AXA

XL Insurance

Marine

Duck for Cover

Performers Equipment Insurance

Product Disclosure Statement
and
Policy Wording

September 26

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PART 1 – PRODUCT DISCLOSURE STATEMENT

1. PRODUCT DISCLOSURE STATEMENT

IMPORTANT INFORMATION

This Product Disclosure Statement (PDS) is an important legal document that contains details of your insurance policy. This PDS contains important information required under Part 7.9 of the Corporations Act 2001 (Cth) and has been prepared to assist you in understanding the policy and making an informed choice about your insurance requirements. This PDS sets out the significant features of the policy including the benefits, limitations and risks and information about premiums.

Before you decide to buy insurance, please read this PDS thoroughly. You will also need to read the policy wording for a full description of the terms, conditions, limitations and exclusions of the insurance policy. If you have any questions, please contact your insurance broker.

The preparation date for this PDS is 12th November, 2021.

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

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

- who our target market for this product is;
- any conditions or restrictions on who the product can be sold to;
- events and circumstances that would reasonably suggest that this TMD is no longer appropriate and review periods; and
- reporting obligations and periods.

The TMD for this policy is available free of charge. Please contact us or your broker if you would like a copy of the TMD.

ABOUT THE POLICY

Duck for Cover purchase a group Performers Equipment Policy via their insurance broker, Steadfast IRS. If you are a member of Duck for Cover, Steadfast IRS can arrange for this policy to cover you.

When you request this insurance, you will be given the Product Disclosure Statement (PDS). This describes the main features of the Policy.

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

Duck for Cover is not an Australian Financial Services (AFS) licensee or a related body corporate of an AFS licensee or a representative of an AFS licensee. Duck for Cover do not act on behalf of, nor receive any rebates, commissions or payments from, any broker, insurer or any financial service provider.

ABOUT AXA XL – THE INSURER

This product is arranged and issued by Catlin Australia Pty Ltd ABN 64 108 319 786 AFS License No: 301617 ("Catlin Australia"), acting under a binding authority given to it by XL Insurance Company SE (Australia Branch), to administer and issue policies, alterations, renewals, to collect and process premiums and to manage and settle claims for an on behalf of XL Insurance Company SE (Australia Branch). All reference in this PDS to we, our or us shall mean Catlin Australia acting under this binding authority. Catlin Australia and and XL Insurance Company SE (Australia Branch) are both part of AXA XL, a division of the AXA Group.

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

Throughout this PDS, references to 'we', 'our' or 'us' means AXA XL, XL Insurance Company SE (Australia Branch) and Catlin Australia Pty Ltd.

RETAIL CLIENTS

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

1. individuals or a small manufacturing business, employing less than 100 people or any other business employing less than 20 people;

and

2. that are being provided financial services or products that relate to insurance covers including personal property and contents whilst being moved and stored.

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

DUTY OF DISCLOSURE UNDER THE MARINE INSURANCE ACT 1909

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

DUTY NOT TO MISREPRESENT

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

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

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

When answering the Insurer's questions:

- take reasonable care to make sure your answers are true, honest, up to date and complete in all respects. You may breach the duty if you answer without any care as to its truth or if you only guess or suspect the truth. If in doubt, pause the application and obtain the true facts before answering; and

- if another person is answering for you, the Insurer will treat their answers as yours. In such a case you should check the questions have been answered correctly on your behalf by them.

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

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

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

Non-disclosure
If you fail to comply with your Duty of Disclosure, the Insurer may cancel our contract or reduce the amount it will pay you if you make a claim, or both. If your failure to comply with the Duty of Disclosure is fraudulent, the insurer may refuse to pay a claim and treat the contract as if it never existed.
If you are in doubt about whether or not a particular matter should be disclosed, please contact Gallagher.

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

NON-DISCLOSURE

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.

IMPORTANT DOCUMENTS

When we accept your application, your contract of insurance is made up of the policy wording, the policy schedule, the proposal (the information you provided to us when applying for the policy) and any other written change to the terms of the policy (such as an endorsement or supplementary PDS).

COOLING-OFF PERIOD

You have the right to cancel the policy within 14 days of the date that the cover is incepted, unless a claim is made under the policy. If you return the policy during the cooling off period, we will refund the full amount of the premium less any duties or taxes payable. The policy will be terminated from the date we receive the request to cancel the policy.

