



QBE Insurance (Australia) Limited

Combined annual cargo

Marine insurance policy

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About this booklet

There are two parts to this booklet. The first part is Important Information about this Policy including information about how we'll protect your privacy and how to make a complaint or access our dispute resolution service.

The second part is your Policy Wording which sets out the detailed terms, conditions and exclusions of the Policy.

Because we don't know your own personal circumstances, you should treat any advice in this booklet as purely general in nature. It doesn't consider your objectives, financial situation or needs. You should carefully consider the information provided with regard to your personal circumstances to decide if it's right for you.

For more information or to make a claim

Please take the time to read through this booklet and if you have any questions, need more information or to confirm a transaction, please contact:

- your financial services provider.

The section titled 'Claims' at the end of this booklet tells you the full details about what you need to do in the event of a claim. If you'd like to make a claim or to enquire about an existing claim please contact:

- QBE by sending an email to marineclaims@qbe.com.

About QBE Australia

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 is a member of the QBE Insurance Group Limited ABN 28 008 485 014 (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the largest insurers and reinsurers in the world.

Important Information

In this first part of the booklet we explain important information about this Policy including how we'll protect your privacy and how to make a complaint or access our dispute resolution service.

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

We'll 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 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.

Our Privacy Policy describes in detail where and from whom we collect personal information, as well as where we store it and the full list of ways we could use it. To get a free copy of it please visit qbe.com.au/privacy or contact QBE Customer Care.

It's up to you to decide whether to give us your personal information, but without it we might not be able to do business with you, including not paying your claim.

Resolving complaints & disputes

At QBE we're committed to providing you with quality products and delivering the highest level of service.

We also do everything we can to safeguard your privacy and the confidentiality of your personal information.

Something not right?

We know sometimes there might be something you're not totally happy about, whether it be about our staff, representatives, products, services or how we've handled your personal information.

Step 1 – Talk to us

If there's something you'd like to talk to us about, or if you'd like to make a complaint, speak to one of our staff. When you make your complaint please provide as much information as possible. They're ready to help resolve your issue.

You can also contact our Customer Care Unit directly to make your complaint. Our aim is to resolve all complaints within 15 business days.

Step 2 – Escalate your complaint

If we haven't responded to your complaint within 15 days, or if you're not happy with how we've tried to resolve it, you can ask for your complaint to be escalated for an Internal Dispute Resolution (IDR) review by a Dispute Resolution Specialist.

The Dispute Resolution Specialist will provide QBE's final decision within 15 business days of your complaint being escalated, unless they've requested and you've agreed to give us more time.

Step 3 – Still not resolved?

If you're not happy with the final decision, or if we've taken more than 45 days to respond to you from the date you first made your complaint, you can contact the Australian Financial Complaints Authority (AFCA). AFCA is an ASIC approved external dispute resolution body.

AFCA resolves insurance disputes between consumers and insurers, at no cost to you. QBE is bound by AFCA decisions - but you're not. You can contact AFCA directly and they'll advise you if your dispute falls within their Rules.

Disputes not covered by the AFCA Rules

If your dispute doesn't fall within the AFCA Rules, and you're not satisfied with our decision then you may wish to seek independent legal advice.

Privacy complaints

If you're not satisfied with our final decision and it relates to your privacy or how we've handled your personal information, you can contact the Office of the Australian Information Commissioner (OAIC).

Contacting QBE's CCU, AFCA or the OAIC

How to contact QBE Customer Care

Phone	1300 650 503 (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.
Email	<ul style="list-style-type: none"> complaints@qbe.com, to make a complaint. privacy@qbe.com, to contact us about privacy or your personal information. customercare@qbe.com, to give feedback or pay a compliment.
Post	Customer Care, GPO Box 219, Parramatta NSW 2124

How to contact AFCA

Phone	1800 931 678 (free call)
Email	info@afca.org.au
Online	www.afca.org.au
Post	Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

How to contact the OAIC

Phone	1300 363 992 Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	enquiries@oaic.gov.au
Online	www.oaic.gov.au

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. Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Online	www.fcs.gov.au

Policy Wording

This Policy is underwritten by QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545.

Our agreement

Where we agree to insure you based on the information you provide when applying for this insurance, we issue a Policy Schedule confirming cover.

The information contained in the Policy Schedule sets out information specific to you, such as, the cover we have agreed to provide and the Policy limits of liability.

Our agreement with you (the Policy) will comprise of this Policy Wording and any applicable Institute Clauses, the Policy Schedule and any endorsements we issue. They should be read together and kept in a safe place.

Where we have agreed to enter into a Policy with you and subject to the terms, conditions and exclusions of the Policy:

- (a) we agree to provide you with the insurance cover set out in each of the Policy parts which are listed in the Policy Schedule, subject to your payment of, or agreement to pay the premium set out in the current Policy Schedule,
- (b) the insurance cover is in force for the period of insurance set out in the Policy Schedule,
- (c) we will cover you for loss or damage occurring to the interest insured during the period of insurance and within the voyage limits shown in the Policy Schedule,
- (d) we will not pay any more than the limit of liability and/or sub-limits of liability shown in either the Policy Schedule or this Policy unless we have stated otherwise.

Paying your premium

You must pay your premium by the due date shown on your Policy Schedule. If we don't receive your premium by the date, or if your payment is dishonoured, this Policy won't operate and there will be no cover.

1. Definitions

The words and terms used throughout this Policy have special meanings set out below.

Where other words and terms are only used in one section of the Policy, we'll describe their special meaning in that section.

Word or term	Meaning
Conveyance	Any road, rail, ship, vessel, aircraft or postal service transport used to transport the insured goods. This includes a trailer when attached to a registered road vehicle.
Excess	The amount you must pay towards a claim, as specified in the Policy Schedule.
Incidental charges	Includes freight and insurance costs plus import duty and taxes.
Inland transits	Transits commencing and terminating within Australia.
Insured event	Any occurrence or event which arises during transportation and results in loss or damage to the insured goods which is unintended and could not have been expected by a person who has actual knowledge of the means of transportation of the goods.

Word or term	Meaning
Interest insured	The cargo or goods that are specified as the interest insured in the Policy Schedule. Where applicable, this has the same meaning as 'Subject matter insured' as referred to in the 'Institute Clauses'.
Packaging	Packing materials, crates, pallets, or similar items belonging to you or for which you are responsible.
Period of insurance	The period shown in the Policy Schedule or any renewal period, during which the insurance provided by this Policy is in force.
Policy	This Policy Wording and any applicable 'Institute Clauses', the Policy Schedule and any endorsements we issue to you which amend this Policy Wording or the Policy Schedule.
Policy Schedule	The most recent document that we give you. We give you a Policy Schedule when you: <ul style="list-style-type: none"> • first buy a Policy from us; or • change any part of a Policy or any personal details relevant to it.
Premium	The amount you pay for the insurance provided by this Policy, including any taxes and other government charges.
Reinstatement	Where such property is lost or destroyed the replacement cost of similar property in a condition equal to its condition, but not better than its condition at the time of loss. Reinstatement will also mean where such property is damaged, the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as, but not better or more extensive than its condition at the time of loss.
Shipping Containers	Means shipping containers for which you are legally liable under a container hand-over or similar contractual agreement.
Total loss (Actual or Constructive)	The interest insured is an actual loss when it is totally destroyed or damaged in such a way that it can be neither recovered nor repaired for further use. If the goods are damaged beyond an amount which we consider it be a constructive total loss.
We, our, us, insurer	QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545.
You, your, yours, assured	The person(s), companies or firms named in the current Policy Schedule as the Insured.

