

CARRIERS LOAD INSURANCE POLICY



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IMPORTANT INFORMATION

INTRODUCTION

This is the Carriers Load Insurance Policy which is designed for the insurance of road hauliers' responsibility for loss or damage to cargo being transported within Australia.

This booklet contains two separate parts:

1. General Information
2. Terms and Conditions

PART ONE: GENERAL INFORMATION

This part of the booklet contains information you need to know before you take out a policy. Please read it carefully before taking out this insurance.

PART TWO: TERMS AND CONDITIONS

This part of the booklet details all the terms, conditions and exclusions relating to the policy. It forms part of your legal contract with us.

If we issue you with an insurance policy, you will be given a policy schedule. The policy schedule sets out the specific terms applicable to your cover and should be read together with the policy terms and conditions.

The policy terms and conditions and the policy schedule we send to you are evidence of your legal contract with us so please keep them in a safe place for future reference. If you require further information about this product, please contact your financial services provider.

ABOUT SURA MARINE

SURA Marine is a trading name of SURA Pty Ltd ABN 36 115 672 350, AFSL 294313. SURA Marine has developed this Carriers Load Insurance Policy which is issued by the insurer referred to below.

SURA Pty Ltd has an authority from the insurer to arrange, enter into / bind and administer this insurance for the insurer.

If you require further information, please contact your broker or SURA Marine.

Our contact details are:

Level 14, 141 Walker Street, North Sydney, NSW, 2060
PO Box 1813, North Sydney, NSW, 2060
Phone: +61 2 9930 9500

ABOUT THE INSURER

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 top 25 insurers and reinsurers in the world.

You should contact SURA Marine in the first instance in relation to this insurance, including in respect of any matters relating to claims.

GENERAL INFORMATION

YOUR 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.

NON-DISCLOSURE

If you do not tell us something

Where the Marine Insurance Act 1909 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 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.

PRIVACY STATEMENT

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

SURA Marine

In this Privacy Statement the use of "We", "Our" or "Us" means SURA Marine and the Insurers unless specified otherwise.

In this Privacy Statement the use of personal information includes sensitive information.

We are committed to protecting the privacy of the personal information that You provide to Us.

The Privacy Act 1988 contains the Australian Privacy Principles which require Us to tell You that We collect, handle, store and disclose Your personal and sensitive information for the specific purpose of:

- deciding whether to issue a policy,
- determining the terms and conditions of Your Policy,
- compiling data to help develop and identify other products and services that may interest clients, and
- handling claims.

Personal information is information or an opinion about an identified individual, or an individual who is reasonably identifiable:

- a) whether the information or opinion is true or not;
- b) whether the information or opinion is recorded in a material form or not.

Sensitive information includes, amongst other things, information about an individual's racial or ethnic origin, political opinions, membership of a political organisation, religious beliefs or affiliations, philosophical beliefs, membership of a professional or trade association, membership of a trade union, sexual orientation or practices, criminal record, health information about an individual, genetic information, biometric information or templates.

You have given Us Your consent to collect, use and disclose Your personal information in order to provide You with the relevant services and/or products.

When You give Us personal information about other individuals, We rely on You to have made or make the individual aware that You will or may provide their personal information to Us and the types of other parties and service providers We may provide it to, the relevant purposes We and the other parties and service providers will use it for, and how they can access it. If You have

not done or will not do either of these things, You must tell Us before You provide the relevant personal information to Us.

We will protect Your information using physical, technical, and administrative security measures to reduce the risks of loss, misuse, unauthorised access, disclosure and alteration. Some of the safeguards that We use are firewalls and data encryption, physical access controls to Our data centres, and information access authorisation controls.

We disclose personal information to other parties and service providers whom We believe are necessary to assist Us and them in providing the relevant services and/or products. For example, in handling claims, We may have to disclose Your personal information to other parties and service providers such as Our claim management partner, other insurers, reinsurers, loss adjusters, external claims data collectors, investigators and agents, facilitators, assessors or other parties as required by law. We will limit the use and disclosure of any personal information provided by Us to them to the specific purpose for which We supplied it.