CANCELLING THE POLICY

a. Insured's Right to Cancel
This Policy may be cancelled at any time by written request to Us. If the request to cancel is not received within the 14 day cooling-off period, there shall be no return of any premium paid.

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

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

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

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

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

COST OF THE POLICY

The cost of your policy is the premium due detailed in your policy schedule. It is made up of your premium plus any applicable government taxes and charges. All taxes and charges are shown as separate items on the policy schedule, (e.g. fire service levy, stamp duty depending upon location and GST).

If you have failed to pay the total premium due, we may cancel the policy.

The premium charged is a fixed amount for the duration of the **current membership period** with Duck for Cover.

SIGNIFICANT FEATURES, BENEFITS & EXCLUSIONS

The policy provides a number of significant features and benefits, subject to conditions and exclusions. A number of exclusions apply to the policy and all of them are important. It is important that you read your policy carefully in order to be aware of and understand the extent of cover that we offer.

The below table summarises some of the key exclusions or policy limitations.

Please refer to the policy wording for full details of all relevant exclusions.

Exclusion/Limitation	Summary
Flood	Cover is not provided for any loss or damage caused by actions of the sea or tidal waves.
Loss of Data	Cover is not provided for the loss of any data of any description, or from any device – including if the device itself was damaged.
On-Hired, Leased out or Loaned items	Cover is not provided for any goods You loan, lease to, or hire out to any other party.
Rust, Oxidisation, Discolouration and/or Gradual Deterioration	Cover is not provided for any loss or damage caused by, arising out of, or in any way attributable to rust, oxidisation, discolouration or any other form of gradual deterioration or diminishment in the quality or condition of the insured item over time.
Terrorism	This excludes any loss, damage, cost, expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any Act of Terrorism.

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

MAKING A CLAIM

Benefits are payable if you suffer a loss that is covered under the policy during the policy period, except if an exclusion or condition applies. If you have a loss under the policy you must notify us or your insurance broker as soon as practicable. Full details of the claims notification procedure is set out in the policy.

DEDUCTIBLES/EXCESS

If you make a claim under the policy, you may be required to pay a deductible or excess. Details of applicable deductibles are provided in your policy schedule.

POLICY CONDITIONS

There are some conditions, stipulations, limitations and exclusions that apply to your policy. Please see the full details in Part 2 of this document.

There shall be no amendments, modifications or alterations to this policy, unless specifically agreed to by the Us in writing.

SUBROGATION

You may prejudice your rights with regard to a claim if, without prior approval from us, you make an agreement with a third party that would prevent us from recovering any applicable loss (in whole or in part) from that, or another party.

Your policy will contain provisions that have the effect of excluding or limiting our liability for a claim under the policy if you have entered into any agreement that excludes, limits or delays your right to recover damages from another party in respect of such claim.

COMPLAINTS AND DISPUTE RESOLUTION

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

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

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

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

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

Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001
Telephone: 1800 931 678
Web: www.afca.org.au
Email: info@afca.org.au

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

FINANCIAL CLAIMS SCHEME

The policy may be a protected policy under the Federal Government's Financial Claims Scheme (FCS), which is administered by APRA. The FCS may apply in the event that a general insurance company (such as XL Insurance Company SE (Australia Branch) becomes insolvent. If the FCS applies to the policy, you may be entitled to a payment under the FCS. Access to the FCS is subject to eligibility criteria. You may obtain further information about the FCS from http://www.fcs.gov.au and the APRA hotline on 1300 55 88 49.

PRIVACY COLLECTION STATEMENT

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

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

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

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

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

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

PART 2 – POLICY WORDING

2. Insuring Agreement

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

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

2.1 Insured Goods

The following goods which **You** own or which **You** have contractually accepted responsibility to insure:

> "Principally, Performing Equipment, including Electronic items, musical instruments, costumes, props and set pieces owned by the member, or for which the member is responsible to insure, and limited to those items used specifically in the performance"

2.2 Insured Transits

The **Goods** are insured for the following **Insured Transit**s:

a) Imports
b) Exports
c) Inland transits, and;
d) World to World

as specified in **Your Schedule**.

Any extensions **We** have agreed to **Your Insured Transit**s will be shown in **Your Schedule**.