2. Your insured transits

The interest insured is only insured for:

- (a) Imports
- (b) Exports
- (c) Inland transits

as indicated in your Policy Schedule.

If we have agreed to any extension to these insured transits it will be shown in your Policy Schedule.

Any limitations that apply to your insured transits will be shown in your Policy Schedule.

You are insured for loss or damage to the interest insured while in transit even though, the period of insurance has ended provided your insurable risk attached on that cargo is during the period of insurance.

3. When your insured transits start and finish

3.1 Imports & exports

Cover attaches and terminates in accordance with the 'Duration Clauses' of the applicable 'Institute Clauses'.

3.2 Inland transits

Cover commences when the interest insured is first moved for the purpose of being conveyed to a destination outside the premises at which loading takes place. Cover ends when the interest insured is last moved in being delivered at the destination but not exceeding seventy two (72) hours after unloading from the conveying vehicle, whichever first occurs.

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

4. What you are covered for

4.1 Imports and exports

The interest insured is covered to the extent provided by the provisions of this Policy and the 'Institute Clauses' stated in your Policy Schedule.

Any reference in the conditions of insurance to 'Institute Clauses' is to the clauses published by Lloyd's Market Association and the International Underwriting Association of London current at the time of attachment of risks.

4.1.1 Revision of 'Institute Clauses'

In the event of any of these clauses being altered or added to, new clauses shall automatically form part of this Policy, unless the alteration or addition reduces your protection, in which event you shall be advised in writing.

4.2 Inland transits

Interest insured is covered for physical loss, destruction or damage caused by an accident occurring during an insured transit.

You are also covered for:

- (a) the deliberate act of a third party,
- (b) loss or destruction of or damage to goods caused by jettison,
- (c) loss incurred as a result of general average sacrifice,
- (d) 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.

If the insured transit is by sea or air, while the interest insured is aboard the carrying vessel or aircraft you are also covered for loss or damage caused by war or warlike activities.

5. Valuing your interest insured

5.1 Basis of valuation

The basis of valuation detailed below establishes the value that cargo is insured for:

- (a) Imports and exports
This Policy is a valued Policy as described in Part II Section 33 of the *Marine Insurance Act 1909*. Interest insured is valued in accordance with the basis of valuation shown in the Policy Schedule and any other basis of valuation shown in this Policy.
- (b) Inland transits
This Policy is an agreed value Policy where, in the absence of fraud, the value of each sending, as calculated in accordance with the basis of valuation below, is fixed between us and you, and conclusive of the insurable value of the interest insured:
 - (i) **for goods other than stock and other internal company transfers and plant, machinery and equipment:**
 - > The invoice cost or value, plus freight if not already included and any costs incidental to the insured transit that are not covered by the invoice;
 - > If there is no invoice value, insurable value is the market value or the cost, at the time of the commencement of the insured transit, of replacing the insured cargo with goods of a similar age and condition plus freight if not already included and any costs incidental to the insured transit.
 - (ii) **for goods that are stock and other internal company transfers including goods on consignment, returned goods, goods on exhibition, tools of trade and travellers samples:**
 - > The insurable value is the market value or the cost, at the time of the commencement of the insured transit, of replacing the insured cargo with goods of a similar age and condition plus freight if not already included and any costs incidental to the insured transit.
 - (iii) **for goods that are plant and machinery:**
 - > The invoice cost or value, plus freight if not already included and any costs incidental to the insured transit that are not covered by the invoice;
 - > If there is no invoice value, insurable value is either the market value or the cost, at the time of the commencement of the insured transit, replacing the insured cargo with goods of a similar age and condition or the cost of repair or reconditioning to a state not better than its condition at the commencement of transit plus freight if not already included and any costs incidental to the insured transit.

At all times we have the option of settling a claim by payment, repair, reinstatement, reconditioning or replacement.

6. What we will pay

6.1 How we calculate your claim

6.1.1 Imports and exports

Except as otherwise provided for in this Policy, claims are adjusted in accordance with Part VI Measures of *Indemnity of the Marine Insurance Act 1909*.

6.1.2 Inland transits

(a) Total loss (actual or constructive)

Claims are settled for the insured value calculated in accordance with the 'Basis of valuation Clause 5.2 (b)'.

(b) Partial loss or damage

Where there is a partial loss or damage to the goods, unless otherwise specified in this Policy, claims are settled as follows:

- (i) the cost of repairing or reinstating the goods to a condition equal to, but no better or more extensive than its condition immediately prior to the loss or damage; or
- (ii) the invoice value covering the goods whilst in transit (including freight); or
- (iii) if there is no invoice value, the cost of replacing the goods with similar goods of the same age and condition or as near as possible to that age and condition;
- (iv) in the case of movement of return goods (inwards or outwards), stock transfers, and movement of goods other than for the reason of purchase or sale, we will pay the replacement cost or, if not available, as near as possible to the same make, model and specifications as is available.

We have the option of settling a claim by payment, repair, reinstatement or replacement.

6.2 Brands/labels

In the event of loss or damage involving cargo bearing embossed or indented brands or labels or other permanent markings identifying you as the manufacturer or supplier, or exclusive and/or secret formula that may be involved, the cargo may be retained by you to dispose of as you see fit, provided a reasonable allowance is agreed for the value of the undamaged cargo.

Where only the labels or trademarked cartons of the cargo are affected by the insured event, the amount payable by us is limited to the reasonable cost of reconditioning and relabelling or the cost of new trademarked cartons, subject to our liability not exceeding the insured value of the cargo.

6.3 Compensation from other parties (waiver of rights)

Where another party is liable to compensate you for any loss or damage which is covered by this Policy but where you have agreed not to seek recovery of any monies from that party, then we will not provide cover under this Policy for such loss or damage or may reduce our liability under the Policy contract as permitted by law.

6.4 General average and salvage

If there is a claim for general average contributions or salvage charges, the interest insured will be considered as being insured for its full contributory value and the claim will be paid in full without deduction of any Policy excess.

6.5 Limit of liability

The limits of liability stated in:

- (a) the Policy Schedule,
- (b) any endorsements, and
- (c) any sub-limits expressed in this Policy

apply to any one (1) accident or series of accidents caused by the one (1) event.

6.6 Minimising losses

In addition to your claim for loss or damage, we will also reimburse you for any charges properly and reasonably incurred by you in taking such measures as would be reasonable for the purpose of averting or minimising any loss recoverable under this Policy.