We may disclose Your personal information to Our insurers, reinsurers, related entities and service providers overseas where it is reasonably necessary for, or directly related to, the functions, services or activities we provide to you. When we transfer Your information to other countries, including countries which may not have data protection laws that provide the same level of protection that exists in Australia, We will protect the information as described in this Privacy Policy.

If You do not provide the personal information requested and/or do not provide Us with Your consent to the use and disclosure of Your personal information as set out in this Privacy Statement, Your insurance application may not be accepted, or We may not be able to administer Your Policy, or You may be in breach of Your duty of disclosure, the consequences of which are set out under the heading Duty of Disclosure in this document.

We will notify you as soon as possible if Your personal information is involved in a data breach that is likely to result in serious harm to You.

If You would like a copy of Our Privacy Policies, would like to seek access to or correct Your personal information, opt out of receiving materials We send, complain about a breach of Your privacy or You have any query on how Your personal information is collected, stored or used, or any other query relating to Our handling of Your personal information, please contact Us.

QBE Australia

We will collect personal information when you deal with us, our agents, other companies in the QBE group or suppliers acting on our behalf. We use your personal information so that we can

do business with you, which includes issuing and administering our products and services and processing claims. Sometimes we might send your personal information overseas. The locations we send it to can vary but include the Philippines, India, Ireland, the UK, the US, China and countries within the European Union.

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 www.qbe.com.au/privacy or contact our customer care unit.

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.

THE GENERAL INSURANCE CODE OF PRACTICE

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

You can access the Code at www.codeofpractice.com.au

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, ACFA 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: 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

TERMS AND CONDITIONS

INSURER

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

OUR AGREEMENT WITH YOU

We agree, subject to the terms, limitations, exclusions and conditions contained in or endorsed on or otherwise expressed in the policy, to provide insurance as described in this policy.

This insurance is in consideration of the insured named in the policy schedule:

- a) having paid or agreed to pay the premium;
- b) providing to the insurers a written application (proposal).

The policy wording, policy schedule (which expression includes any policy schedule substituted for the original policy schedule) and endorsements (if any) are to be read together.

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 30 days from the date of signing the purchase contract or date of formation;
- c) you declare to us the estimated gross freight earnings, type of goods carried and past claims history;
- d) you agree to the additional conditions and premium required by us.

GST

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

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 Input Tax Credit on your premium as a percentage of the total GST on that premium.

1. THIS INSURANCE CONTRACT

This policy wording contains all of the insurance cover available under your Carriers Load Insurance Policy.

1.1 No insurance for your customers, principals or subcontractors

The cover provided by this policy indemnifies you for your responsibility for any loss or damage to goods, including livestock, which you are carrying in the normal course of transit. This policy does not provide insurance cover for your customers, principals or subcontractors.

We insure you if you subcontract the transportation of the goods or are acting as a subcontractor to a principal carrier.

1.2 There are different cover options available in this policy:

Cover Option 1 – Basic Cover

Optional Additional Covers:

- Additional expenses
- Collapse of decks
- Mismanagement / failure of refrigerating machinery
- Rainwater damage
- Shedding of load
- Theft, pilferage and non-delivery
- Loading and unloading risks

Cover Option 2 – Comprehensive Cover

Cover Option 3 – Liability for Cargo

Each of these cover options provides a different type of cover. You can select the cover options that you need in the application form you give us.

We do not automatically insure you for each type of cover. You are only insured for the cover that you requested in your application for insurance.

Your policy schedule shows which insurance cover options you have selected and the amounts you are covered for.

2. WHEN YOUR INSURED TRANSITS START AND FINISH

During the period of insurance, we will insure you while the goods are in the ordinary course of transit and in the custody of either you or your subcontractor. The insurance does not cover loss of or damage to goods or death of livestock or any related expense that occurs during storage at the election of or on the instruction of the owner of the goods or livestock.

3. COVER OPTION 1: BASIC COVER

3.1 The cover

We will indemnify you in relation to goods, including livestock, where they have sustained loss or damage which has been caused by an insured event. We will indemnify you irrespective of your legal liability or any terms or conditions of carriage.

