in the Insurance Declaration.

**Insured Event** - means any risk event that would cause an Insurer to pay a claim under an insurance policy.

**Insured** - means the Customer and is referenced in the Certificate of Insurance.

**Insurer** - means XL Insurance Company SE ABN: 36 083 570 441 of Level 28, 123 Pitt Street, Sydney, NSW 2000

**Loss or Damage** - means actual physical **damage** to the items covered under Your Policy.

**Limit of Liability** - means the amount chosen by You and shown in the Schedule representing the limit of the Insurer's liability any one claim or series of claims arising out of any one event.

**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.

**Occurrence** - means any one loss, or series of losses in one place or consequent upon, or attributable to one original cause.

**Policy** - means: your **Insurance Declaration**, your Certificate of Insurance, this Product Disclosure Statement (PDS) and Policy wording.

**Period of Cover** - Your period of cover is stated on your Certificate of Insurance issued by **Grace Removals**.

**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 10 years old or have been specifically declared and valued on the Insurance Declaration

**Storage** - Any storage by **Grace Removals** of **Customer's Goods** at your request in a warehouse or compound by the removal company prior to, during or after transit.

**Sum Insured** - means the amount chosen by You and shown in the Schedule representing the limit of the Insurer's liability any one claim or series of claims arising out of any one event.

**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 excluding disassembly/assembly, installation and testing of the **Customer's Goods**. International transits by sea are subject to the [Institute Classification Clause CL.354 010101](#).

**Valuables** - Any antique, curio, jewellery, plate, precious object, Musical Instrument, work of art, medal, collection of items, fur or piece of precision equipment.

**W.E. Cox (Australasia) Pty Limited** - A claims handling agent appointed by the Insurer who may assist with Claims.

## PERIOD OF COVER

This **Policy** covers you during the following periods:

- for Grace Easycover Ultimate (Option A), Easycover Essentials (Option B) and Restricted Cover moves to/from/within Australia or New Zealand, during the **Transit**; and
- for Storage Only cover, during the period of the Storage.



# Customer's Goods in Transit and Storage Insurance (PDS)

Your period of cover is stated on your Certificate of Insurance issued by **Grace Removals**.

**Moves to Other Countries** - Insurance arranged by **Grace Removals** to countries outside of Australia will automatically extend cover on your consignment for 30 days prior to the departure of your vessel/ aircraft, for the duration of the voyage/flight and for 30 days after the arrival at **Grace Removals** partner's warehouse overseas. If you require Storage beyond this automatic period, please contact your removal consultant to arrange for an additional Storage period required and Policy extension premium.

## RISKS COVERED

In consideration of payment of the Premium and subject to the applicable terms and conditions, this Policy provides You with cover against **Damage** to the Insured Goods, during the Period of Insurance and during the Period of Cover and on the Conveyances within the Geographical Limits set out in the Schedule by or for Your account.

The amount We will pay is the intrinsic worth of the property damaged as determined by the relevant **Basis of Valuation**. However, We will not pay more than the **Limit of Liability** stated in the Schedule. The value of Goods declared by You to Us is agreed to be the value determined in accordance with the relevant Basis of Settlement.

Where you have requested **Grace Removals** to arrange for insurance of the **Customer's Goods**, depending on the risks and period of cover and basis of settlement selected by you and shown in the Certificate of Insurance, this **Policy** insures the **Customer's Goods** as set out below:

**Grace Easycover Ultimate (Option A) and Easycover Essentials (Option B)** insures loss or **damage** to the **Customer's Goods** during transit or during transit and storage, from an external cause including accidental **damage** during packing, loading and unloading by **Grace Removals** or its representatives.

**Storage Only Cover** insures loss or **damage** to the **Customer's Goods** during Storage only, resulting from:

- Fire, lightning;
- Aircraft;
- Earthquake;
- Storm and tempest, **Flood**, water from fixed pipes or systems;
- Riots, strikes and civil commotion; and
- Explosion and impact **damage**.

