

# Goods in Transit (Carriers) Policy Wording

This policy is issued by Richard Oliver Underwriting Managers Pty Ltd (ABN 66 006 649 341) on behalf of QBE Insurance (Australia) Limited (ABN 78 003 191 035) (QBE)

## 1 The cover

- 1.1 The Insurer will at the request of the insured named in the schedule indemnify the owner of the goods or livestock specified in the schedule against loss of or damage to goods or death of livestock that
- 1.1.1 arises from an event insured against while in the custody of the insured or the insured's subcontractors and
  - 1.1.2 occurs within the radius of transit and during the period of insurance, each as specified in the schedule, whether or not the insured is liable.
- 1.2 The insured may elect not to exercise the right it has regardless of its liability to have the insurer indemnify the owner of the goods or livestock. If this happens the policy coverage in 1.1 will remain in force and the insured can still elect at any time to have the insurer indemnify the owner of the goods for the loss damage or death. The insurer will in addition pay legal costs incurred with the consent of The Insurers.
- 1.3 If an event insured against occurs in the circumstances described in 1.1.1 and 1.1.2, the insurer will also pay
- 1.3.1 the cost of removal and disposal of damaged goods or dead livestock (this includes the cost of cleaning the accident site but not 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)
  - 1.3.2 the reasonable cost of
    - 1.3.2.1 salvaging and on forwarding goods whether or not they are damaged
    - 1.3.2.2 mustering, agistment and on forwarding livestock
- up to a limit of \$50,000 in total.

## 2 Events insured against

The insurance is for the events insured against under the Cover Option specified in the schedule.

## 3 Cover option 1 – comprehensive

The insurance is against

- 3.1 loss of or damage to goods (which includes shipping containers and flatracks) caused by accident or by the deliberate act of a third party
- 3.2 death of livestock caused by accident, natural causes or slaughter for humane reasons.

## 4 Limits on cover option 1

- 4.1 The insurance covers loss damage or deterioration of refrigerated goods arising from a variation in temperature outside of the required temperature range, only if the variation results from
- 4.1.1 breakdown, malfunction or mismanagement of refrigerating machinery for a period of at least four consecutive hours but excluding deterioration resulting from failure to properly maintain refrigerating machinery. Each claim for mismanagement of refrigerating machinery is subject to deduction of an excess of 10% of the value of the claim.
  - 4.1.2 fire, explosion, lightning or flood
  - 4.1.3 collision, overturning, jackknifing or derailment of the conveyance.
- 4.2 Loss or damage to goods caused by or arising from goods either falling from or becoming unsecured within the conveyance is covered only if all reasonable steps are taken to properly secure the goods on or within the conveyance.

## 5 Cover option 2 – defined events

The insurance is against

- loss of or damage to goods (which includes shipping containers and flatracks)
  - death (or slaughter for humane reasons following injury) of livestock caused by any of the following events:
- 5.1 fire, explosion, lightning or flood
  - 5.2 collision, overturning, jackknifing or derailment of the conveyance carrying the goods or livestock
  - 5.3 impact of goods or livestock while on the conveyance carrying them with something not on or part of that conveyance (other than water).

## 6 Optional events insured against under cover option 2

The insurance is also against the following events if specified in the schedule

### 6.1 TPNB

Theft, pilferage or non-delivery

### 6.2 Loading and unloading In relation to goods, accidental loss or damage caused during

- 6.2.1 loading by the insured from when each item of goods is first moved for the purpose of loading onto the conveyance until it is placed on the conveyance
- 6.2.2 unloading by the insured from when each item of goods is first moved for the purpose of unloading from the conveyance until it is last moved by the insured in being delivered at the destination. In relation to livestock, death of livestock caused during
- 6.2.3 loading, from when each animal enters the conveyance's loading ramp from the ground or loading dock until secured for transit on the conveyance
- 6.2.4 unloading, from when each animal commences movement toward the conveyance's unloading ramp until discharged onto the ground or loading dock.

### 6.3 BDM

Loss damage or deterioration of refrigerated goods arising from a variation in temperature outside of the required temperature range resulting from

- 6.3.1 breakdown, malfunction or mismanagement of refrigerating machinery for a period of at least four consecutive hours but excluding deterioration resulting from failure to properly maintain refrigerating machinery. Each claim for mismanagement of refrigerating machinery is subject to deduction of an excess of 10% of the value of the claim.
- 6.3.2 fire, explosion, lightning or flood
- 6.3.3 collision, overturning, jackknifing or derailment of the conveyance

**The following clauses apply to both cover options 1 and 2.**

## 7 Additional cover

- 7.1 The insurance covers loss of or damage to the insured's own equipment, not being part of or permanently attached to the conveying vehicle caused by any of the events insured under cover option 2, limited to \$5,000 any one loss.
- 7.2 The insurance covers irretrievable loss of livestock from wandering off following an insured event.