6.7 Other policies of insurance (non-contribution)

If, at the time of any loss or damage to the interest insured, there is any other current insurance, whether effected by you or by any other person or persons, covering the same cargo, we will not be liable (where legally entitled) for more than the rateable proportion of the loss, damage or expense.

6.8 Pairs and sets

Where any item is part of a pair or set, the Policy will only pay for the part of the pair or set which is lost or destroyed, even if it cannot be replaced with a matching item. The insured value of the goods will be regarded as spread over the whole of the pair or set, divided in the proportions that it would cost to replace all the items making up the pair or set.

6.9 Replacement and repair of machinery

In the event of loss or damage to any part(s) of an insured machine consisting of more than one (1) part, cover under this Policy shall not exceed the cost of replacement or repair of the part(s) plus labour and (re)fitting and carriage costs. Duty incurred in the provision of the part(s) shall also be claimable provided that, the full duty payable on the part(s) is/are included in the insured value. Our limit of liability will not exceed the amount insured of the machine or manufactured item calculated in accordance with the 'Basis of valuation Clause 5.1.

6.10 Sorting charges

Where, following an insured event that is recoverable under this Policy, our surveyor requires or recommends that packages and/or damaged cargo be sorted in order to ascertain or assess the nature and/or extent of loss and/or damage, expenses arising from such sorting shall be recoverable hereunder, notwithstanding that a claim for such loss or damage is not ultimately made by you.

6.11 Used machinery and plant

In the event of loss or damage to machinery and plant greater than five (5) years old, cover under this Policy will be restricted to the cost of reinstatement.

7. What you must pay if you make a claim

7.1 Excess

For claims you make on this Policy, you will have to pay the excess which is shown on your Policy Schedule. If more than one (1) excess is payable under this Policy for any claim or series of claims arising from the one (1) accident, you must pay the highest excess, but you pay only one (1) excess.

No excess will be payable by you in respect of any claim that would have been recoverable by a peril insured against under the 'Institute Cargo Clauses (B)', had they been applicable.

8. Automatic cover extensions

The following extensions automatically apply to this Policy, provided you have an insurable interest at the time of loss.

8.1 Accumulation

Should there be an accumulation of the interest insured beyond the limit(s) expressed in this Policy, by reason of interruption of transit and/or other occurrence beyond your control, or by reason of any casualty and/or at a transshipping point and/or on a connecting vessel, aircraft or conveyance, we will, provided written notice be given in all such cases as soon as known to you, hold covered such excess interest insured and will be liable for the full amount at risk, but in no event will we be liable for more than double the limit of liability specified in the Policy Schedule.

8.2 Buyer's interest contingency

Where you have purchased cargo on CIF or similar terms, we will pay for loss, damage or expense which would otherwise be recoverable under this Policy if:

- (a) the seller fails to fulfil his contractual obligation to arrange insurance,
- (b) the conditions of any insurance arranged elsewhere are more restrictive than those of this Policy, and the claim is not recoverable under the other insurance, in which case we will consider the cover to have attached at the commencement of transit.

This clause is in respect of your interest only and will not apply to the benefit of any third party.

We will not pay any claim under this clause if:

- (a) you have not taken all reasonable steps to enforce the contract of sale and the responsibilities under it,
- (b) you have divulged the existence of this insurance to the seller, their insurers or any other interested third party.

When a claim is paid under this clause we will acquire all your rights and remedies including the right to sue or proceed in any way against the seller or their insurers.

8.3 Cargo ISM forwarding charges

This Policy is extended to reimburse you, up to the insured value for the voyage, for any extra charges properly and reasonably incurred in unloading, storing and forwarding the interest insured to the destination to which it is insured, following release of the interest insured from a vessel arrested or detained at or diverted to any other port or place (other than the intended port of destination) where the voyage is terminated due either:

- (a) to the vessel not being certified in accordance with the ISM Code,
- (b) to a current Document of Compliance not being held by her owners or operators,

as required under the SOLAS Convention 1974 as amended.

This clause, which does not apply to general average or salvage charges, is subject to all other terms, conditions and exclusions contained in the Policy.

8.4 Delayed unpacking

Where packages of the interest insured are not opened immediately upon arrival, loss or damage covered by this Policy which was not immediately apparent at the time of arrival and where there is no evidence to the contrary such loss or damage shall be deemed to have occurred during transit and recoverable under this Policy providing:

- (a) the damage is discovered within ninety (90) days of arrival,
- (b) any packages bearing outward signs of loss or damage at the time of arrival are opened and inspected immediately.

8.5 Duty and taxes (imports only)

This Policy is extended to include the amount of any duty and/or taxes paid or payable by you in respect of the interest insured at the destination. The increased value shall then attach as an additional insurance on the interest insured from the time of payment of the duty and/or taxes.

You agree to include in your declaration to us, the amount of duty and/or taxes paid and/or payable on all cargo insured under the Policy.

Excluding claims for:

- (a) total loss of part of the interest insured before the duty and taxes become payable,
- (b) general average contributions and salvage charges arising from any casualty occurring before the duty and taxes become payable,
- (c) duty and taxes refunded or rebated by customs authorities on lost or damaged cargo.

You must take all reasonable steps to obtain a credit for duty and taxes paid or payable on lost or damaged cargo.

8.6 Exhibition and/or demonstration

This Policy is extended to cover the interest insured against accidental loss, damage or destruction while in transit to and from and while at any exhibition or premises for demonstration.

This cover also includes expenses incurred as a result of your inability to exhibit the interest insured as a result of a claim recoverable under this Policy.

However, this Policy does not cover damage while the interest insured is in use for the purposes of demonstration or otherwise.

Subject to a limit of \$200,000 any one (1) event unless otherwise specified in the Policy Schedule and provided these costs are not recoverable under any other policy of insurance.

For the purposes of this clause only, 'Interest insured' includes stands, fixtures, fittings and exhibition equipment.

8.7 Expediting expenses

In the event of loss or damage to the interest insured resulting from an insured event, we will pay the costs and expenses incurred by you in connection with the repair, replacement or restoration of the interest insured lost or damaged for:

- (a) express carriage rates and/or airfreighting the interest insured and/or replacement parts where such transit is necessary to prevent interruption of your business,
- (b) extra payments for overtime, night, Sunday or holiday work and other such like costs.

Provided always that the limit of liability shall not exceed 20% of the insured value of the interest insured or \$50,000 any one (1) event, whichever is the lesser, unless otherwise specified in the Policy Schedule.

8.8 FOB/CFR pre-shipment damage (applicable to import shipments only)

This Policy extends to cover cargo purchased on FOB, CFR (C&F), FAS, or similar terms of sale, from the time the interest insured leaves the seller's warehouse for the commencement of transit despite the cargo not being at your risk.

If loss or damage occurs which is payable under this cover, you must use all reasonable means to recover the full amount of the loss or damage from the seller under the terms of purchase, before claiming under this Policy.

You must not disclose the existence of this cover to the seller and all rights of recovery against them are to be subrogated to us.