The insured event must occur during the period of insurance and within the geographical limits specified in the policy schedule.

At your request, we may agree to defend your liability for loss or damage to goods or death of livestock, in which case we will indemnify you for reasonable legal costs. If, in our opinion, sufficient grounds do not exist to defend your liability, we will indemnify you for your customers' claim(s) against you to the extent of the cover provided by this policy.

3.2 Insured events

This policy covers loss of or damage to the goods and/or death of livestock while contained in the conveying vehicle or your or your subcontractor's premises caused by:

- fire, lightning, hail or explosion
- flood
- collision of the conveying vehicle
- collision, crashing or forced landing of aircraft
- jack-knifing, overturning and/or derailment of the conveying vehicle
- impact of any object which is not on or part of the conveying vehicle with the goods or livestock
- malicious damage to goods on the conveying vehicle.

This cover excludes impact of the road surface and allied areas with the goods or livestock unless caused by an insured event specified above.

Livestock

This policy includes the risks of death or humane killing of livestock that is necessary when caused by an insured event.

Refrigerated Goods

Where refrigerated goods are specified in the policy schedule, cover is extended to include deterioration of the goods following an insured event specified above.

4. OPTIONAL ADDITIONAL COVERS

Only when it is specified in the policy schedule that the policy includes any of the following optional additional covers, Cover Option 1: Basic Cover is extended as follows:

4.1 Additional expenses (optional cover)

This policy covers you for any liability that you incur as a result of additional expenses for loss of market, delay, consequential loss (excluding fines and penalties and pollution liability) incurred by any of your clients in respect of loss of or damage to goods caused by an insured event or any optional additional covers that are insured against.

Claims will be settled with you subject to a limit 20% of the limit of liability stated in the policy schedule.

4.2 Collapse of decks (optional cover)

This policy covers death or humane killing of livestock caused by the collapse of decks on the conveying vehicle provided that:

- a) the conveying vehicle/trailer used for the transit is suitable for the size, weight and volume of the livestock being transported;
- b) the conveying vehicle and trailer are fully registered and maintained in accordance with government transport regulations.

4.3 Loading and unloading risks (optional cover)

This policy covers accidental loss of or damage to the goods or injury to/death of livestock, caused during the loading or unloading of the goods or livestock as defined below.

General cargo:

- i. Loading commences when the goods are picked up inside the warehouse/premises or place of storage for loading onto the conveying vehicle and terminates when the goods have been placed on the conveying vehicle.
- ii. Unloading commences when the goods are being unloaded from the conveying vehicle and terminates when the goods are placed inside the warehouse/premises or place of storage.

Livestock:

- i. Loading commences when the livestock proceed onto the loading ramp of the conveying vehicle from the ground or loading dock adjacent to the conveying vehicle and terminates when the livestock have been positioned on the conveying vehicle.
- ii. Unloading commences when the livestock proceed onto the loading ramp and terminates when the livestock are positioned on the ground or loading dock adjacent to the conveying vehicle.

Motor vehicles:

- i. Loading commences when the motor vehicle's wheels/tracks are driven onto the loading ramps of the conveying vehicle from the ground or loading dock adjacent to the conveying vehicle and terminates when the motor vehicle has been positioned on the conveying vehicle.
- ii. Unloading commences from the time the motor vehicle commences to drive off the loading ramps and terminates when the motor vehicle is parked on the ground or loading dock adjacent to the conveying vehicle.

Note: Where a tilt tray vehicle is used to convey goods, the above motor vehicle wording will also apply.

Crane:

- i. Loading commences when the goods are picked up by the crane hook from the warehouse/premises or place of storage for loading onto the conveying vehicle and terminates when the goods have been positioned on the conveying vehicle.
- ii. Unloading commences when the goods are picked up by the crane hook and terminates when the goods are positioned inside the warehouse/ premises or place of storage.

4.4 Mismanagement / failure of refrigerating machinery (optional cover)

This policy covers loss damage or deterioration of refrigerated goods due to variation in temperature caused by:

- a) accidental failure, breakdown, stoppage or malfunction of the refrigerating machinery
- b) mismanagement of the refrigerating machinery by you or your subcontractors

resulting in variation in temperature outside of the required range for more than 4 hours, unless a different period is specified in the policy schedule.