It does not include loss resulting from theft

**Restricted Cover** insures for loss or damage during Transit resulting from the following specific events:

- Fire, Lightning
- Explosion and Impact damage.
- Aircraft.
- Earthquake
- Storm and Tempest,
- Flood (as defined)
- Overturning, jackknifing and/or derailment of conveyance;
- Collision of vessel, aircraft or conveyance;
- Stranding, or sinking of a vessel
- Entry of water into any vessel, hold, container liftvan or place of storage;
- Water from fixed pipes or systems

- Discharge of goods at a port of distress;
- Jettison of goods from a vessel
- Theft, Pilferage or Non delivery of an entire package or item

## 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 in relation to **Transit** by sea and air; strikes, riots and civil commotions; in the terms of Institute of London Underwriters' Clauses (including: Institute War Clauses (Cargo) CL.385 01.01.09 and Institute War Clauses (air cargo) (excluding sendings by Post) CL 388 01.01.09, Institute Strikes Clauses (Cargo) CL.386 01.01.09) 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.

## Limits

The amount payable will be set out in the Certificate of Insurance and limited to the following:

- for Grace Easycover Ultimate (Option A):
  - for any specified Valuable, the declared value of the item set out in the **Insurance Declaration** and agreed to by Us; and
  - for any one item, up to \$20,000, and
  - the maximum amount payable for any claim will be limited to the **Sum Insured**.
- for Grace Easycover Essentials (Option B):
  - for any one item, up to \$10,000, and
  - the maximum amount payable for any claim will be limited to the **Sum Insured**.
- for "Restricted Cover":
  - for all items including Valuables, the declared value of the item stated on the Insurance Declaration, in each case subject to the Valuables Limit, Professionally Packed Cartons Limit and Owner Packed Cartons Limited set out below.
- for Grace Storage Only:
  - for all items including **Valuables**, the declared value of the item stated in Option B on the **Insurance Declaration**

in each case subject to the **Valuables** Limit, Professionally Packed Cartons Limit and Owner Packed Cartons Limited set out below.

Insurer's maximum liability any one loss/**damage** or series of losses and/or **damages** arising out of or in connection with one event shall be limited to the amounts specified within the 'Carriers Legal Liability and Marine Open Cargo Insurance Program' for Grace Worldwide (Australia) Pty Limited.

## Claim Payment/s

Subject to the limits set out above, the amount payable for loss or **damage** to **Customer's Goods** will be based on:

For Easycover Ultimate (Option A) cover, Essentials (Option B) cover and Storage only

- Market Value for:
  - items that are more than 10 years old; or,
  - items which have not been specifically declared and valued on the **Insurance Declaration**; or,

# Customer's Goods in Transit and Storage Insurance (PDS)

- office and factory goods, including plant and machinery;
- Replacement Cost for all other items.

For Restricted Cover

- the amount payable for loss or damage to Customer's Goods will be based on **Market Value** except for those items which have been specifically declared and valued on the Insurance Declaration.

## 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 10 years old or have been specifically declared and valued on the **Insurance Declaration**.

**Please Note:** regardless of which Basis of Settlement is selected, the Insurer will only pay Market Value for goods more than 10 years old or which have not been declared and agreed;

## 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.

Market Value shall be calculated as follows: the original purchase price, less 5% per calendar year, to a maximum of 40% of the original purchase price.

## Excess

Under Grace Easycover Ultimate (Option A) cover, You do not pay an **excess** when claiming under this Policy.

Claims made under Grace Easycover Essentials (Option B), Storage Only, or Restricted Cover are subject to a \$250 claim **excess**

## OTHER LIMITS/SUB-LIMITS

### Antique(s) / Works of Art

Unless supported by a professional and/or recognised valuation certificate and declared in writing in the **Insurance Declaration** and agreed to by Us prior to commencement of this Policy, accordingly hereunder, works of art, antiques, oriental rugs, furs and silverware shall not be covered by this Policy.

Liability is restricted to the reasonable cost of repairs and no claim is recoverable in respect of depreciation. In no case shall liability hereunder for such repairs or restoration exceed the **Sum Insured** in respect of the damaged article. Goods must be professionally packed, stowed, carried and stored by **Grace Removals**.

### Musical Instruments

Unless declared in writing in the **Insurance Declaration** and agreed to by Us prior to commencement of this Policy, Musical Instruments shall be limited to \$500 per instrument.

Liability is restricted to the reasonable cost of repairs and no claim is recoverable in respect of depreciation. In no case shall liability hereunder for such repairs or restoration exceed the **Sum Insured** in respect of the damaged article. Goods must be professionally packed, stowed, carried and stored by **Grace Removals**, and within the manufacturers storage case where applicable.