8.9 Fumigation expenses

This Policy, subject to existing cover terms and conditions, is extended to cover the reasonable costs, charges and/or expenses necessary, should the interest insured on arrival at the port of destination be ordered by the appropriate authority to fumigation and/or quarantine because of infestation or suspected infestation.

Upon issue of the order, the following costs, charges and/or expenses necessarily incurred are payable under the Policy:

- (a) cost of actual fumigation and/or quarantine and related charges,
- (b) additional freight costs incurred to and/or from fumigation and/or quarantine.

Fumigation and/or quarantine costs, charges and/or expenses which are mandatory for particular goods or commodities under government quarantine regulations or similar statutory requirements are excluded.

Subject to a limit of \$50,000 any one (1) event arising from the one (1) insured event, provided these costs are not recoverable under any other policy of insurance.

8.10 Insolvency of carrier

If the insured transit is interrupted or terminated due to the insolvency or financial default of the carrier, whether or not loss or damage has been occasioned to the cargo, we will pay you the extra costs of freight and/or storage to forward the cargo to its intended destination, or to return the cargo to the place from which it was dispatched, up to a maximum of 10% of the insured value of the cargo (calculated according to 'Clause 5: Valuing your interest insured').

This Policy will not apply where, at the time of loading of the cargo on board the conveyance, you were aware, or in the ordinary course of your business should be aware, that such insolvency or financial default could have occurred during the insured transit.

8.11 Over-carried cargo

Should the interest insured be over-carried to a different destination, this Policy covers the cargo until returned to the original destination.

8.12 Packaging and shipping containers

This Policy covers accidental loss of, or damage to, packaging and shipping containers while carried in transit. Expenses incurred in demurrage charges following the late return of shipping containers are also covered where the charges are necessary due to you retaining containers for our inspection following a claim and upon our instruction.

Subject to a limit of \$75,000 any one (1) event unless otherwise specified in the Policy Schedule and provided the costs are not recoverable under any other policy of insurance.

8.13 Packers' premises

The interest insured is covered from the time of leaving the suppliers' warehouse while in transit to the packers' warehouse. Cover remains in force while at the packers' warehouses not exceeding thirty (30) days prior to shipment and thereafter while in transit to final destination.

8.14 Pollution hazard

You are covered for loss of, or damage to, the interest insured caused by government authorities acting in the public interest to prevent or to mitigate a pollution hazard or threat following an accident covered under this Policy.

8.15 Reconsigned or reshipped cargo

If the interest insured is reconsigned or reshipped direct from the wharf or airport at the intended destination to another destination, cover under this Policy will continue until arrival at the final destination.

8.16 Refused cargo

In the event that you or your customer either refuse to take delivery or are unable to accept delivery of the interest insured, cover remains in force during any delay, storage or onward transport, provided that:

- (a) the goods are insured under this policy for the inward or outward journey;
- (b) cover has been continuous;
- (c) the goods have not been unpacked and are returned in their original packing;

You must take all reasonable precautions to prevent the goods from loss or damage. Temperature controlled products must be kept in a refrigerated or frozen condition as appropriate with instructions being provided to all third parties handling and storing the goods.

8.17 Removal of damaged cargo

This Policy covers all reasonable costs and expenses incurred in unloading, removing, disposing and clean up of damaged cargo at the accident site caused by an insured event.

Subject to a limit of \$75,000 any one (1) event unless otherwise specified in the Policy Schedule and provided the costs are not recoverable under any other policy of insurance.

8.18 Re-securing of cargo

This Policy covers all reasonable costs and expenses incurred in re-securing the interest insured that has moved in transit which makes re-securing necessary. This cover applies even though there may be no claim resulting from the incident provided these circumstances were outside your control and you could not be reasonably expected to have knowledge of them in the normal course of your business.

Subject to a limit of \$5,000 any one (1) event unless otherwise specified in the Policy Schedule and provided these costs are not recoverable under any other policy of insurance.

8.19 Sealed containers

Where the interest insured is shipped in an FCL container and the containers seal is intact at the unloading point, claims for theft, pilferage, shortage or non-delivery will be recoverable under this Policy, provided:

- (a) documentary evidence is produced to substantiate the quantity loaded into the container,
- (b) you agree to use all reasonable means to first recover the full amount of the loss from the seller, packer or other responsible third party before claiming under this Policy,
- (c) all rights of recovery against the seller, packer or other third party where liability may attach are to be subrogated to us.

8.20 Sellers' interest contingency

Where, under the contract of sale, you do not have a responsibility to arrange insurance up to final destination, subject to the voyage limits shown in the Policy Schedule, we will pay for loss, damage or expense that would otherwise be recoverable under this Policy if:

- (a) the buyer fails to accept the cargo and pay you its purchase price, or
- (b) the buyer fails to take up the documents of title and pay you the cargo purchase price, or
- (c) you exercise a right or lien, or
- (d) you interrupt the transit, or
- (e) you suspend the contract of sale in order to protect your interests.

Cover will remain in force, subject to the Policy conditions until:

- (a) the interest insured is accepted by the buyer, or
- (b) the subject matter insured is sold to an alternative buyer, or
- (c) the subject matter insured is returned to you, or
- (d) ninety (90) days has elapsed from the time of arrival of the overseas vessel at the port of discharge,

whichever occurs first.

We will not pay for loss or damage to the interest insured:

- (a) unless immediate notice is given to us,
- (b) if you have divulged the existence of this insurance to the seller, their insurers or any other interested third party,
- (c) if this Policy or any interest in the subject matter insured is assigned,
- (d) if the loss is recoverable from any credit insurers,
- (e) arising from government action and/or regulations preventing the transfer of currency.

This clause is not deemed to be double insurance.

When a claim is paid under this clause we will acquire all your rights and remedies including the right to sue or proceed in any way against the buyer or their insurers.

8.21 Shut-out

In the event of the interest insured being shut-out from the conveyance at an intermediate place during the course of transit, this Policy covers the interest insured whilst waiting for an alternative conveyance, provided it is stored in a secure area, but excluding any loss or damage caused by delay.

8.22 Seaworthiness admitted

We admit the seaworthiness of the vessel. We agree that any claim under this Policy will not be prejudiced by the fact that the loss or damage may have been attributable to the wrongful act or omission of the shipowners or their servants committed without your involvement.

8.23 Strikes and riots

This Policy covers accidental loss of, or damage to, the goods caused by strikers, locked out workers or persons taking part in labour disturbances, riots or civil commotions or damage caused by persons acting maliciously.

8.24 Strikes diversion/forwarding charges

This Policy will pay any additional reasonable expenditure incurred by you where ship owners, charterers or managers exercise a liberty granted to them by the contract of affreightment where solely in consequence of strikes, riots, civil commotions, lockouts of labour disturbances:

- (a) the interest insured is over-carried to or discharged at a port other than the scheduled port of discharge under the contract of affreightment, or
- (b) additional expenditure is necessarily incurred in unloading, storing and forwarding the interest insured to the final destination.

The additional expenditure is payable irrespective of any other loss whether totally or partially recoverable under the terms of any other insurance.