Claims for mismanagement of refrigeration machinery are subject to a deductible of 10% of the value of the claim unless a different amount is specified in the policy schedule.

If required by us you will provide evidence that the refrigeration machinery has been properly maintained.

Deterioration resulting from a failure to maintain refrigeration equipment is not covered.

4.5 Rainwater damage (optional cover)

This policy covers accidental loss of or damage to goods caused by the goods being wetted by rainwater provided that:

- a) this policy does not cover the goods during any period of incidental storage in any warehouse or other building
- b) the conveying vehicle and equipment used for the transit is suitable for the safe carriage of the goods
- c) you take all reasonable steps to ensure that the goods are securely and adequately packed on the conveying vehicle

This cover is subject to a deductible of \$500 or the deductible shown in the policy schedule, if one is shown.

4.6 Shedding of load (optional cover)

This policy covers accidental loss of or damage to goods caused by the goods falling from the conveying vehicle during the normal course of transit provided that:

- a) the conveying vehicle used for the transit is suitable for the size, weight and volume of the goods being transported;
- b) you take all reasonable steps to ensure that the goods are securely and adequately packed on the conveying vehicle.

This extension is subject to a deductible of \$500 or the deductible shown in the policy schedule, if one is shown.

4.7 Theft, pilferage and non-delivery (optional cover)

This policy covers theft, which term includes hijack and armed hold up, pilferage or non-delivery of goods.

5. COVER OPTION 2: COMPREHENSIVE COVER

5.1 The cover

We will indemnify you or any other party directed by you in relation to goods and/or livestock owned by others where you accept responsibility for loss of or damage or death of livestock caused by an insured event for:

- nominated client(s)
- a commodity that has been declared and agreed to by us

as shown in the current policy schedule.

The insured event must occur during the period of insurance and geographical limits specified in the policy schedule.

At your request, we may agree to defend your liability for loss or damage to goods or death of livestock, in which case we will indemnify you for reasonable legal costs. If, in our opinion, sufficient grounds do not exist to defend your liability, we will indemnify you for your customers' claim(s) against you to the extent of the cover provided by this policy.

5.2 Insured events

Non-refrigerated goods

This policy covers accidental loss of or damage to the goods and loss or damage caused by the deliberate act of a third party.

Refrigerated goods

This policy covers accidental loss of or damage to the goods and loss or damage caused by the deliberate act of a third party but excluding deterioration unless caused by variation in temperature following:

- i. accidental failure, breakdown, stoppage or malfunction of the refrigerating machinery
- ii. mismanagement of the refrigerating machinery by you or your subcontractors

and results in variation in temperature outside of the required range for a period of not less than 4 hours or the period specified in the policy schedule.

Claims for mismanagement of refrigeration machinery are subject to a deductible of 10% of the value of the claim unless a different amount is specified in the policy schedule.

If required by us you will provide evidence that the refrigeration machinery has been properly maintained.

Deterioration resulting from a failure to maintain refrigeration equipment is not covered.

Livestock

This policy covers death of animals caused by accident or natural causes provided the animals are:

- i. in a good state of health prior to loading;
- ii. fit for travel.

Cover includes death or humane killing of livestock necessary following an insured event.

5.3 Additional expenses

Cover Option 2 is extended to cover additional expenses for loss of market, delay, consequential loss (excluding fines and penalties and pollution liability) incurred by any of your clients in respect of loss of or damage to goods caused by an insured event.

Claims will be settled with you subject to a maximum of 20% of the limit of liability stated in the policy schedule unless otherwise specified in the policy schedule.

6. BASIC COVER AND COMPREHENSIVE COVER – COVER EXTENSIONS**6.1 Onforwarding charges**

We will pay all reasonable costs necessarily incurred in unloading, storing and forwarding the goods (excluding commercial bulk consignments of dangerous goods) by road to the original destination in Australia necessary following an insured event.

Subject to a limit of \$25,000 unless otherwise specified in the policy schedule.

