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Policy Wording
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Welcome to Zurich

About Zurich
The insurer of this product is Zurich Australian Insurance Limited (ZAIL), ABN 13 000 296 640, AFS Licence Number 232507. In this document, ZAIL may also be expressed as ‘Zurich’, ‘we’, ‘us’ or ‘our’.

ZAIL is part of the Zurich Insurance Group, a leading multi-line insurance provider with a global network of subsidiaries and offices. With about 55,000 employees, the Zurich Insurance Group delivers a wide range of general insurance and life insurance products and services for individuals, small businesses, and mid-sized and large companies, including multinational corporations, in more than 170 countries.

Duty of Disclosure
Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

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

You do not need to tell us anything that:
• reduces the risk we insure you for; or
• is common knowledge; or
• we know or should know as an insurer; or
• we waive your duty to tell us about.

If you do not tell us something
If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

Our contract with you
This policy is a contract of insurance between the insured and Zurich and contains all the details of the cover that we provide.

This policy is made up of:
• the policy wording. It states what is covered, sets out the claims procedure, exclusions and other terms and conditions of cover;
• the proposal, which is the information you provide to us when applying for insurance cover;
• the most current policy schedule issued by us. The schedule is a separate document unique to the insured. It includes any changes, exclusions, terms and conditions made to suit the individual circumstances and may amend the policy; and
• any other written change otherwise advised by us in writing (such as an endorsement). These written changes vary or modify the above documents.

Please note, only covers shown in the schedule are insured. This document is used for any offer of renewal we may make, unless we tell you otherwise. Please keep your policy in a safe place. We reserve the right to change the terms of this product where permitted to do so by law.
Subject to the prior payment of, or your agreement to pay, the premium set out in the schedule, we agree to provide insurance as set out in this policy.

In issuing this policy, we have relied on the information contained in the proposal form and/or any other information given by you or on your behalf.

1. The cover
   We insure you against loss of or damage to goods or death of livestock specified in the schedule caused by certain events.

   1.1 The insurance only applies:
       1.1.1 to an insured transit that commences during the period of insurance specified in the schedule; and
       1.1.2 to events that happen during an insured transit within the radius of transit specified in the schedule.

   1.2 Cover commences:
       1.2.1 for goods other than livestock, when the goods are first moved for the purpose of being conveyed to a destination outside the premises at which loading takes place and ends when the goods are last moved in being delivered at the destination; or
       1.2.2 for livestock, when each animal enters the conveyance or its loading ramp and ends when the animal is discharged from the conveyance or its loading ramp at the destination.

       However, insured transit of goods ends at any earlier point where you interrupt the ordinary course of transit.

   1.3 Cover option A – comprehensive
       If Cover option A is shown in the schedule, the insurance is against:
       1.3.1 loss of or damage to goods caused by accident or by the deliberate act of a third party; and
       1.3.2 death of livestock caused by accident or natural causes.

   1.4 Cover option B – defined events
       If Cover option B is shown in the schedule, the insurance is against loss of or damage to goods or death of livestock caused by any one of the following events:
       1.4.1 fire, explosion, lightning or flood;
       1.4.2 collision of the conveying vehicle with an external object;
       1.4.3 collision of the goods with something not on or part of the conveying vehicle;
       1.4.4 overturning, jackknifing or derailment of the conveying vehicle;
       1.4.5 grounding, sinking or capsizing of the conveying vessel;
       1.4.6 crashing or forced landing of the conveying aircraft;
       1.4.7 discharge of goods at a port of distress;
       1.4.8 jettison;
       1.4.9 General Average sacrifice; and
       1.4.10 General Average and Salvage Charges, in accordance with the contract of affreightment and the governing law and practice, incurred in connection with avoiding a loss covered by this policy.
2. Conditions of cover

2.1 Conditions of insurance
The conditions of insurance are as specified in this policy wording, the schedule and attachments and any clauses referred to in the schedule, all of which are to be read together.

2.2 Basis of valuation
The agreed value of the goods is their invoice cost or value, plus any costs incidental to the insured transit that are not covered by the invoice. If there is no invoice value, their agreed value is their market value or the cost, at the time of the commencement of the insured transit, of replacing the goods with similar goods of the same age and condition.

2.3 Limits on cover
   2.3.1 The insurance is limited to the sum insured stated in the schedule for any one loss or series of losses arising from the same event.
   2.3.2 If an excess is specified in the policy or schedule, you must bear that amount first in respect of a claim or series of claims resulting from an event insured against.

3. Extensions of cover

3.1 Acquired companies
The insurance will cover any company or entity formed or acquired by you during the period of insurance. However, you must hold a controlling interest in the company or entity, or must accept responsibility for its insurance.

You must inform us of the formation or acquisition within 30 days, provide us with the same information in relation to the acquired company or entity that you provided to us in relation to this insurance and must agree to any additional conditions relating to the insurance in respect of the company or entity and pay any additional premium we may require.