In no case will we be liable for any claims unless the liberty referred to in this clause be exercised prior to the expiry of fifteen (15) days from midnight of the day on which the strikes, riots, civil commotions, lockouts or labour disturbances cease to be in active operation.

The maximum amount we will pay under this clause is \$50,000 any one (1) event unless otherwise specified in the Policy Schedule.

8.25 Trans-shipment

Trans-shipment is covered wherever occurring under this Policy and at no additional premium.

8.26 Tools of trade/travellers' samples

This Policy covers loss of, or damage to tools of trade and travellers' samples whilst contained in the conveying vehicle or while temporarily removed from the conveying vehicle and kept in any securely locked hotel, motel or private dwelling for a period not exceeding twenty four (24) hours caused by:

- (a) fire, explosion, earthquake, volcanic eruption, lightning, hail, flood,
- (b) collision of the conveying vehicle except with the curb or uneven road surface,
- (c) jack-knifing, overturning and/or derailment of the conveying vehicle,
- (d) impact of any object which is not on or part of the vehicle with the tools of trade and travellers' samples, excluding impact of the road surface and allied areas with the tools of trade and travellers' samples unless caused by an insured event specified above, or

(e) theft following visible evidence of forcible and violent entry into a securely locked vehicle or fixed carrying compartment, (i.e. toolbox or enclosed tool trailer), hotel, motel or private dwelling:

- > during your customary business hours, or
- > whilst garaged or parked within the boundary of the insured's private dwelling or dwelling of an authorised custodian,

and provided that:

- (i) all doors, windows and openings of the vehicle including fixed carrying compartment (i.e. toolbox or enclosed tool trailer) are securely locked when the vehicle is left unattended;
- (ii) the vehicle and fixed carrying compartment (i.e. toolbox or enclosed tool trailer) must be of a fully enclosed design, capable of being securely locked at all times;
- (iii) the vehicle is not parked on a public thoroughfare or in a public parking area or private parking area when not being used in connection with the insured's business operation; and
- (iv) alarms on any alarmed vehicle must be in working order and activated when the vehicle is left unattended.

Subject to a limit of \$1,000 per item to a maximum of \$10,000 in total for any one (1) loss or series of losses caused by the one (1) insured event, unless otherwise specified in the Policy Schedule.

9. Cover limitations

9.1 On deck shipments

Cargo shipped on deck in general purpose ISO fully enclosed shipping containers or cargo carried on deck without your privity, knowledge or consent, but subject to an under-deck bill of lading, is covered under this Policy.

Other on-deck cargoes are covered on Policy conditions unless otherwise stated on the Policy Schedule which exclude loss, damage or expense caused by or arising from rust, oxidation, discolouration, fresh water or sea-water unless as a result of a peril insured by the Institute Cargo Clauses (B) with Clause 1.2.3 deleted.

9.2 Cargo ISM clause

Applicable to shipments on board vessels of 500 GRT or more.

In no case will this insurance cover loss, damage or expense where the interest insured is carried by a vessel that is not ISM Code certified or whose owners or operators do not hold an ISM Code Document of Compliance when, at the time of loading of the interest insured on board the vessel, you are aware, or in the ordinary course of business should have been aware:

- (a) either that the vessel was not certified in accordance with the ISM Code,
- (b) that a current Document of Compliance was not held by her owners or operators,

as required under SOLAS Convention 1974 as amended.

This exclusion shall not apply where this insurance has been assigned to the party claiming who has bought or agreed to buy the interest insured in good faith under a binding contract

10. When you are not covered (applies to inland transits only)

This Policy does not cover loss of, or damage to, the interest insured or liability or expense caused by any of the following:

10.1 Expropriation

The lawful seizure, confiscation, nationalisation or requisition of the interest insured.

10.2 Inherent vice

Ordinary leakage, ordinary loss in weight or volume or inherent vice of the interest insured.

10.3 Insolvency of carrier

Expense arising from the insolvency or financial default of the carrier other than as provided by Clause 8.10.

10.4 Labour shortage

The absence, shortage or withholding of labour of any description resulting from any strike, lockout, labour disturbance, riot or civil commotion.

11. General exclusions (applies to all transits)

In addition to the provisions of the 'Institute Clauses' (as applying to import and export transits) the following exclusions apply to all sections of this Policy.

This Policy does not cover loss of, or damage to, the interest insured or liability or expense caused by the following:

11.1 Antiques, paintings and pictures clause

We will not be liable for loss or damage or expense caused by:

- (a) delay, confiscation or detention by customs or other officials or authorities,
- (b) wear and tear, moth, vermin, normal atmospheric or climatic conditions,
- (c) inherent vice of the goods.

11.2 Consequential loss/delay

Loss arising from delay or consequential loss of any description even if consequent upon the happening of an insured event as specified in the applicable Institute Clauses.

11.3 Depreciation

Depreciation or reduction in value of the insured goods due to repairs.

11.4 Electrical, mechanical and electronic failure

Electronic, electrical or mechanical failure of the interest insured where there is no external visible evidence of damage from an insured event.

11.5 Pre-existing damage

Loss or damage that existed or occurred prior to the commencement of the insured transit.

11.6 Rust/oxidisation discolouration

Rust, oxidation and/or discolouration unless caused by an insured event.

11.7 Radioactive contamination

Loss, damage, liability or expense, directly or indirectly caused by or contributed to by or arising from:

- (a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel,
- (b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof,
- (c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter,
- (d) 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,
- (e) any chemical, biological, bio-chemical and electromagnetic weapons.

11.8 Radioactive contamination – USA/Canada

In so far as Clause 11.8 'Radioactive contamination' applies, the inclusion of this clause in the Policy is material to our willingness to provide coverage at the quoted terms, conditions and rates. It is the intent of the parties to give maximum effect to Clause 11.8 'Radioactive contamination' as permitted by law. In the event that any portion of this clause may be found to be unenforceable in whole or in part under the law of any State, Territory, district, Commonwealth or possession of the USA, or any province or Territory of Canada, the remainder will stay under full force and effect under the laws of that State, Territory, district, Commonwealth or possession, province or Territory. Further any such finding will not alter the enforceability of Clause 11.8 'Radioactive contamination' under the laws of any other State, Territory, district, Commonwealth or possession of the USA, or any province or Territory of Canada, to the fullest extent permitted by applicable law.

11.9 Termination of transit clause (terrorism)

This clause will be paramount and will override anything contained in this insurance inconsistent therewith.

11.9.1 Notwithstanding any provision to the contrary contained in this Policy or the clauses referred to therein, it is agreed that in so far as this Policy covers loss of, or damage to the cargo caused by:

- (a) 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, or
- (b) any person acting from a political, ideological or religious motive,

such cover is conditional upon the subject matter insured being in the ordinary course of transit and, in any event, shall terminate either:

- (a) as per the transit clauses contained within the Policy, or
- (b) on completion of unloading from conveyance in or at the final warehouse or place of storage at the destination named herein, or

- (c) on completion of unloading from the 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 you or your employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
- (d) when you or your employees elect to use any conveyance or any container for storage other than in the ordinary course of transit, or
- (e) in respect of marine transits, on the expiry of sixty (60) days after completion of discharge overseas of the cargo from the overseas vessel at the final port of discharge, or
- (f) in respect of air transits, on the expiry of thirty (30) days after unloading cargo from the aircraft at the final place of discharge,

whichever shall first occur.