6.2 Livestock

Where livestock have been included in the interest insured specified in the policy schedule, the following additional benefits will apply:

Agistment expenses

The reasonable costs and expenses necessarily incurred in maintaining the animals at agistment when consequent upon an insured event.

Mustering costs

The reasonable costs and expenses necessarily incurred for mustering of the animals at the scene of the accident when consequent upon an insured event.

Wandering off

Loss of animals due to “wandering off” from the scene of the accident following an insured event.

Cover for the additional benefits referred to above are subject to a per animal limit of \$500 and a combined annual aggregate limit of \$50,000 per policy year unless otherwise shown in the policy schedule.

6.3 Transits by sea

Where goods are being transported by sea, the insured events are extended to include:

- stranding, sinking, burning, grounding, collision or contact of the vessel with any object other than water
- any general average and or salvage contribution that you are required to pay
- the risks of jettison, washing overboard and loss or damage caused by a general average sacrifice

7. COVER OPTION 3: LIABILITY FOR CARGO

7.1 The cover

The insurance cover provided by this cover option applies to transits:

- a) where the consignor/owner accepts and signs your approved terms and conditions and they apply to the transit.
- b) where by mistake, your approved terms and conditions were not accepted and signed by the consignor/owner of the goods.

7.2 Insured events

We will indemnify you for all sums that you become legally liable to pay under the terms of your approved terms and conditions for:

- a) compensation for loss of or damage to goods or death of livestock entrusted to your care.
- b) delay, loss of market or consequential loss that is caused solely by the loss of or damage to the goods or death of livestock.

The insured event must occur during the period of insurance and geographical limits specified in the policy schedule.

7.3 Your cover may be reduced where:

- a) you intentionally choose not to use the approved terms and conditions.
- b) your changing or waiver of the approved terms and conditions increases your liability and you have not obtained our approval of the changes or waiver.

In these circumstances we will reduce our liability to that which would have applied had your approved terms and conditions been incorporated into the contract of carriage.

8. HOW MUCH WE WILL PAY

8.1 Cover Option 1: Basic Cover Cover Option 2: Comprehensive Cover

Subject to the limit of liability shown in the policy schedule, the amount payable, at our option, will be either:

- a) the cost of repairing or replacing the lost or damaged goods or
- b) the actual value at the time of loss of the lost or damaged goods (i.e. unless the goods were new, an amount for depreciation and wear and tear will be deducted from the claim).

In addition, we will pay legal costs incurred by you with our consent.

8.2 Cover Option 3: Liability for Cargo

Subject to the limit of liability shown in the policy schedule, the amount payable for loss of or damage to goods and consequential loss covered by this policy will be the actual liability incurred by you.

In addition, we will pay legal costs incurred by you with our consent.

8.3 Limit of liability

The limits of liability stated in:

- a) the policy schedule;
- b) any endorsements;

and any sub-limits expressed in this policy apply to any one accident or series of accidents caused by the one event.

Legal costs and other expenses incurred by you with our consent are payable in addition to the limit of liability.

8.4 Automatic reinstatement

When an amount is paid under this policy, the limit of liability is automatically reinstated to the amount specified in the current policy schedule without payment of additional premium.

8.5 Who we will pay

Amounts payable under this policy will be paid to you or any other party directed by you and will discharge our liability under the policy for the loss.

9. WHAT YOU MUST PAY IF YOU MAKE A CLAIM

9.1 Deductible (excess)

For claims you make on this policy, you will have to pay the deductible which is shown on your policy schedule. If more than one deductible is payable under this policy for any claim or series of claims arising from the one accident you must pay the highest deductible, but you pay only one deductible. Unless otherwise stated in the policy schedule, and with the exception of hail damage claims, no deductible will apply to the insured events detailed in Clause 3.2 of Cover Option 1: Basic Cover.

10. AUTOMATIC COVER EXTENSIONS

The following extensions automatically apply to this insurance.

10.1 Accumulation

In the event of accumulation of goods during transport or transshipment beyond the policy limits of liability due to interruption of transit and or other circumstances beyond your control, the policy limits of liability shown in the policy schedule will be increased automatically provided that the accumulation of the goods beyond such limits is outside your control and you give us immediate notice as soon as the circumstances are known to you.