### Office or Factory Goods, including Plant and Machinery

For office and factory goods, including plant and machinery, the Insurer will pay the lesser of the market value or the declared value of the goods at the time of loss; and excluding charges for insurance, packing and freight if declared unless agreed.

### Owner Packed Cartons Limit

The amount payable for a carton packed by the Insured will be limited to \$500.

### 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 Insurer will not pay more than a proportionate part of the insured value of the pair or set and will not have reference to any special value which they may have as a pair or set, or depreciation or loss of value to the pair or set.

This limitation does not apply to Grace Easycover Ultimate ([Option A](#)) cover.

### Professionally Packed Cartons Limit

The amount payable for a carton professionally packed by **Grace Removals** will be limited to \$5,000, unless items within it have been specifically declared and valued on the list of items to be insured on the **Insurance Declaration**.

### Valuables Limit

The amount payable for **Valuables** will be limited to \$20,000 any one item/pair/set or collection for Grace Easycover Ultimate ([Option A](#)) cover, \$10,000 any one item/pair/set or collection for Grace Easycover Essentials ([Option B](#)) cover, and Market Value only for Restricted Cover unless specifically declared and valued on the list of items to be insured on the **Insurance Declaration**.

## EXCLUSIONS FROM COVER

### Excluded Goods

- Frozen and/or chilled meat, seafood, foodstuffs or other temperature controlled goods;
- Livestock, Bloodstock, Studstock or live animals and reptiles or live plants;
- Motor vehicles, including Motorcycles, Trailers or caravans
- Money (which means anything having the value of money), bullion, cheques, credit or other card sales vouchers, securities, shares, bonds, deeds, bills of exchange, or any documents that represent money or title;
- Plant, machinery and computers (which are not the primary Insured Goods) where the limit any one Conveyance or location exceeds AUD25,000 for these items;
- Tools of Trade, Travellers' Samples
- Radioactive or explosive goods;
- Cigarettes, e-cigarettes or tobacco products;

### Other Excluded Risks

This Policy does not cover loss, **damage** or expense caused by:

- rust, oxidation, discolouration, unless caused in transit from a peril insured under this Policy;
- consequential losses of any kind or loss of market;
- vermin;
- unexplained loss, mysterious disappearance and/ or shortage deduced solely from an inventory computation;
- something which has not occurred during the Insured **Transit**, for example, pre-existing **damage** or **damage** occurring after the Goods have been delivered at destination;
- while the Goods are in use and/or while being worked upon and directly resulting therefrom;
- rejection, detention, condemnation or confiscation by any government or their agencies or departments or by any public or local authority regardless of the reason;

- h. dismantling, assembly, testing or fabrication of the Goods, other than as required during the ordinary course of transit.
- i. loss of Data from any electronic device howsoever caused.
- j. 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, as per the institute radioactive contamination, chemical, biological, bio-chemical and electromagnetic weapons exclusion clause cl 370 10.11.03

For the Grace Easycover Essentials (Option B) cover, Restricted Cover and Storage Only covers, this Policy also does not cover loss, **damage** or expense caused by:

- normal atmospheric or climatic conditions including any effect of moisture that causes mould or mildew;
- any kind of mechanical, electrical and/or electronic breakdown of or malfunction of, the Goods where there is no external evidence of **damage** in transit from a peril insured under this Policy;

#### Communicable Disease Exclusion

1. Notwithstanding any provision to the contrary within this insurance, this insurance does not insure any loss, **damage**, liability, claim, cost or expense of whatsoever nature caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
  - 2.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
  - 2.2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
  - 2.3 the disease, substance or agent can cause or threaten bodily injury, illness, **damage** to human health, human welfare or property.

JC2020-011  
17 April 2020

#### Terrorism Exclusion

This Policy excludes any **damage**, cost, expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any Act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

An Act of Terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or groups(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

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

#### Marine Cyber Endorsement

1. Subject only to paragraph 3 below, in no case shall this insurance cover loss, **damage**, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer system programme, malicious code, computer virus, computer process or any other electronic system.
2. Subject to the conditions, limitations and exclusions of the policy to which this clause attaches, the indemnity otherwise

recoverable hereunder shall not be prejudiced by the use or operation of any computer, computer system, computer software programme, computer process or any other electronic system, if such use or operation is not as a means for inflicting harm.

3. Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, paragraph 1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

LMA5403

11 November 2019

#### SANCTIONS

##### Joint Cargo - Sanction, Limitation and Exclusion Clause

No Insurer shall be deemed to provide cover and no Insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

JC 2010/014

11/08/10

#### CLAIMS PROCEDURES

- a) As soon as possible after the happening of any event which may give rise to a claim under the Policy, You must give notice to:
  - Manager – Specialty Claims
  - XL Insurance Company SE
  - Level 28, Angel Place, 123 Pitt Street
  - Sydney NSW 2000 Australia
  - Email: NewclaimAUspecialty@axaxl.com
- b) You must take all reasonable measures to avoid or minimise any further loss, **damage**, liability or expense;
- c) Note details of any loss or **damage** on **Grace Removals** inventory and/or condition report, and provide same to **Grace Removals**
- d) You must, at Your own expense,
  - I. lodge a completed claim form, and
  - II. supply supporting claims documentation, along with evidence and information as may be reasonably be required Us for the purposes of investigating or verifying the claim, including details of all other insurances covering the loss or **damage** or any part of it and, if requested, a sworn declaration of truth of the claim and any connected matters;
- e) You must preserve any damaged or defective property or Goods which might prove necessary as evidence for examination by Us;
- f) You must not authorise the repair or replacement of the lost or damaged goods without the Our express written consent.
- g) in the case of loss or **damage** due to theft or malicious act, You must inform the police immediately and take all practicable steps to discover any guilty person and to trace and recover the missing property;
- h) in case of a **General Average** or salvage contribution claim You must consult Us before signing any **General Average** or Salvage bond
- i) You must not abandon any Goods to Us whether We have paid Your claim or not; and
- j) You must not release carriers, bailees or other third parties from liability when loss or **damage** is discovered and You must take all actions necessary to properly preserve and exercise all rights against carriers, bailees or other third parties.

- k) You must not make any settlement, admission of liability, payment, or promise of payment to a third party without Our written consent.

Unless the terms of this Claims Notification Condition are complied with, Our liability may be reduced by the amount representing the prejudice caused to Us as a result of non-compliance with this Condition.

**Salvage in the event of total loss and destruction**

Where the Insurer pays a claim for the total loss or destruction of **Customer's Goods**, whether that is based on replacement cost or market value and whether any limits in cover apply, the Insurer is entitled to take possession of the item and retain any salvage value. In the event that this clause is exercised, it is agreed that you will have automatic first choice to purchase the salvaged item.

**Fraudulent Claims**

If You, or anyone acting on Your behalf makes a claim which is fraudulent and/or intentionally exaggerated and/or supported by a fraudulent statement or other device, We may refuse to pay a claim and treat the contract as if it never existed.

**Goods and Services Tax**

If you are 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 Insurer will pay you for that GST liability. However, where the Insurer makes a payment under this Policy for the acquisition of goods, services or other supply, the Insurer will reduce the amount of the payment by the amount of any input tax credit you are or will be or would have been entitled under the A New Tax System (Goods and Services Tax) Act 1999 (**GST Act**) in relation to that acquisition whether or not the acquisition is actually made.

Where the Insurer makes a payment under this Policy as compensation for the acquisition of goods, services or other supply, the Insurer will reduce the amount of the payment by the amount of any input tax credit you would have been entitled to under the GST Act had the payment been applied to acquire such goods, services or supply.

# Appendix – Institute Clauses

## INSTITUTE WAR CLAUSES (CARGO)

### RISKS COVERED

#### Risks

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

#### General Average

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

### EXCLUSIONS

3. In no case shall this insurance cover
  - 3.1. loss damage or expense attributable to wilful misconduct of the Assured
  - 3.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
  - 3.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses “packing” shall be deemed to include stowage in a container and “employees” shall not include independent contractors)
  - 3.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured
  - 3.5. loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
  - 3.6. loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage  

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
  - 3.7. any claim based upon loss of or frustration of the voyage or adventure
  - 3.8. loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
4.
  - 4.1. In no case shall this insurance cover loss damage or expense arising from
    - 4.1.1. unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-

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

- 4.1.2. unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.
- 4.2. Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 4.3. The Insurers 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.