Any limitations that apply to **Your Insured Transit**s will be shown in the **Policy** and **Your Schedule**.

You are insured for **Damage** to the **Goods** while in transit even though the **Period of Insurance** has ended provided that **Your** insurable interest attached on that cargo during the **Period of Insurance**.

2.3 Commencement and Termination of Insured Transit

2.3.1 Imports / Exports / World to World

Unless otherwise specified in the **Schedule**, the duration clause of the applicable **Institute Clauses** (e.g. Institute Cargo Clauses (A), the Institute Strikes Clauses and the Institute Cargo Clauses (Air)) referred to in clause 2.5 below and in the **Schedule** are extended so that the cover commences in respect of each item of **Goods** when the item is first moved for the specific purpose of loading on to the conveying vehicle for transit to a destination outside the premises, continues during the ordinary course of transit and terminates when:

(i) Each item of **Goods** is placed inside the intended destination/receivers premises;

(ii) On being placed inside any other warehouse or place of storage, whether prior to or at the destination named herein, which either **You** or the receivers elect to use either or storage other than in the ordinary course of transit or for allocation or distribution;

(iii) when **You**, **Your** employees or agents elect to use any **Conveyance** or **Shipping Container** for storage other than in the ordinary course of transit;

(iv) On placing inside such other place as the receiver may instruct; or seventy-two (72) hours after unloading from the final conveying vehicle; For shipments of Temperature controlled or perishable products by sea upon the expiry of five (5) days after discharge overside of the **Goods** from the vessel at the final port of discharge;

whichever shall first occur.

2.3.2 Inland Transits

The cover commences when the **Insured Goods** are first moved for the purpose of being conveyed to a destination outside the premises at which loading takes place.

The cover ends when the **Insured Goods** are last moved in being delivered at the destination but not exceeding seventy-two (72) hours after unloading from the conveying vehicle,
whichever shall first occur or
at any earlier point where **You** have interrupted the ordinary course of transit.

The **Insured Transit**s in respect of both 2.3.1 and 2.3.2 shall include:

(i) any **Goods** at the risk of the **Insured** in transit to or from the premises of any packer or cargo consolidator, whilst they're being packed/consolidated and awaiting shipment (up to a maximum of ninety (90) days) and then while in the ordinary course of transit to final destination.
(ii) any **Goods** which have been "shut out" from the intended **Conveyance**, whilst waiting at a depot, terminal, warehouse, wharf, quay or pier for transfer to and whilst at another depot, terminal, warehouse, wharf, quay or pier subject to **You** notifying **Us** as soon as possible after **You** become aware of such an event.
(iii) any **Goods** which have been "over-carried", until return to the port or place of destination.
(iv) temporary storage incidental to the ordinary course of transit, which has not been requested by **You** or the buyer/seller of the **Goods**, but is necessary solely for the purposes of completing the transit.
(v) where the **Goods** are re-consigned or reshipped direct from a wharf or airport at the intended destination to another destination within the **Geographical Limits** specified in the **Schedule**, until arrival at the final destination.

2.4 Basis of Valuation

(i) All monetary amounts expressed in the **Policy** are Australian Dollars.
(ii) If the amount of a claim is to be calculated based on an invoice in a currency other than Australian dollars, the claim will be paid in Australian dollars at the rate of exchange current at the date the loss or damage occurred.
(iii) Any amount that **We** pay for damage to **Goods** will be limited by the **Limit of Liability** stated in the **Schedule** for any one **Occurrence**.
(iv) Any amount that **We** pay for additional expenses that arise out of the Extensions and Additional Benefits Section provided for in this **Policy** will be limited by the sub-limits stated in the **Policy**. These amounts are payable in addition to any claim for **Damage** to **Goods**, unless stated otherwise.
(v) Any Claims that **We** pay under this **Policy** will have any **Excess** deducted prior to settlement. No **Excess** will apply to General Average or **Salvage** guarantee claims.
(vi) If **You** reinstate damaged **Goods**, after obtaining consent from **Us**, **We** agree to pay the cost of such reinstatement including the value of labour and other overhead charges expended thereon. **Our** liability shall not exceed the amount which would otherwise have been payable hereunder had such reinstatement been carried out by outside contractors.