## 8 Limits on cover

- 8.1 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.
- 8.2 If an excess is specified in the policy or schedule the insured must bear that amount first in respect of a claim or series of claims resulting from an event insured against. Unless stated otherwise in the schedule, an excess does not apply to events insured under clause 5 whichever cover option applies. Page 6 of 8

## 9 Exclusions from cover

The insurance does not cover loss of or damage to goods or death of livestock or any related expense that

- 9.1 occurs
  - 9.1.1 during storage at the election of or on the instruction of the owner of goods or livestock
  - 9.1.2 if the conveyance carrying the goods or livestock is driven by a person impaired by drugs or alcohol or whose blood alcohol concentration exceeds the legal limit or who refuses an appropriate test unless the insured did not know or could not reasonably have known of the driver's impaired condition.
- 9.2 arises from any of the following
  - 9.2.1 wear and tear, ordinary leakage, ordinary loss in weight or volume or inherent vice of the goods
  - 9.2.2 delay, loss of market or consequential loss of any description
  - 9.2.3 mechanical, electrical or electronic breakdown or malfunction of goods where there is no external evidence that an event insured against has occurred
  - 9.2.4 intentional damage by the insured or the insured's subcontractors
  - 9.2.5 war or warlike activities which means invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or civil strife following any of these
  - 9.2.6 expropriation which means the lawful seizure, confiscation, nationalisation or requisition of goods or livestock
  - 9.2.7 anything nuclear or radioactive, meaning 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. However this exclusion does not apply to radioactive isotopes carried for agricultural, commercial, medical or scientific purposes
  - 9.2.8 any chemical, biological, bio-chemical or electromagnetic weapon
  - 9.2.9 terrorism, which means any act which may, or may not, involve the use of, or threat of, force or violence where the purpose of the act is to further a political, religious, ideological or similar aim or to intimidate or influence a government

(whether lawfully constituted or not) or any section of the public. However this exclusion shall not apply to loss of or damage to goods or death of livestock or any related expense caused by any terrorist or person acting from a political motive provided that such loss, damage, death or expense would have been covered by the events insured against but for this exclusion.

9.2.10 fines, penalties or punitive damages.

## **10 Valuing the goods or livestock**

The agreed value of the goods or livestock 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 or livestock with similar goods or livestock of the same age and condition. If the owner of insured goods is liable to pay Goods and Services Tax (GST) but is, or will be, entitled to an input tax credit under A New Tax System (Goods and Services Tax) Act 1999, the value of the insured goods is agreed to exclude GST to the extent of the input tax entitlement.

## **11 Premium and its adjustment**

The insured must pay the insurer the deposit premium stated in the schedule.

11.1 When the premium is based on estimated gross freight earnings for the period of insurance provided by the insured, the insured must keep accurate records of the equivalent actual gross freight earnings. A statement of these actual gross freight earnings (audited if requested) must be given to The Insurers within one month after the end of the period of insurance.

The Insurers will adjust the premium proportionally at the end of that period on the basis of the insured's actual gross freight earnings. If the adjusted premium is

11.1.1 higher than the deposit premium stated in the schedule the insured must pay the insurer 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% in which case no difference in premium is payable.

11.1.2 lower than the deposit premium stated in the schedule the insurer must pay the difference to the insured. However, the insurer is entitled to retain a minimum of 75% of the estimated annual premium on which the deposit premium was based.

11.2 When the premium is based on the number of vehicles operated by the insured, the insured must declare the number of vehicles and their registration numbers at the commencement of the policy period. If any vehicle is disposed of, replaced or added during the period of insurance, the insured must advise The Insurers within 14 days. If adjustment to the premium is required following disposal, replacement or addition, this will be calculated proportionally per vehicle to the expiry date. If the adjusted premium is higher than the premium stated in the schedule, the insured must pay the insurer the difference. If it is lower, the insurer must pay the difference to the insured.

## **12 Notification of material change**

The insured must notify The Insurers as soon as possible of any material change in the risk covered by this policy.

## **13 Reasonable care**

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

## **14 Duties in relation to an event which may give rise to a claim**

When an event happens which may give rise to a claim under this policy the following rules apply.

14.1 The insured must do everything reasonable to prevent anything else happening which may give rise to or increase the amount of the claim.

14.2 The insured must do everything reasonable to make sure that any rights against anyone else in respect to the event are maintained.

14.3 If the event involves theft, and theft is an insured event, or an accident has occurred involving a vehicle owned or operated by the insured or its subcontractors and another vehicle, the insured must notify the police as soon as possible and, if The Insurers requires it, obtain a written police report.

14.4 The insured must notify The Insurers immediately of what has happened and send it full details of what has happened and of any other insurance over the goods or livestock, within 30 days.

14.5 The insured must not authorise any repairs to the goods without the consent of The Insurers. The insurer will reimburse the insured for charges reasonably incurred to prevent or minimise an insured loss or to protect rights in relation to the event.

## **15 Settlement of claims**

The insurer has the option of settling a claim by payment, repair, reinstatement or replacement.