### DURATION

#### Transit Clause

#### 5.

- 5.1. This insurance
  - 5.1.1. attaches only as the subject-matter insured and as to any part as that part is loaded on an oversea vessel and
  - 5.1.2. terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is discharged from an oversea vessel at the final port or place of discharge,  
or  
on expiry of 15 days counting from midnight of the day of arrival of the vessel at the final port or place of discharge,  
whichever shall first occur;  
nevertheless,  
subject to prompt notice to the Insurers and to an additional premium, such insurance
  - 5.1.3. reattaches when, without having discharged the subject-matter insured at the final port or place of discharge, the vessel sails therefrom,  
and
  - 5.1.4. terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the vessel at the final (or substituted) port or place of discharge,  
or  
on expiry of 15 days counting from midnight of the day of re-arrival of the vessel at the final port or place of discharge or arrival of the vessel at a substituted port or place of discharge,  
whichever shall first occur.
- 5.2. If during the insured voyage the oversea vessel arrives at an intermediate port or place to discharge the subject-matter insured for on-carriage by oversea vessel or by aircraft, or the subject-matter insured is discharged from the vessel at a port or place of refuge, then, subject to 5.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the vessel at such port or place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying oversea vessel or aircraft. During the period of 15 days the insurance remains in force after

discharge only whilst the subject-matter insured and as to any part as that part is at such port or place. If the subject-matter insured is on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 5.2

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

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

5.3. If the voyage in the contract of carriage is terminated at a port or place other than the destination agreed therein, such port or place shall be deemed the final port of discharge and this 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 Insurers before the commencement of such further transit and subject to an additional premium, this 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 this insurance terminates in accordance with 5.1.4.

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

5.5. Subject to prompt notice to Insurers, 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 carriers under the contract of carriage.

(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)

#### **Change of Voyage**

6.

6.1. Where, after attachment of this insurance, the destination is changed by the Assured, this must be notified promptly to Insurers for rates and terms 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 market terms.

6.2. Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 5.1), but, without the knowledge of the Assured or their

employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

7. **Anything contained in this contract which is inconsistent with Clauses 3.7, 3.8 or 5 shall, to the extent of such inconsistency, be null and void.**

#### **CLAIMS**

##### **Insurable Interest**

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 Clause 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 Insurers were not.

##### **Increased Value**

9.

9.1. If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured 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 under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers 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 subject-matter insured 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 subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

#### **BENEFIT OF INSURANCE**

10. This insurance

10.1. covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,

10.2. shall not extend to or otherwise benefit the carrier or other bailee.

#### **MINIMISING LOSSES**

##### **Duty of Assured**

11. It is the duty of the Assured and their employees 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 Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

### Waiver

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

### **AVOIDANCE OF DELAY**

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

### **LAW AND PRACTICE**

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

*NOTE:- Where a reattachment of cover is requested under Clause 5, or a change of destination is notified under Clause 6, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.*

**01/01/2009 (CL385)**

## **INSTITUTE STRIKES CLAUSES (CARGO)**

### **RISKS COVERED**

#### Risks

1. This insurance covers, except as excluded by the provisions of Clauses 3 and 4 below, loss of or damage to the subject-matter insured caused by
  - 1.1. strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
  - 1.2. any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
  - 1.3. any person acting from a political, ideological or religious motive.

#### General Average

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

### **EXCLUSIONS**

3. In no case shall this insurance cover
  - 3.1. loss damage or expense attributable to wilful misconduct of the Assured
  - 3.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
  - 3.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
  - 3.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured
  - 3.5. loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
  - 3.6. loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such

insolvency or financial default could prevent the normal prosecution of the voyage This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract

- 3.7. loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion
- 3.8. any claim based upon loss of or frustration of the voyage or adventure
- 3.9. loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 3.10. loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.
4. In no case shall this insurance cover loss damage or expense arising from
  - 4.1.1. unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
  - 4.1.2. unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.
- 4.2. Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 4.3. The Insurers 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.

### **DURATION**

#### Transit Clause

5. Subject to Clause 8 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either
  - 5.1.1. on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,
  - 5.1.2. on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
  - 5.1.3. when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or

5.1.4. on the expiry of 60 days after completion of discharge oversea of the subject-matter insured from the oversea vessel at the final port of discharge,

whichever shall first occur.