2.4.1 Imports/Exports/World to World

The following **Basis of Valuation** will apply unless otherwise stated in the **Schedule**.

a) For **Goods** which are imported the basis of valuation will be the Cost, Insurance and Freight (CIF) plus 10% plus duty (if incurred).

b) For **Goods** which are exported or shipped world to world the basis of valuation will be the Cost, Insurance and Freight (CIF) plus 10%.
c) For Import/Export or World to World shipments of plant and equipment, computers and electronic equipment transfers and/ or **Shipping Container**s (New and Used up to 5 years old from date of manufacture).
   (i) Where the **Goods** are destroyed, the cost of replacing the **Goods** with similar **Goods** in a condition equal to pre-existing to the loss but not better or more extensive than their condition when new.
   (ii) Where the **Goods** are damaged, the cost of repairing or reinstating the **Goods** to a condition substantially the same as that pre-existing to the loss but not better or more extensive than its condition when new.
d) For Import/Export or World to World shipments of Plant and equipment, computers and electronic equipment transfers and/ or Shipping Containers (more than 5 years old from date of manufacture).
   (i) Where the Goods are destroyed, the cost of replacing the Goods with similar Goods of the same type, age, specification and condition or as near as possible to that type, age, specification and condition.
   (ii) Where the Goods are damaged, the cost of repairing or reinstating the Goods to a condition equal to but no better or more extensive than the condition immediately prior to the loss or damage.
   (iii) In the case of loss of or damage to any part(s) of an insured plant, equipment, computers or electronic equipment or Shipping Containers or other manufactured item consisting of more than one part caused by a peril covered by this Policy, the amount recoverable shall not exceed the cost of replacement or repair of such part(s) plus labour for (re)fitting and carriage costs. Duty incurred in the provision of replacement or repaired part(s) shall also be recoverable provided that the full duty payable on the insured plant, equipment, computers or electronic equipment or Shipping Containers or manufactured item is included in the Limit of Liability.
   (iv) In the event of a claim recoverable under this Policy necessitating the manufacture of any new part(s) for the repair of an insured plant, equipment, computers or electronic equipment or Shipping Containers or other manufactured item, the amount recoverable shall not exceed the manufacturer's last list price for the year of manufacture of the lost or damaged part(s), uplifted for inflation. Inflation shall be determined by reference to the Retail Price Index, or other officially published data of the country of manufacture of the insured plant, equipment, computers or electronic equipment or Shipping Containers or manufactured item, up to a maximum total uplift of 25%.

If no such manufacturer's list price is available, the total liability shall in no event exceed the **Limit of Liability** for the machine or manufactured item.

Our total liability shall in no event exceed the **Limit of Liability** of the plant, equipment, computers or electronic equipment or containers or manufactured item.

If there is no invoice value for any **Insured Goods**, the value of the **Goods** shall be the cost of replacing the **Goods** with similar **Goods** of the same type, age, specification and condition or as near as possible to that type, age, specification and condition.

2.4.2 Inland Transit

The following **Basis of Valuation** will apply unless otherwise stated in the **Schedule**.

a) **Goods** sold or purchased including **Goods** returned:
   The invoice value of the **Goods** including freight charges where applicable.
b) **Stock Transfers**:
   Intercompany cost including freight, or in the absence of any intercompany cost, the actual cost of the stock to **You** including freight.
c) Plant and equipment, computers and electronic equipment transfers and/ or **Shipping Container**s (New and Used up to 5 years old from date of manufacture).
   (i) Where the **Goods** are destroyed, the cost of replacing the **Goods** by similar **Goods** in a condition equal to preexisting to the loss but not better or more extensive than its condition when new.
   (ii) Where the **Goods** are damaged, the repair of the damage and the restoration of the damaged portion of the **Goods** to a condition substantially the same as that preexisting to the loss but not better or more extensive than its condition when new.

d) Plant and equipment, computers and electronic equipment transfers and/ or **Shipping Container**s (more than 5 years old from date of manufacture)

(i) where the **Goods** are destroyed, the cost of replacing the **Goods** with similar **Goods** of the same type, age, specification and condition or as near as possible to that type, age, specification and condition.

(ii) where the **Goods** are damaged, the cost of repairing or reinstating the **Goods** to a condition equal to but no better or more extensive than the condition immediately prior to the loss or damage.