The most we will pay under this clause is double the limits of liability shown in the policy schedule or \$10million whichever is the lesser.

10.2 Miscellaneous equipment

This policy covers loss of or damage to miscellaneous equipment while carried in your conveying vehicle caused by the following insured events:

- Fire
- Flood
- Collision of the conveying vehicle except with the curb or uneven road surface
- Jack-knifing, overturning of the conveying vehicle
- Theft following forcible and violent entry into a securely locked conveying vehicle

Subject to a limit of \$25,000 unless otherwise specified in the policy schedule and provided the loss is not recoverable under any other policy of insurance.

‘Miscellaneous equipment’ means:

webbing straps, tarpaulins, ropes and chains, trolleys, gates and dogs belonging to you or for which you are responsible.

10.3 Packaging

This policy covers loss of or damage to packaging while carried in transit caused by an insured event. Subject to a limit of \$50,000 unless otherwise specified in the policy schedule and provided the costs are not recoverable under any other policy of insurance.

‘Packaging’ means:

packing materials, crates, pallets, or similar receptacles belonging to you or for which you are responsible.

10.4 Personal property

This policy covers you for loss of or damage to the personal property, owned by you or for which you are legally responsible, including that of your employee(s) caused by the following insured events:

- Fire
- Flood
- Collision of the conveying vehicle except with the curb or uneven road surface
- Jack-knifing, overturning of the conveying vehicle
- Theft following forcible and violent entry into a secured locked conveying vehicle

Subject to a limit of \$2,000 unless otherwise specified in the policy schedule and provided the loss is not recoverable under any other policy of insurance.

‘Personal property’ means:

bedding, CB/UHF and scanner radios, food/drink and its containers (e.g. thermos-flasks, eskies and mobile fridges), clothing and personal accessories, footwear, mobile telephones, pagers, portable radio, radio cassette and portable compact disc players, and wallet BUT EXCLUDING money, credit cards, watches and jewellery. Claims for compact-discs and audio tapes are limited to \$300.

10.5 Removal of debris / clean-up costs

We cover you for all reasonable costs and expenses incurred in removing and disposing of damaged goods or dead livestock (this includes the cost of cleaning the accident site but not any expense or liability of any kind incurred as a result of the actual or potential discharge, emission, spillage or leakage of any liquid or gas pollutant of any kind or nature beyond the road surface and the road verge at the accident site).

The most we will pay under this clause is \$50,000 unless otherwise specified in the policy schedule.

10.6 Resecuring

This policy covers you for all reasonable costs and expenses incurred in resecuring the goods where there has been movement of the goods in transit, which makes resecuring necessary.

We cover these costs and expenses even though there may be no loss or damage to the goods provided the circumstances necessitating the resecuring 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 unless otherwise specified in the policy schedule and provided these costs are not recoverable under any other policy of insurance.

11. WHEN YOU ARE NOT COVERED

The exclusions set out in this part apply to all cover options provided by this policy.

This policy does not cover any loss damage or liability:

- a) occurring during storage at the election of or on the instruction of the owner of the goods or livestock
- b) to property other than the goods specified in this policy and the policy schedule
- c) to goods carried in a conveying vehicle which is unsafe or unroadworthy unless the condition of the conveying vehicle could not reasonably have been detected by you or it did not contribute to the loss
- d) to goods when the conveying vehicle is being driven by a driver who is not licensed under the applicable law to drive the conveying vehicle unless you did not know and could not reasonably have known that the driver was unlicensed
- e) to goods when the conveying vehicle is being driven by a person whose faculties are impaired by a drug or intoxicating liquor or who has a concentration of alcohol in his or her blood in excess of that permitted by law for a driver of a motor vehicle unless you did not know and could not reasonably have known that the driver was so affected.

This exclusion will not apply to the extent that there are any statutory provisions to the contrary.