11.9.2 If this Policy or the clauses referred to therein specifically provide cover for inland or other further transits following on from storage, or termination as provided for above, cover will re-attach, and continues during the ordinary course of that transit terminating again in accordance with Clause 11.9.1.

11.10 War

War, acts of war (whether war be declared or not), rebellion, revolution, lawful seizure, confiscation, nationalisation, requisition, destruction or damage by or by the order of any government, public or local authority, unless the interest insured is in transit aboard a sea conveyance.

11.11 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.

12. General conditions

12.1 Acquired companies

This Policy extends to include any company, subsidiary company or firm formed or purchased by you during the period of insurance provided that:

- (a) you hold a controlling interest or have agreed to accept responsibility for insurance,
- (b) you advise us of the existence of the company or firm not later than ninety (90) days from the date of signing the purchase contract or date of formation,
- (c) you declare to us the estimated sendings, type of cargo to be insured and past claims history,
- (d) you agree to the additional conditions and premium required by us.

12.2 Variation of war and strikes rates

We have the right to vary the war and strikes rate for a country or area by giving you seven (7) days notice, (forty-eight (48) hours for strikes risks on shipments to or from the USA) of the amendment in accordance with the 'Institute War Cancellation Clause (Cargo)'.

The amended rate will apply from the end of the period of notice that begins at midnight of the day that the notice is issued by us. It will not apply to transits where cover under this Policy has attached before the amended rate applies.

Our rights to cancel cover for war and strikes risks to a country or area or entirely are not prejudiced by prepayment of the war and strikes premium.

12.3 Due diligence

You must take all reasonable care to prevent loss, destruction, expense or damage covered by this Policy.

12.4 Errors and omissions

In the event of an error or omission in making any declaration under this Policy, it is agreed that the cargo will automatically be covered by the Policy, however, you must advise us as soon as possible after you become aware of the error or omission.

12.5 Changing your Policy

You must give us immediate notice if there is any material change in the circumstances or nature of the risks covered by this Policy. No claim arising after the change shall be payable unless we have agreed to the change in writing.

12.6 Cancelling your Policy

- (a) How you may cancel this Policy

You may cancel this Policy at any time by telling us in writing that you want to cancel it.

- (b) How we may cancel this Policy

We may cancel this Policy in any of the circumstances permitted by law and as detailed below.

- (i) Where the Policy is subject to the *Insurance Contracts Act 1984*, we may cancel the Policy subject to the provision of the Act.
- (ii) Where the Policy is subject to the *Marine Insurance Act 1909* and in respect of risks other than piracy, war, strikes, riots and civil commotions, we may cancel this Policy by giving thirty (30) days notice of cancellation.
- (iii) In respect of the risk of piracy, we may cancel this Policy in accordance with the provisions of the 'Cargo Piracy Notice of Cancellation Clause'.
- (iv) In respect of the risk of war, we may cancel this Policy in accordance with the provisions of the 'Institute War Cancellation Clause (Cargo)'.
- (v) In respect of strikes, riots and civil commotions risks we may cancel this Policy at seven (7) days notice with the exception of, to and from U.S.A. where forty eight (48) hours notice applies.

Cancellation will become effective on the expiry of the requisite period of time from 4pm of the day on which notice of cancellation is issued by or to us, but will not apply to risks which have attached before the cancellation becomes effective.

- (c) The premium

We will refund to you the proportion of the premium, provided we retain the agreed minimum premium and any non-refundable government taxes.

12.7 Notices

Any notice we give you will be in writing, and it will be effective:

- (a) if it is delivered to you personally, or
- (b) if it is delivered or posted to your address last known to us.

It is important for you to tell us of any change of address as soon as possible.

12.8 Jurisdiction, law and practice

All disputes arising out of, or under this Policy will be subject to determination by any Court of competent jurisdiction within Australia.

12.9 GST

The amount of premium payable by you for this Policy includes an amount on account of the GST on the premium as applicable.

When we pay a claim, your GST status will determine the amount we pay.

When you are:

- (a) not registered for GST, the amount we pay is the sum insured/limit of indemnity or the other limits of insurance cover including GST;
- (b) registered for GST, we will pay the sum insured/limit of indemnity or the other limits of insurance and where you are liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a damaged item insured under the Policy) we will pay for the GST amount.

We will reduce the GST amount we pay for by the amount of any input tax credits to which you are or would be entitled if you made a relevant acquisition. In these circumstances, the Input Tax Credit may be claimable through your Business Activity Statement (BAS).

You must advise us of your correct Australian Business Number and Taxable Percentage.

Any GST liability arising from your incorrect advice is payable by you.

Where the settlement of your claim is less than the sum insured/limit of indemnity or the other limits of insurance cover, we will only pay an amount for GST (less your entitlement for Input Tax Credit) applicable to the settlement. This means that if these amounts are not sufficient to cover your loss, we will only pay the GST relating to our settlement of the claim.

We will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by any business of yours which is relevant to your claim.

GST, Input Tax Credit (ITC), Business Activity Statement (BAS) and Acquisition have the same meaning as given to those expressions in *A New Tax System (Goods and Services Tax) Act 1999* and related legislation as amended from time to time.

Taxable Percentage is your entitlement to an ITC on your premium as a percentage of the total GST on that premium.

12.10 Assignment of interest

Where a shipment involves either an import or export, transfer of this Policy by you to an assignee is permitted. In all other respects assignment of this insurance or any right under it is only permitted with our written agreement.

13. Claims

13.1 What you must do

If there is any loss or damage which may result in a claim under this Policy, you must take the following immediate steps:

- (a) take all reasonable measures to avoid or minimise any loss, damage or expense (we will pay the reasonable and necessary cost of doing this),
- (b) ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised, and
- (c) inform the Police as soon as possible after a theft is discovered.

13.2 Notification

- (a) inform us of the event as soon as possible,
- (b) complete our claim form and any other form we ask you to complete, and send it to our claims department at any of our offices. Our claim form is available from your financial services provider or you may download it from our website at www.qbe.com.au,
- (c) send to us all correspondence and documents relating to the event,
- (d) provide or arrange for us to be provided with invoices, statements and other documents evidencing the amount of the loss.

13.3 Claims documentation

To enable claims to be dealt with promptly, you are advised to submit all available supporting documents without delay, including, where applicable:

- (a) original policy or marine insurance certificate,
- (b) original contract of carriage, consignment note or other contract of carriage, (e.g. bill of lading or air waybill),
- (c) original or copy shipping invoices, shipping specifications, weight notes, separate sales invoice or other document evidencing value,
- (d) survey report or other documentary evidence to show the extent of the loss or damage,
- (e) delivery docket and weight notes at final destination,
- (f) correspondence exchanged with carriers and other parties regarding their liability for the loss or damage.