(iii) In case of loss of or damage to any part(s) of plant, equipment, computers or electronic equipment or **Shipping Container**s or other manufactured item consisting of more than one part caused by a peril covered by this **Policy**, the amount recoverable shall not exceed the cost of replacement or repair of such part(s) plus labor for (re)fitting and carriage costs. Duty incurred in the provision of replacement or repaired part(s) shall also be recoverable provided that the full duty payable on the insured plant, equipment, computers or electronic equipment or **Shipping Container**s or manufactured item is included in the **Limit of Liability** .

(iv) In the event of a claim recoverable under this **Policy** necessitating the manufacture of any new part(s) for the repair of an insured plant, equipment, computers or electronic equipment or **Shipping Container**s or other manufactured item, the amount recoverable shall not exceed the manufacturer's last list price for the year of manufacture of the lost or damaged part(s), uplifted for inflation. Inflation shall be determined by reference to the Retail Price Index, or other officially published data of the country of manufacture of the insured plant, equipment, computers or electronic equipment or **Shipping Container**s or manufactured item, up to a maximum total uplift of 25%.

If no such manufacturer's list price is available, the total liability shall in no event exceed the **Limit of Liability** for the machine or manufactured item.

Our total liability shall in no event exceed the **Limit of Liability** of the plant, equipment, computers or electronic equipment or **Shipping Container**s or manufactured item.

If there is no invoice value for any **Insured Goods**, the value of the **Goods** shall be the cost of replacing the **Goods** with similar **Goods** of the same type, age, specification and condition or as near as possible to that type, age, specification and condition.

2.5 Insuring Clauses

The following Institute Clauses will apply, unless specifically otherwise shown in the **Schedule**, subject to any amendments to the duration clause provisions in 2.3 above.

In respect to inland transits within Australia other than by air or post:

- Institute Cargo Clauses (A). 1.1 2009 (CL 382); and
- Institute Strikes Clauses (Cargo) 1.1 2009 (CL 386)

In respect to the movement of Goods by sea:

- Institute Cargo Clauses (A). 1.1 2009 (CL 382); and
- Institute War Clauses (Cargo). 1.1. 2009 (CL 385); and
- Institute Strikes Clauses (Cargo) 1.1 2009 (CL 386); and
- Institute Classification Clause 1.1.2001 (CL 354); and
- Cargo ISM Endorsement JC 98/019 - 01/05/98; and
- Cargo ISPS Endorsement JC 2004/050 - 04/11/04

In respect movement of Goods moving by air or post:

- Institute Cargo Clauses (Air) 1.1.2009 (CL 387); and
- Institute War Clauses (Air) (excluding sendings by post) 1.1. 2009 (CL 388); and
- Institute War Clauses (sendings by post) 1.3.2009 (CL 390); and
- Institute Strikes Clauses (Air) 1.1.2009 (CL 389)

Additional Clauses applicable to all movements:

- Marine Cyber Endorsement LMA5403 11.11.2019; and

- Institute Contamination, Chemical, Biological, Biochemical and Electromagnetic Weapons Clause 10.11.2003 (CL 370); and
- Institute Replacement Clause 1.12.2008 (CL 372) ; and
- Termination of Transit (Terrorism) 2009 JC2009/056; and
- Communicable Disease Exclusion (Cargo) JC2020-011 17/04/20

3. Extensions and Additional Benefits

The following Extensions and Additional Benefits are subject to all other applicable terms, conditions and exclusions of the **Policy**. The sub-limits which apply are in addition to the **Limit of Liability** specified in the **Schedule**.

3.1 Brands Clause

When **We** pay a claim under this **Policy We** will not sell or dispose of damaged **Goods** which:

(i) bear permanent markings identifying **You** as the manufacturer; or
(ii) have been manufactured using exclusive and/or secret formulas;

without **Your** consent.

Where **You** do not give **Your** consent, **You** may retain the **Goods** provided that a reasonable allowance for the **Salvage Value** is agreed and deducted from the claim settlement.

If such an allowance cannot be mutually agreed, the value of the **Goods** damaged shall be established by selling the **Goods** at a public auction where **You** have the right to accept or refuse the highest bid offered.