- f) to goods out of any wilful act or acts committed by you or someone with your knowledge or connivance
- g) to goods as a result of delay, loss of market, loss of profits or any consequential loss other than as covered by Clauses 4.1 and 5.3 (Additional Expenses) or Cover option 3: Liability for Cargo, and only if those cover options or additional benefits have been selected by you when you purchased this insurance
- h) to goods as a result of electronic, electrical or mechanical failure unless there is visible external physical damage which occurred during transit caused by an insured event
- i) to goods directly or indirectly caused by war, acts of war (whether war be declared or not), rebellion, revolution, nationalisation, requisition, destruction or damage by or by the order of any government, public authority or local authority
- j) for fines, penalties, aggravated exemplary or punitive damages
- k) arising from ordinary leakage, ordinary loss in weight or volume, ordinary wear and tear, or inherent vice or nature of the goods

- l) arising from strikes, lock-outs, labour disturbances, riots or civil commotions or caused by strikers, locked out workmen or persons taking part in labour disturbances, riots or civil commotions.

In no case shall this insurance cover 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 actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of asbestos.
- f) any chemical, biological, bio-chemical or electromagnetic weapon.

In addition, the following clause shall be paramount and shall override anything else contained in this insurance.

Notwithstanding any provision to the contrary contained in this policy or the clauses referred to within this policy, it is agreed that in so far as this policy covers loss of or damage to the goods caused by terrorism or any terrorist or any person acting from a political motive, such cover is conditional upon the goods being in the ordinary course of transit.

12. GENERAL CONDITIONS

The insurance cover provided by this policy is subject to the following additional conditions.

12.1 Your responsibility for your liability

We are liable to you for loss or damage covered by this policy whether assumed by you or for which you are legally liable. This liability does not create an interest in this policy on behalf of any person in relation to any loss or damage for which you have accepted liability under this policy. You, not us, are responsible for any liability that you have accepted in the course of your business.

12.2 You are not our agent

You may not represent to any party that you are able to arrange insurance cover under this policy or otherwise on behalf of us. If you make any such representation we may refuse to pay a claim and treat the policy as never having been affected.

12.3 Alteration of risk

If you do or omit to do something which materially changes the risk that increases the chances of future loss, you must give us immediate notice in writing.

12.4 Due care

At all times, you must take appropriate care in

- a) the handling, moving and storing of goods in your care, custody or control
- b) issuing and obtaining your customers' agreement to your agreed terms and conditions (where applicable).

Failure to comply with this condition may prejudice your claim.

12.5 Insufficiency of packing

We may reduce our liability to you under Cover Option 1 and Cover Option 2 to the extent that it can be shown that the loss or damage being claimed is wholly or partly due to the goods not being adequately packed or prepared by your customer to withstand the normal rigours of transit.

12.6 Premium calculation

The method of premium calculation will be shown in the policy schedule.

This will either be:

- a) adjustable on actual gross freight earnings.
- b) adjustable on the number of operating vehicles.

12.7 Premium adjustment

As specified in the policy schedule and detailed below:

Adjustable on actual gross freight earnings

If the policy schedule shows a deposit premium based on your estimated gross freight earnings it is calculated at the commencement of each period of insurance based on information you give us.

You are required to declare to us your actual gross freight earnings within one month of the end of a period of insurance.

The premium payable is calculated on the actual gross freight earnings during the period of insurance being adjusted at the agreed rate(s).

The difference between the premium for the actual gross freight earnings and the deposit premium will be paid by or refunded to you but always subject to a minimum of 75% of the deposit premium being retained by us.

If your deposit premium is less than \$25,000 and the variance between estimated and actual figures is less than 10% then we will waive the amount calculated as owing by you.

Adjustable on number of operating vehicles

If the policy schedule shows a deposit premium based on the number of vehicles, the deposit premium is calculated at the commencement of each period of insurance based on the number of vehicles declared by you.

The declaration of vehicles must include registration numbers. You must advise us during each period of insurance details of any additional or replacement vehicles within 14 days of purchase.

You are required to declare to us the actual number of vehicles operated by you during the period of insurance within one month of the end of a period of insurance.

The premium payable for the insurance is calculated on the number of vehicles operated by you during the period of insurance being adjusted with the agreed flat premium per vehicle.