15.1 In respect of any goods, services or other supply which are the subject of a claim under this policy the insurer will pay the claimant for that GST liability. However

15.1.1 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 the claimant is, 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

15.1.2 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 the claimant 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.

### **16 Third parties**

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

### **17 Conduct of claims**

The insurer is entitled to

- 17.1 conduct on the insured's behalf any legal proceedings or negotiations relating to claims made against the insured or
- 17.2 authorise the insured to itself defend any legal proceedings brought against it on the understanding that the insurer will be kept fully informed and will be consulted and will participate in decision-making regarding liability or any negotiations with other parties and
- 17.3 exercise any rights the insured may have against anyone else in relation to goods or livestock for which the insurer has paid any amount under this policy. The insured and anyone else entitled to claim under this policy must cooperate fully with The Insurers in exercising these rights and must give The Insurers any information or assistance it may require.

### **18 Transfer**

The insured may only transfer a right under this policy with the written consent of The Insurers.

### **19 Cancellation**

The insured may cancel this policy at any time by giving The Insurers notice in writing. The Insurers may cancel it for the insurer by giving the insured 30 days notice in writing. However, it may only do so in the circumstances set out in section 60 of the Insurance Contracts Act 1984.

### **20 What to do if you have a complaint**

If you have a concern about this insurance product, a decision on your claim, the service provided by The Insurers or its agents, loss adjusters or investigators, please contact your nearest local The Insurers office and they will help you in any way they can. If they or their manager are unable to resolve the matter, please ask to be referred to a Dispute Resolution Officer. The Dispute Resolution Officer will investigate and try to reach a satisfactory outcome. Our Dispute Resolution process is a free service to you by The Insurers.

**POLICY WORDING ENDORSEMENT.**

This is a Policy Wording Endorsement issued by Richard Oliver Underwriting Managers Pty Ltd (ROUM) ABN 66 006 649 34, AFS Licence No. 238334 on behalf of QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545

It amends the policy wordings listed in the table below:

Policy wordings	
Portable Equipment Policy	Goods in Transit (Carriers)
Annual Combined Marine Cargo Policy	Goods in Transit Policy
Annual Marine Cargo Policy	Home Removals Insurance Policy
Carriers Cargo Liability Policy	Overseas Household Removals
Single Shipment of Goods Policy	Single Transit Insurance (Within Australia) Policy

This endorsement is dated the 1 July 2019 and applies to all new policies issued, or renewals effective, on or after this date. The information in this endorsement update should be read together with the Policy Wording, policy schedule and any other documentation we have given you.

The Important Procedures section is deleted and replaced by the following:

**Duty of disclosure**

Before you enter into an insurance contract, you have a duty, under both the Insurance Contracts Act 1984 (Cth) and the Marine Insurance Act 1909 (Cth), to tell us anything that you know, or could reasonably be expected to know, that 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**

*Where the Marine Insurance Act 1909 (Cth) applies:*

If you fail to comply with your duty of disclosure, we may avoid the contract of insurance from its beginning.

*Where the Insurance Contracts Act 1984 (Cth) applies:*

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.

### The General Insurance Code of Practice

QBE Australia is a signatory to the General Insurance Code of Practice.

The Code aims to:

- Commit us to high standards of service
- Promote better, more informed relations between us and you
- Maintain and promote trust and confidence in the general insurance industry
- Provide fair and effective mechanisms for the resolution of complaints and disputes between us and you
- Promote continuous improvement of the general insurance industry through education and training.

### PRIVACY

ROUM and QBE each have a privacy policy which sets out personal information they collect and how they collect, disclosure, store and use it.

### ROUM

ROUM is committed to protecting the privacy of the personal information you provide to us. Any personal information you give us will be treated in accordance with the Privacy Act 1988.

If you require additional information or would like a copy of our privacy policy, it can be viewed at [www.roum.com.au](http://www.roum.com.au).

### QBE Australia

QBE Insurance (Australia) Ltd will collect personal information when you deal with us, our agents, other companies in the QBE group or suppliers acting on our behalf. We use your personal information so that we can do business with you, which includes issuing and administering our products and services and processing claims. Sometimes we might send your personal information overseas. The locations we send it to can vary but include the Philippines, India, Ireland, the UK, the US, China and countries within the European Union.

### Financial claims scheme

Your Policy is a protected policy under the Financial Claims Scheme (FCS), which protects certain insureds and claimants in the event of an insurer becoming insolvent. In the unlikely event of QBE becoming insolvent you may be entitled to access the FCS, provided you meet the eligibility criteria.

More information may be obtained from the Australian Prudential Regulation Authority (APRA).

HOW TO CONTACT APRA	
Phone	1300 558 849 (Monday to Friday from 9am to 5pm, Sydney time, except on public holidays). Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Online	<a href="http://www.fcs.gov.au">www.fcs.gov.au</a>

All other information including the terms, conditions, exclusions and limitations as set out in your Policy are unaffected by these changes.

### Sanctions limitation and exclusion clause

You're not insured under any section of this Policy where a claim payment breaches 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, or any local autonomous sanctions.