3.2 Buyers Contingency (Difference in Conditions) Clause

Where **Goods** are purchased by **You** on CIF or similar terms of purchase where the seller has the obligation to effect marine insurance for the transit and one of the following occurs:

(i) the seller fails to effect insurance; or
(ii) the seller effects insurance, which is rendered inoperative by circumstances beyond **Your** control; or
(iii) the loss or damage is not covered by the seller's insurance; or
(iv) the seller's insurance fails to pay for loss or damage, which is covered by their **Policy**.

We will pay claims for loss of or damage to the **Goods** provided that:

a) the loss or damage is covered by the terms and conditions of this **Policy**, and
b) **You** advise **Us** as soon as possible if any of the above occur;
c) **You** use all reasonable means to recover the full amount of loss or damage from the seller under the terms of purchase, before claiming under this **Policy**;
d) **You** do not reveal the existence of this **Policy** to the seller or the seller's agent;
e) All rights and remedies in respect of any recourse **You** may have for such loss or damage are subrogated to **Us** and **You** cooperate in all reasonable aspects of the recovery.

3.3 Delayed Unpacking Clause

Where packages are not opened on arrival at destination, this **Policy** is extended to include cover for any concealed loss or damage caused by a peril covered under this **Policy** which become evident when the **Insured Goods** are unpacked provided that:

(i) the **Insured Goods** are opened and inspected within a period of ninety (90) days from the time the **Goods** enter the warehouse or place of storage at the destination, and
(ii) the packages show no outward sign of loss or damage at the time of entry into the warehouse or place of storage, and
(iii) any packages bearing outward signs of loss or damage at the time of arrival are opened and inspected as soon as possible.

This Delayed Unpacking Clause will not cover any loss, damage or expense to **Insured Goods** arising after arrival at the warehouse or place of storage at the destination.

3.4 Duties and Taxes (applicable to Imports only)

When noted in the **Basis of Valuation** in the **Schedule**, this **Policy** is extended to cover the amount of any import duty and/or taxes paid or payable by **You** in respect of **Goods You** have imported into Australia.

No claim is recoverable under this clause:

(i) arising from total loss of the **Goods** or total loss of part thereof prior to the arrival at destination;

(ii) arising from **General Average**;
(iii) in respect of duty waived by Customs Authorities at destination on shipments arriving damaged;
(iv) where no duty or landing charges are paid.

Nothing in this Duties and Taxes Clause shall increase the **Limit of Liability** specified in the **Schedule**.

3.5 Cargo ISM Forwarding Charges Clause

This **Policy** is extended to reimburse **You**, up to the **Limit of Liability** for the **Insured Transit**, for any extra charges properly and reasonably incurred in unloading, storing and forwarding the **Goods** to their intended destination following release 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:

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

as required under the Safety of Life at Sea (SOLAS) Convention 1974 as amended.

This Cargo ISM Forwarding Charges clause does not apply to **General Average** or **Salvage** or **Salvage Charges** and is subject to all other terms, conditions and exclusions contained in the **Policy** and to Cargo ISM Endorsement (JC 98/019).

3.6 Cargo ISPS Forwarding Charges Clause

This **Policy** is extended to reimburse **You**, up to the **Limit of Liability** for the **Insured Transit**, for any extra charges properly and reasonably incurred in unloading, storing and forwarding the **Goods** to their intended destination following release from a vessel arrested or detained at or diverted to any other port or place, other than the intended port or place of destination, where the voyage is terminated due to such vessel not being certified in accordance with the ISPS Code as required under the SOLAS Convention 1974 as amended.

This Cargo ISPS Forwarding Charges clause does not apply to **General Average** or **Salvage** or **Salvage Charges** and is subject to all other terms, conditions and exclusions contained in the **Policy** and to Cargo ISPS Endorsement (JC 2004/050).

3.7 Removal of Debris/Clean Up Costs Clause

Where **We** have accepted liability for loss or damage to **Goods**, **We** will also pay, for:

a) the cost of removal and/or disposal of the damaged, deteriorated or contaminated **Goods**; plus
b) the cost of cleaning up the accident site, premises, location or **Conveyance**;
   provided that:
   (i) these costs relate to the **Insured Goods**; and
   (ii) **You** are legally or contractually liable to pay these costs; and
   (iii) these costs are not recoverable under any other **Policy** of insurance.

The maximum amount **We** will pay under this extension/additional benefit is AUD5,000 for any one **Occurrence** unless otherwise specified in the **Schedule**.