The deposit premium is based on the number of vehicles at the beginning of the period and is adjusted on the basis of 50% of the difference between the number of operating vehicles at the end of the period of insurance compared to the number of operating vehicles at the beginning of the period of insurance and the difference will be paid by or refunded to you.

12.8 Preventing insurer's right of recovery

Where another party is liable to compensate you for loss, damage or liability which is covered by your policy but you have agreed not to seek recovery from that party, we will not cover you under this policy for that loss, damage or liability to the extent that we have been prejudiced by your agreement with that party.

12.9 Third party interests

You must inform us of the interests of all parties to be covered by this policy. We can protect the interest of other parties only if you have informed us and such interest(s) are noted in your policy schedule.

12.10 Cancellation

How you may cancel this policy

You may cancel this policy at any time by giving us notice in writing.

How we may cancel this policy

We may cancel this policy only when permitted to do so by law and after informing you in writing.

The Premium

Upon cancellation, we will refund a pro rata proportion of the premium received by us. When the premium is based on gross freight earnings or any other variable amount which is required to be declared to us, the refund of premium will be made after the relevant variable amount has been declared to us for the period during which this policy was operative.

12.11 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.

12.12 Headings

The headings and titles of paragraphs in the policy are included for descriptive purposes only and do not form part of this policy for the purposes of its construction or interpretation, except for the headings contained in "Definitions" (Clause 14) of this policy.

13. CLAIMS

13.1 What you must do

Following an event that is likely to give rise to a claim under this policy, you must take the following steps:

Immediate action

- Take all reasonable measures to avoid or minimise any loss damage or (we will pay the reasonable and necessary cost of doing this)
- Inform the police as soon as possible after a theft is discovered

Notification

- You must inform us of the event as soon as possible. We will not accept notification from any other person including any client nominated under Cover Option 2: Comprehensive Cover
- Submit to us full written particulars as soon as possible
- Send to us all correspondence and documents relating to the event
- Reject any claim made against you and deny any liability in writing in accordance with the terms and conditions of the consignment note (where you have not accepted responsibility) and advise us immediately

- Provide or arrange for us to be provided with invoices, statements and other documents evidencing the amount of the loss

13.2 What should not be done

- Do not admit liability
- Do not repair or replace any goods until you have our approval
- Do not dispose of the damaged goods without our approval

13.3 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
- c) inform us of the circumstances and let us have a copy of all relevant documents.

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.

13.4 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.

13.5 Sanctions Limitation and Exclusion Clause

You are not insured under 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.

14. DEFINITIONS

Some key words and terms used in this policy have a special meaning. Wherever the following words or terms are used in the policy, they mean what is set out below:

Accidental

Any occurrence or event which arises during the course of transit and results in loss or damage to the 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.

Approved terms and conditions

Any written agreement defining or limiting your legal responsibility for goods in your care custody and control which has been declared and approved by us prior to the commencement of transit. This includes a consignment note, freight note or conditions of contract issued by you (or a principal contractor) that has been agreed to by the owner of the goods.

Conveying vehicle

Any mode of transport used to transport the goods whether owned or operated by you or a subcontractor.

Goods

General cargo and other property specified in the policy schedule, owned by others, including shipping containers and flatracks, while in your or your subcontractors' care, custody or control and carted in your business as a contract haulier.

Gross freight earnings

The total gross income derived by you during the period of insurance out of the carriage of goods whether as principal, subcontractor or through subcontractors without deduction of any cost, payments to others or expenses of any kind.

Terrorism

Any act(s) of any person(s) or organisation(s) involving:

- a) the causing, occasioning or threatening of harm of whatever nature and by whatever means
- b) putting the public or any section of the public in fear, in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) concerned are wholly or partly political, religious, ideological or similar nature.

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

We, our, us

QBE Insurance (Australia) Limited ABN 78 003 191 035.

You, your, yours

The person(s), companies or firms named on the current policy schedule as the insured carrier.

SURA Pty Ltd ABN 36 115 672 350,
AFSL 294313.

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In providing any financial services
SURA acts under a binder as an
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Limited ABN 78 003 191 035, AFSL
239545

SURA Marine supports positive
initiatives for our environment.

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