3.2 Brands
In the event of a claim, we will not sell or dispose of salvaged branded goods without your consent. If you decline to consent, you may retain the goods. The reasonable salvaged value of the branded goods will be deducted from the amount payable in respect of the claim.

3.3 Delayed unpacking
In the case of a delay in opening cases or packages (except those showing signs of damage, wetting or staining), loss or damage discovered when they are opened within 90 days of delivery will be treated as having happened during insured transit unless there is conclusive proof to the contrary.

3.4 Exhibitions and/or demonstrations
The insurance will cover loss of or damage to goods:
   3.4.1 while in transit to or from an exhibition, trade fair or demonstration site; and
   3.4.2 while located at the exhibition, trade fair or demonstration site,
   to a maximum liability of $50,000.

3.5 Hotel/motel
In the event you are obliged to stay overnight at a hotel/motel, the goods stored in your vehicle overnight remain insured provided the vehicle is locked and parked within the hotel/motel complex and not on the street.
3.6Labels
In the event of loss or damage to labels, capsules or wrappers by a peril insured against, we will not be liable for more than the cost of new labels, capsules or wrappers together with the cost of re-labelling and repacking.

In no case will our liability exceed the insured value of the goods.

3.7Packers
The insurance applies while goods are in insured transit to or from packers’ premises and while they are there for packing for a maximum of 30 days.

3.8Removal of debris
The insurance covers removal of debris up to a limit of $50,000 in addition to the sum insured.

3.9Transits by sea
In relation to transit by sea, the insurance is also against each of the following:

3.9.1loss of or damage to goods caused by jettison;
3.9.2loss incurred as a result of General Average sacrifice; and
3.9.3General Average and Salvage charges, in accordance with the contract of affreightment and the governing law and practice, incurred in connection with avoiding a loss covered by this policy.

4.Definitions
When used in this policy, schedule or endorsements the following definitions will apply:

4.1Conveying vehicle
Conveying vehicle means the vehicle used to carry the insured goods.

4.2Death
Death means the expiration of livestock or their slaughter for humane reasons following injury.

4.3Expropriation
Expropriation means the lawful seizure, confiscation, nationalization or requisition of the goods.

4.4Goods
Goods means the subject matter insured including livestock, shipping containers, flatracks and packaging.

4.5Insured, You, Your,
Insured, you, your, means the insured as named in the schedule or as otherwise defined in the policy.

4.6Load/loading
Load/loading means when livestock enters the conveying vehicle’s loading ramp from the ground or loading dock until secured for transit in the conveying vehicle. For all other goods load/loading means when goods are first moved for the purpose of loading onto the conveying vehicle until placed on the conveying vehicle.

4.7Nuclear or radioactive
Nuclear or radioactive means the ionising radiations from or the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter or nuclear waste, weapon, device, fuel, installation, reactor or any component of these.

4.8Period of insurance
Period of insurance means the period of insurance stated in the schedule.
4.9 Removal of debris
removal of debris means if an insured event occurs we will pay the cost of removal and disposal of damaged goods or dead livestock, including the cost of cleaning the accident site, but does not mean any expense or liability of any kind incurred as a result of the actual or potential discharge, emission, spillage or leakage of any liquid or gas pollutant of any kind or nature beyond the road surface and the road verge at the accident site.

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

4.11 Storage
storage means the period of time goods are retained at any warehouse or other premises on your instruction or at your election. Storage does not include any period of time the insured goods are awaiting trans-shipment or on carriage or the livestock are being rested.

4.12 Terrorism
terrorism means any act(s) of any person(s) or organisation(s) involving:
4.12.1 the causing, occasioning or threatening of harm of whatever nature and by whatever means; or
4.12.2 putting the public or any section of the public in fear,
in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) concerned are wholly or partly of a political, religious, ideological or similar nature.

4.13 Unload/unloading
unload/unloading means when livestock commences movement towards the conveying vehicle’s unloading ramp until discharged onto the ground or unloading dock. For all other goods unload/unloading means when goods are first moved for the purpose of unloading from the conveying vehicle until last moved by you in being delivered at the destination.

4.14 War or warlike activities
war or warlike activities means invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or civil strife following any of these.

5. Exclusions
The insurance does not cover loss of or damage to goods or death of livestock or any related expense caused by any of the following:

5.1 wear and tear, ordinary leakage, ordinary loss in weight or volume or inherent vice of the goods;
5.2 delay, loss of market or consequential loss of any description;
5.3 mechanical, electrical or electronic breakdown or malfunction of goods where there is no external evidence that an event insured against has occurred;
5.4 the absence, shortage or withholding of labour of any description resulting from any strike, lockout, labour disturbance, riot or civil commotion;
5.5 any process or use, trial, testing or repair;
5.6 theft from an exhibition, trade fair or demonstration site unless following forcible entry and/or exit from such site;
5.7 war or warlike activities;
5.8 expropriation;
5.9 anything nuclear or radioactive;
5.10 any chemical, biological, bio-chemical or electromagnetic weapon; or
5.11 terrorism.
6. Claims conditions

6.1 Claims procedure

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

If the event involves theft, and theft is an insured event, or an accident has occurred involving a vehicle owned or operated by you and another vehicle, you must notify the police as soon as possible and, if we require it, obtain a written police report.