Note: Failure to comply with the above conditions concerning claims procedures and documentation may prejudice your claim under the Policy.

13.4 When others may be liable

When other parties may be liable to you for the loss, damage or liability, you must:

- (a) not agree to release those parties from liability,
- (b) hold the parties liable by delivering a notice of intention to claim within three (3) days of delivery,
- (c) in no circumstances, except under written protest, give clean receipts where the cargo is in doubtful condition,
- (d) inform us of the circumstances and let us have a copy of all relevant documents.

When delivery is made by container, ensure that the container and seals are examined immediately by the responsible official.

If the container is delivered damaged or with seals broken or missing or with seals other than stated in the shipping documents, note the delivery docket accordingly and retain all defective or irregular seals for subsequent identification.

If the loss or damage was not immediately apparent at the time of delivery, apply immediately for surveys by the carriers or other bailees to be conducted within three (3) days of delivery.

We may exercise all your legal rights relating to the loss or damage. We may prosecute or defend any legal proceedings in your name and have full discretion in the exercise of your legal rights.

Measures taken by you or us with the object of saving, protecting or recovering the interest insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

13.5 General average

In the event of a general average contribution arising under this Policy consult us or our nominated settling agent before signing any general average bond.

13.6 Apportionment of recoveries

Where a recovery is obtained from a carrier or other third party, such recovery, at our discretion, will be apportioned between you and us in the same proportion as we have each borne such loss.

13.7 Fraud

If any claim in whole or part is fraudulent or false in any respect we may be entitled to avoid paying the claim or reduce the amount of the claim settlement. In some circumstances we may also be able to cancel your Policy.

Institute Clauses

Institute and Joint Cargo Committee Clauses

Applying to insured imports and exports the following Clauses are standard marine market wordings. The Institute Clauses referred to in the Policy, the schedule and endorsements are those current at the inception of this contract.

01/01/2009 CL382

Institute Cargo Clauses (A)

RISKS COVERED

Risks

1. This insurance covers all risks of loss of or damage to the subject matter insured except as excluded by the provisions of Clauses 4, 5, 6 and 7 below.

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 any cause except those excluded in Clauses 4, 5, 6 and 7 below.

“Both to Blame Collision Clause”

3. This insurance indemnifies the Assured, in respect of any risk insured herein, against liability incurred under any Both to Blame Collision Clause in the contract of carriage. In the event of any claim by carriers under the said Clause, the Assured agree to notify the Insurers who shall have the right, at their own cost and expense, to defend the Assured against such claim.

EXCLUSIONS

4. In no case shall this insurance cover:

4.1 loss damage or expense attributable to wilful misconduct of the Assured;

4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject matter insured;

4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject matter insured 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);

4.4 loss damage or expense caused by inherent vice or nature of the subject matter insured;

4.5 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);

4.6 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;

4.7 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.

5. 5.1 In no case shall this insurance cover loss damage or expense arising from:

5.1.1 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;

5.1.2 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.

5.2 Exclusion 5.1.1 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.

5.3 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.

6. In no case shall this insurance cover loss damage or expense caused by:

6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power;

6.2 capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat;

6.3 derelict mines torpedoes bombs or other derelict weapons of war.

7. In no case shall this insurance cover loss damage or expense:

7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions;

7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions;

7.3 caused by any 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;

7.4 caused by any person acting from a political, ideological or religious motive.

DURATION

Transit Clause

8. 8.1 Subject to Clause 11 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:

8.1.1 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, or

8.1.2 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

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

8.1.4 on the expiry of 60 days after completion of discharge overseaside of the subject matter insured from the overseas vessel at the final port of discharge,

whichever shall first occur.

8.2 If, after discharge overseaside from the overseas 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 8.1.1 to 8.1.4, 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.

8.3 This insurance shall remain in force (subject to termination as provided for in Clauses 8.1.1 to 8.1.4 above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

Termination of Contract of Carriage

9. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before unloading of the subject matter insured as provided for in Clause 8 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:

9.1 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

9.2 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 8 above.

Change of Voyage

10. 10.1 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.

10.2 Where the subject matter insured commences the transit contemplated by this insurance (in accordance with Clause 8.1), 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

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

11.2 Subject to Clause 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Forwarding Charges

12. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a port or place other than that to which the subject matter insured is covered under this insurance, the Insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject matter insured to the destination to which it is insured.

This Clause 12, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 4, 5, 6 and 7 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their employees.

Constructive Total Loss

13. No claim for Constructive Total Loss shall be recoverable hereunder unless the subject matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject matter insured to the destination to which it is insured would exceed its value on arrival.

Increased Value

14. 14.1 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.

14.2 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

15. This insurance:

15.1 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,

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

MINIMISING LOSSES

Duty of Assured

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

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

16.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised

and the 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

17. 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

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

LAW AND PRACTICE

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

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01/01/2009 CL387

Institute Cargo Clauses (Air) (Excluding Sendings by Post)

RISKS COVERED

Risks

1. This insurance covers all risks of loss of or damage to the subject matter insured except as excluded by the provisions of Clauses 3, 4 and 5 below.

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 Clauses 3, 4 and 5 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 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.

4. In no case shall this insurance cover loss damage or expense caused by:

4.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power;

4.2 capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat;

4.3 derelict mines torpedoes bombs or other derelict weapons of war.

5. In no case shall this insurance cover loss damage or expense:

5.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions;

5.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions;

5.3 caused by 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;

5.4 caused by any person acting from a political, ideological or religious motive.

DURATION

Transit Clause

6. 6.1 Subject to Clause 9 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:

6.1.1 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, or

6.1.2 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

6.1.3 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

6.1.4 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.

6.2 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 6.1.1 to 6.1.4, 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.

6.3 This insurance shall remain in force (subject to termination as provided for in Clauses 6.1.1 to 6.1.4 above and to the provisions of Clause 7 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

7. 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 6 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:

7.1 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

7.2 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 6 above.

Change of Transit

8. 8.1 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.

8.2 Where the subject matter insured commences the transit contemplated by this insurance (in accordance with Clause 6.1), 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

9. 9.1 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.

9.2 Subject to Clause 9.1 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.

Forwarding Charges

10. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a place other than that to which the subject matter insured is covered under this insurance, the Insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject matter insured to the destination to which it is insured.

This Clause 10, which does not apply to salvage charges, shall be subject to the exclusions contained in Clauses 3, 4 and 5 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their employees.

Constructive Total Loss

11. No claim for Constructive Total Loss shall be recoverable hereunder unless the subject matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject matter insured to the destination to which it is insured would exceed its value on arrival.

Increased Value

12. 12.1 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.