- 5.2. If, after discharge oversea from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 5.1.1 to 5.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 5.3. This insurance shall remain in force (subject to termination as provided for in Clauses 5.1.1 to 5.1.4 above and to the provisions of Clause 6 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipping or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

#### **Termination of Contract of Carriage**

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 unloading 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 Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers, either
- 6.1. until the subject-matter insured is sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the subject-matter insured at such port or place, whichever shall first occur, or
- 6.2. if the subject-matter insured is forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 5 above.

#### **Change of Voyage**

- 7.
- 7.1. Where, after attachment of this insurance, the destination is changed by the Assured, this must be notified promptly to Insurers for rates and terms 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 market terms.
- 7.2. Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 5.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

#### **CLAIMS**

##### **Insurable Interest**

- 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 Clause 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 Insurers were not.

#### **Increased Value**

- 9.
- 9.1. If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured 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 under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers 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 subject-matter insured 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 subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

#### **BENEFIT OF INSURANCE**

10. This insurance
- 10.1. covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,
- 10.2. shall not extend to or otherwise benefit the carrier or other bailee.

#### **MINIMISING LOSSES**

##### **Duty of Assured**

11. It is the duty of the Assured and their employees 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 Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

##### **Waiver**

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

#### **AVOIDANCE OF DELAY**

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

#### **LAW AND PRACTICE**

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

*NOTE:- Where a continuation of cover is requested under Clause 6, or a change of destination is notified under Clause 7, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.*

#### **01/01/2009 (CL386)**

#### **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 double-skin open-hatch gantry crane vessels (OHGCs) and have been continuously used as such on an established and regular pattern of trading between a range of specified ports, and do not exceed 30 years of age.

## CRAFT CLAUSE

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

## NATIONAL FLAG SOCIETY

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

## PROMPT NOTICE

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

## LAW AND PRACTICE

6. This insurance is subject to Australian law and practice.  
**1/1/01 (CL354-2001)**

## INSTITUTE WAR CLAUSES (AIR CARGO)

(excluding sendings by Post)

## RISKS COVERED

### Risks

1. This insurance covers, except as excluded by the provisions of Clause 3 below, loss of or damage to the subject-matter insured caused by
  - 1.1. war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power

- 1.2. capture seizure arrest restraint or detainment, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat
- 1.3. derelict mines torpedoes bombs or other derelict weapons of war.

## Salvage Charges

2. This insurance covers salvage charges, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clause 3 below.

## EXCLUSIONS

3. In no case shall this insurance cover
  - 3.1. loss damage or expense attributable to wilful misconduct of the Assured
  - 3.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
  - 3.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
  - 3.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured
  - 3.5. loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.

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

- 3.6. loss damage or expense caused by delay, even though the delay be caused by a risk insured against
- 3.7. loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract

- 3.8. any claim based upon loss of or frustration of the transit or adventure
- 3.9. loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

## DURATION

### Transit Clause

4.
  - 4.1. This insurance
    - 4.1.1. 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

4.1.2. terminates, subject to 4.2 and 4.3 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 Insurers and to an additional premium, such insurance

4.1.3. reattaches when, without having discharged the subject-matter insured at the final place of discharge, the aircraft departs therefrom, and

4.1.4. terminates, subject to 4.2 and 4.3 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.

4.2. 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 4.3 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 subject-matter insured is on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 4.2

4.2.1. where the on-carriage is by aircraft this insurance continues subject to the terms of these Clauses,

or

4.2.2. where the on-carriage is by oversea vessel, the current Institute **War** Clauses (Cargo) shall be deemed to form part of the contract of insurance and shall apply to the on-carriage by sea.

4.3. 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 this insurance terminates in accordance with 4.1.2. If the subject-matter insured is subsequently consigned to the original or any other destination, then, provided notice is given to the Insurers before the commencement of such further transit and subject to an additional premium, this insurance reattaches

4.3.1. 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;

4.3.2. in the case of the subject-matter insured not having been discharged, when the aircraft departs from such deemed final place of discharge;

thereafter this insurance terminates in accordance with 4.1.4.

4.4. Subject to prompt notice to Insurers, 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 carriers under the contract of carriage.

(For the purpose of Clause 4, "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)

#### Change of Transit

5.

5.1. Where, after attachment of this insurance, the destination is changed by the Assured, this must be

notified promptly to Insurers for rates and terms 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 market terms.