You must notify us of what has happened and send us full details within 30, including details of any other insurance over the goods.

You must not authorise any repairs to the goods without our consent.

6.2 Claims settlement

In the event of a claim, we have the option of settling the loss by payment, repair, reinstatement or replacement.

6.2.1 Goods and Services Tax

If you are liable for Goods and Services Tax (GST) in respect of any goods, services or other supply which are the subject of a claim under this policy we will pay you for that GST liability. However:

(a) where we make a payment under this policy for the acquisition of goods, services or other supply, we will reduce the payment by the amount of any input tax credit you are, or will be, or would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 in relation to that acquisition whether or not the acquisition is actually made; or

(b) where we make a payment under this policy as compensation for the acquisition of goods, services or other supply, we will reduce the payment by the amount of any input tax credit you would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 had the payment been applied to acquire such goods, services or supply.

6.2.2 Foreign currency invoice

If the amount of a claim is to be calculated based on an invoice in a currency other than Australian dollars, the claim will be paid in Australian dollars at the rate of exchange current at the date the loss or damage occurred.

6.3 Excess

In the event of a claim you must bear first the amount of any excess specified in the schedule or elsewhere in the policy wording.

6.4 Other insurance

When making a claim on this policy you must also supply us with written details of all policies that may pay or partially pay that claim.

6.5 Rights of subrogation

We are entitled to exercise any rights you may have against anyone else in relation to the goods for which we have settled a claim under this policy. You must cooperate fully with us in exercising those rights and must give us any information or assistance we may require.
7. **General conditions**

7.1 **Applicable legislation**
   To the extent that this policy covers risks governed by Insurance Contracts Act 1984 (Cth).

7.2 **Australian law and jurisdiction**
   This policy is subject to Australian law and jurisdiction.

7.3 **Cancellation**
   You may cancel this policy at any time by notifying us in writing.
   We may cancel this policy by giving you 30 days notice in writing. However, we may only do so in the circumstances set out in section 60 of the Insurance Contracts Act 1984 (Cth).
   Within 30 days of the effective date of cancellation you must advise us of the actual figures for the period the policy has been in force to enable us to calculate the premium due for this period. The difference between this premium and the deposit premium will either be paid by or allowed to you but subject to retention by us of 75 per cent of the proportionate part of the original estimated annual premium regardless of the period the policy has been in force.

7.4 **Conduct of claims**
   We are entitled to:
   7.4.1 conduct on your behalf any legal proceedings or negotiations relating to claims made against you;
   7.4.2 authorise you to defend any legal proceedings brought against you on the understanding that we will be kept fully informed and will be consulted and will participate in decision-making regarding liability or any negotiations with other parties; and
   7.4.3 exercise any rights you may have against anyone else in relation to goods for which we have paid any amount under this policy.
   You, and anyone else entitled to claim under this policy, must cooperate fully with us in exercising these rights and must give us any information or assistance we may require.

7.5 **Notification of material change**
   You must notify us as soon as possible of any material change in the risk covered by this policy.

7.6 **Plurals and titles**
   The proposal, this policy, the schedule and any endorsements are one contract in which, unless the context otherwise requires:
   7.6.1 headings are descriptive only, not an aid to interpretation;
   7.6.2 singular includes the plural, and vice versa; and
   7.6.3 the male includes the female and neuter.
7.7 **Premium and adjustments**

You must pay us the deposit premium stated in the *schedule*. This is based on estimated figures for the *period of insurance* provided by you and you must keep accurate records of the equivalent actual figures. A statement of these actual figures (audited if requested) must be given to us within one month after the end of the *period of insurance*.

We will adjust the premium proportionally at the end of that period on the basis of your actual figures.

7.7.1 If the adjusted premium is higher than the deposit premium stated in the *schedule* you must pay us the difference unless the deposit premium is less than $25,000 and the variation between estimated and actual figures for the period is less than 10 per cent when no difference in premium is payable.

7.7.2 If the adjusted premium is lower than the premium stated in the *schedule* we must pay the difference to you. However, we are entitled to retain 75 per cent of the estimated annual premium the deposit premium was based on.

7.8 **Reasonable care**

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

7.9 **Sanctions regulation**

Notwithstanding any other terms or conditions under this policy, Zurich shall not be deemed to provide coverage and will not make any payments nor provide any service or benefit to any *insured* or any other party to the extent that such cover, payment, service, benefit and/or any business or activity of the *insured* would violate any applicable trade or economic sanctions, law or regulation.

7.10 **Third parties**

If anyone else is entitled to make a claim under this policy, that person and/or entity must also comply with its terms.

7.11 **Transfer**

You may only transfer a right under this policy with our written consent.