12.2 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

13. This insurance:

13.1 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,

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

MINIMISING LOSSES

Duty of Assured

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

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

14.2 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

15. 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

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

LAW AND PRACTICE

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

NOTE: Where a continuation of cover is requested under Clause 7, or a change of destination is notified under Clause 8, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

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01/01/2009 CL383

Institute Cargo Clauses (B)

RISKS COVERED

Risks

1. This insurance covers, except as excluded by the provisions of Clauses 4, 5, 6 and 7 below,

1.1 loss of or damage to the subject matter insured reasonably attributable to:

1.1.1 fire or explosion;

1.1.2 vessel or craft being stranded grounded sunk or capsized;

1.1.3 overturning or derailment of land conveyance;

1.1.4 collision or contact of vessel craft or conveyance with any external object other than water;

1.1.5 discharge of cargo at a port of distress;

1.1.6 earthquake volcanic eruption or lightning;

1.2 loss of or damage to the subject matter insured caused by:

1.2.1 general average sacrifice;

1.2.2 jettison or washing overboard;

1.2.3 entry of sea lake or river water into vessel craft hold conveyance container or place of storage;

1.3 total loss of any package lost overboard or dropped whilst loading on to, or unloading from, vessel or craft.

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 any cause except those excluded in Clauses 4, 5, 6 and 7 below.

“Both to Blame Collision Clause”

3. This insurance indemnifies the Assured, in respect of any risk insured herein, against liability incurred under any Both to Blame Collision Clause in the contract of carriage. In the event of any claim by carriers under the said Clause, the Assured agree to notify the Insurers who shall have the right, at their own cost and expense, to defend the Assured against such claim.

EXCLUSIONS

4. In no case shall this insurance cover:

4.1 loss damage or expense attributable to wilful misconduct of the Assured;

4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject matter insured;

4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject matter insured 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);

4.4 loss damage or expense caused by inherent vice or nature of the subject matter insured;

4.5 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);

4.6 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;

4.7 deliberate damage to or deliberate destruction of the subject matter insured or any part thereof by the wrongful act of any person or persons;

4.8 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.

5. 5.1 In no case shall this insurance cover loss damage or expense arising from:

5.1.1 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;

5.1.2 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;

5.2 Exclusion 5.1.1 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;

5.3 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.

6. In no case shall this insurance cover loss damage or expense caused by:

6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power;

6.2 capture seizure arrest restraint or detainment, and the consequences thereof or any attempt thereat;

6.3 derelict mines torpedoes bombs or other derelict weapons of war.

7. In no case shall this insurance cover loss damage or expense:

7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions;

7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions;

7.3 caused by any 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;

7.4 caused by any person acting from a political, ideological or religious motive.

DURATION

Transit Clause

8. 8.1 Subject to Clause 11 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:

8.1.1 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, or

8.1.2 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

8.1.3 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

8.1.4 on the expiry of 60 days after completion of discharge overseas of the subject matter insured from the overseas vessel at the final port of discharge,

whichever shall first occur.

8.2 If, after discharge overseas from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the 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 8.1.1 to 8.1.4, 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.

8.3 This insurance shall remain in force (subject to termination as provided for in Clauses 8.1.1 to 8.1.4 above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transhipment 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

9. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before unloading of the subject matter insured as provided for in Clause 8 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:

9.1 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

9.2 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 8 above.

Change of Voyage

10.10.1 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.

10.2 Where the subject matter insured commences the transit contemplated by this insurance (in accordance with Clause 8.1), 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

11.11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject matter insured at the time of the loss.

11.2 Subject to Clause 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Forwarding Charges

12. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a port or place other than that to which the subject matter insured is covered under this insurance, the Insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject matter insured to the destination to which it is insured.

This Clause 12, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 4, 5, 6 and 7 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their employees.

Constructive Total Loss

13. No claim for Constructive Total Loss shall be recoverable hereunder unless the subject matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject matter insured to the destination to which it is insured would exceed its value on arrival.

Increased Value

14.14.1 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.

14.2 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

15. This insurance:

15.1 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,

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

MINIMISING LOSSES

Duty of Assured

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

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

16.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the 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

17. 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

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

LAW AND PRACTICE

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

NOTE: Where a continuation of cover is requested under Clause 9, or a change of destination is notified under Clause 10, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

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01/01/2001 CL354**Institute Classification Clause****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 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 containerhips, 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 dependant upon compliance with that obligation.

LAW AND PRACTICE

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

* For a current list of IACS Members and Associate Members please refer to the IACS website www.iacs.org.uk

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1/1/2009 CL386**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. 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 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, or

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 overseas of the subject matter insured from the overseas vessel at the final port of discharge, whichever shall first occur.

5.2 If, after discharge overseas from the overseas 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, reshipment 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.

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1/1/2009 CL389

Institute Strikes Clauses (Air Cargo)

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. 4.1 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, or

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.

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1/1/2009 CL385

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 detention, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat;

1.3 derelict mines torpedoes bombs or other derelict weapons of war.

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.

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1/1/2009 CL388

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.

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1/3/09 CL390

Institute War Clauses (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 detention, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat;

1.3 derelict mines torpedoes bombs or other derelict weapons of war.

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 any claim based upon loss of or frustration of the voyage or adventure;

3.7 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 attaches only as the subject matter insured and as to any part as that part is first moved in the premises of the senders at the place named in the contract of insurance for the immediate commencement of the transit and continues, but with the exclusion of any period during which the subject matter insured is in packers' premises, until the subject matter insured and as to any part as that part is delivered to the address on the postal package(s) when this insurance shall terminate.

5. Anything contained in this contract which is inconsistent with Clauses 3.6, 3.7 or 4 shall, to the extent of such inconsistency, be null and void.

CLAIMS**Insurable Interest**

6. 6.1 In order to recover under this insurance the Assured must have an insurable interest in the subject matter insured at the time of the loss.

6.2 Subject to Clause 6.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

BENEFIT OF INSURANCE

7. This insurance shall not extend to or otherwise benefit the carrier or other bailee.

MINIMISING LOSSES**Duty of Assured**

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

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

and

8.2 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

9. 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

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

LAW AND PRACTICE

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

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1/12/82 CL271**Institute War Cancellation Clause (Cargo)**

The cover against war risks (as defined in the relevant Institute War Clauses) may be cancelled by either the Underwriters 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 Underwriters.

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1/1/2009**Cargo Piracy Notice of Cancellation**

(For use only with Institute Cargo Clauses)

Where this insurance covers piracy and/or general average, salvage and sue and labour charges arising from piracy, such cover may be cancelled by insurers giving 7 days notice in writing, cancellation to take effect on the expiry of 7 days (10 days in respect of reinsurance) from midnight of the day on which the notice is issued by insurers.

Insurers agree to reinstate this coverage subject to agreement between insurers and the insured prior to the cancellation taking effect as to any new rate of premium and/or conditions and/or warranties. Such cancellation shall not affect any insurance which has attached before the cancellation takes effect.

If the cancellation is in relation to specific geographical areas, such areas will be clearly defined by insurers in the notice of cancellation.

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JC2008/024 Variation

10/11/03 CL380**Institute Cyber Attack Exclusion Clause**

1.1 Subject only to clause 1.2 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 software programme, malicious code, computer virus or process or any other electronic system.

1.2 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, Clause 1.1 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.

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