5.2. Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 4.1), but, without the knowledge of the Assured or their employees the aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

6. **Anything contained in this contract which is inconsistent with Clauses 3.8, 3.9 or 4 shall, to the extent of such inconsistency, be null and void.**

#### **CLAIMS**

##### Insurable Interest

7.

7.1. 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.

7.2. Subject to Clause 7.1 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 Insurers were not.

##### Increased Value

8.

8.1. If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured 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 under this insurance bears to such total amount insured.

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

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

The agreed value of the subject-matter insured 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 subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

##### **BENEFIT OF INSURANCE**

9. This insurance

- 9.1. covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,
- 9.2. shall not extend to or otherwise benefit the carrier or other bailee.

#### **MINIMISING LOSSES**

##### **Duty of Assured**

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

##### **Waiver**

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

#### **AVOIDANCE OF DELAY**

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

#### **LAW AND PRACTICE**

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

NOTE:- Where a reattachment of cover is requested under Clause 4, or a change of destination is notified under Clause 5, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

**01/01/2009 (CL388)**

### **INSTITUTE STRIKES CLAUSES (AIR CARGO)**

#### **RISKS COVERED**

##### **Risks**

1. This insurance covers, except as excluded by the provisions of Clause 3 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 act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
  - 1.3. any person acting from a political, ideological or religious motive.

##### **Salvage Charges**

2. This insurance covers salvage charges incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clause 3 below.

#### **EXCLUSIONS**

3. In no case shall this insurance cover
  - 3.1. loss damage or expense attributable to wilful misconduct of the Assured

- 3.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
- 3.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
- 3.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured
- 3.5. loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading. This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 3.6. loss damage or expense caused by delay, even though the delay be caused by a risk insured against
- 3.7. loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit  
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
- 3.8. 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
- 3.9. any claim based upon loss of or frustration of the transit or adventure
- 3.10. loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 3.11. loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.

#### **DURATION**

##### **Transit Clause**

4. Subject to Clause 7 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse, premises or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either
  - 4.1.1. on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse, premises or place of storage at the destination named in the contract of insurance,
  - 4.1.2. on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse, premises or place of storage, whether prior to or at the destination named in the contract of insurance,

which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or

4.1.3. when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or

4.1.4. on the expiry of 30 days after completion of unloading of the subject-matter insured from the aircraft at the final place of discharge, whichever shall first occur.

4.2. If, after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 4.1.1 to 4.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.

4.3. This insurance shall remain in force (subject to termination as provided for in Clauses 4.1.1 to 4.1.4 above and to the provisions of Clause 5 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.

#### **Termination of Contract of Carriage**

5. 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 unloading of the subject-matter insured as provided for in Clause 4 above, then this insurance shall also terminate unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers, either

5.1. until the subject-matter insured is sold and delivered at such place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter insured at such place, whichever shall first occur, or

5.2. if the subject-matter insured is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 4 above.

#### **Change of Transit**

6.

6.1. Where, after attachment of this insurance, the destination is changed by the Assured, this must be notified promptly to Insurers for rates and terms 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 market terms.

6.2. Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 4.1), but, without the knowledge of the Assured or their employees the aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

#### **CLAIMS**

##### **Insurable Interest**

7.

7.1. 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.

7.2. Subject to Clause 7.1 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 Insurers were not.

##### **Increased Value**

8.

8.1. If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured 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 under this insurance bears to such total amount insured.

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

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

The agreed value of the subject-matter insured 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 subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

##### **BENEFIT OF INSURANCE**

9. This insurance

9.1. covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,

9.2. shall not extend to or otherwise benefit the carrier or other bailee.

##### **MINIMISING LOSSES**

###### **Duty of Assured**

10. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

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

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

###### **Waiver**

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

##### **AVOIDANCE OF DELAY**

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

##### **LAW AND PRACTICE**

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

*NOTE:- Where a continuation of cover is requested under Clause 5, or a change of destination is notified under Clause 6, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.*

**01/01/2009 (CL389)**

### **INSTITUTE WAR CANCELLATION CLAUSE (CARGO)**

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

**01/05/2016 (CL 396)**

### **INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE**

**This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith**

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from
  - 1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
  - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
  - 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause 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
  - 1.5 any chemical, biological, bio-chemical, or electromagnetic weapon.

**10/11/83**

**Cl. 370**

**grace:**

Always more.