3.8 Sealed Containers Clause

We will pay claims for theft, pilferage, shortage or non-delivery where the **Insured Goods** are shipped in a **Shipping Container** and the container's seal is intact at the unloading point, provided that:

a) **You** produce documentary evidence to substantiate the quantity loaded into the **Shipping Container**; and
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**; and
c) all rights of recovery against the seller, packer or other third party where liability may attach are to be subrogated to **Us**.

3.9 Shipping Container Clause

i. Shipping Containers owned by You

This **Policy** is extended to cover loss or damage to **Shipping Container**s owned by **You** or those for which **You** are responsible to insure, subject to the following

a) Institute Container Clauses – Time 1/1/87
b) Institute **War** and Strikes Clauses Containers – Time 1/1/87
c) an **Excess** of AUD2,000 any one **Occurrence**.

ii. Non-owned containers

This **Policy** is extended to cover loss or damage to **Shipping Container**s, pallets and dunnage to the extent that **You** are legally liable to pay for any **Damage** to them.

iii. Non-owned containers – Demurrage

Where instructed by **Us** to retain **Shipping Container**s in order to ascertain loss or damage to **Goods** under the **Policy**, **We** will reimburse **You** for the reasonable demurrage charges or late return penalties **You** incur to allow the completion of the investigation task.

The maximum amount **We** will pay under this **Shipping Container** Clause is AUD5,000 for any one **Occurrence**.

3.10 Strikes Diversion/Forwarding Charges Clause

We will pay any reasonable additional costs incurred by **You** in unloading, storing and forwarding **Your Goods** to their final destination where the carrier, shipowners, charterers or managers exercise a liberty granted to them by the contract of affreightment provided that

a) the **Goods** are over-carried to or discharged at a port other than their scheduled port of discharge under the contract of affreightment solely in consequence of strikes, riots, civil commotions, lockouts or labour disturbances
b) the liberty is exercised prior to the expiry of 15 (fifteen) 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 Strikes Diversion/Forwarding Charges Clause is AUD5,000 for any one **Occurrence** unless otherwise specified in the **Schedule**.

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

3.11 Voyage/Transit Extensions Clause

We will hold **You** covered at a **Premium** to be agreed if the ordinary course of transit of the **Insured Goods**:

a) takes more than 60 (sixty) days from the time it is discharged from the overseas vessel at the final port of discharge;
b) takes more than 30 (thirty) days from the time it is unloaded from the aircraft at the final place of discharge.

provided that **You** give us prompt notice.

This extension/additional benefit shall not apply to temperature controlled consignments subject to the relevant Institute Frozen Food or Frozen Meat clauses.

3.12 Cover Whilst in Use

We will pay for loss or damage to an item/s insured whilst in use, subject at all times to the terms and conditions otherwise noted in the policy.

The following activities are not eligible for this extension:

- Fire acts and any act that uses fire Any act with a naked flame
- Roller Skating/Skateboarding

- Plate Spinning
- Juggling / Staff / Diabolo / Poi

3.13 Storage Extension

This **Policy** is extended, up to the **Limit of Liability**, for the **Insured Transit**, to include storage, including at a members home or office.

4. Definitions

For the purposes of this **Policy**:

Basis of Valuation	means the agreed formula stated in the **Policy**, unless otherwise agreed and specified in the **Schedule**, that will be used to calculate the value of the **Insured Goods** and will be the basis for any **Premium** calculation or claim settlement.
Bloodstock	means thoroughbred horses used for racing, competition and/or breeding.
Break Bulk Cargo	means general cargo that is not **Bulk Cargo** and which is not containerised but is stowed and shipped in general cargo ships.
Bulk Cargo	means **Goods** which are trimmed and are not transported in containers (or otherwise packaged). It does not include **Break Bulk Cargo**.
Conveying Vehicle, Conveyance	means any ship, vessel, aircraft, postal service, rail and road transport used to transport the **Insured Goods**.
Damage	means physical loss or damage which was unintended, unforeseen, unlooked-for and which could not reasonably be expected nor designed by **You** or any person acting for **You** or on **Your** behalf who has actual knowledge of the method of transportation of the **Goods**.
Demurrage	means amounts which may be due because of storage of cargo beyond the free time granted at port facilities
Endorsement	means a written change in the terms and conditions of this **Policy** that can extend or restrict cover.
Excess	means the applicable amount(s) stated in this document or the **Schedule**, which this **Policy** does not cover and will be retained and payable by **You**.
General Average	means the contribution by all the parties in a sea adventure to make good a loss sustained by one of the parties for voluntary sacrifices of part of the ship or cargo to save the residue and lives of those onboard from impeding peril and for extraordinary expense necessarily incurred for the general benefit of all the interests involved.
Geographical Limits	means the geographical area specified in the **Schedule**.
Institute Clauses	means the standard wordings as prepared by the Lloyd's Market Association and International Underwriting Association of London amended to be subject to Australian law and practice. In the event of any of these clauses being altered or added to, their updated version shall automatically form part of this **Policy**, unless the alteration or addition reduces **Your** cover in which case **You** shall be advised in writing. If **We** give **You** written notice of a revision of these clauses, then the revised clauses will apply to risks attaching from midnight 30 days after **Our** notice has been given to **You**. A posted notice is deemed given to **You** at the time it would have been delivered in the normal course of the postal service.

Insured, Assured, **You or Your**	means the person(s), companies or firms named in the current **Schedule** as the insured or the party to whom this **Policy** has legally been assigned.
Goods, Insured Goods, or Subject Matter Insured	means the **Goods** specified in the **Schedule** which **You** own or which **You** have contractually accepted responsibility to insure, as set out in the Insuring Agreement.
Insurer, Underwriters We, Us or Our	means Catlin Australia Pty Ltd ABN 64 108 319 786 AFS License No: 301617 ("Catlin Australia"), acting under a binding authority given to it by XL Insurance Company SE (Australia Branch) ABN: 36 083 570 441 of Level 28, 123 Pitt Street, Sydney, NSW 2000
Limit of Liability	means the amount(s) stated in the this document or the **Schedule** and which will be the limit of the amount **We** will pay for any one **Occurrence** subject to the application of any **Excess**.
Livestock	means any domesticated herd animal or poultry raised for home use or profit or commercial purposes but not kept as a pet, as described in the **Schedule**. For example: sheep, goats, pigs, cattle and chickens.
Occurrence	means any one loss, or series of losses in one place or consequent upon, or attributable to one original cause.
Period of Insurance	means the period between and including the dates in the **Schedule** shown as "**Period of Insurance** From/To" during which **We** provide cover under **Your Policy**. **Your Policy** expires on the date specified in the **Schedule** as the "to" date at 4.00pm Local Standard Time (L.S.T.) of the State or Territory within the Commonwealth of Australia in which **Our** office issuing **Your Policy** is located, unless another time is noted in the **Schedule**.
Policy	means this document including the Appendix with the Institute Clauses, any **Endorsement**, any declarations and statements **You** make to **Us**, specification, attachment or memoranda affixed to it, and the **Schedule**.
Premium	means the premium specified in the current **Schedule**, in any **Endorsement** and in any adjustment in accordance with the General Condition 6.2 - **Premium** plus any applicable Government charges.
Salvage	means the physical act of recovering **Your Goods** which have been lost or damaged.
Salvage Value	means the value of what is left of **Your Goods** after it has suffered loss or damage.
Schedule	means the most recently dated schedule **We** have provided to **You** which specifies important information such as the **Policy** number, **Geographical Limits**, the details of the **Insured Goods**, the **Limit of Liability** and any **Excess** payable by **You**.

Sendings	means the gross value of **Insured Goods** (in accordance with the **Basis of Valuation**(s)) received, sent, consigned, transferred or otherwise moved during the **Period of Insurance**
Shipping Container	means a shipping container (including flat-rack, bolster, tank or bulk container) designed and built according to ISO specifications for the intermodal transport of freight. In relation to shipments by aircraft, **Shipping Container** includes any IATA (International Air Transport Association) standard Unit Load Device (ULD).
Stock Transfer	means movement of the **Goods** by **You** when the **Goods** are not subject to a sales or purchase contract including inter-company or branch transfers or shipments.
Stud Stock	means male animals of a particular breed, strain or stock within a species used for the continuance or improvement of a breeding line.
Tools of Trade	means tools which enable **You** or **Your** employees to carry out **Your** normal business operation. **Tools of Trade** does not include, unless **You** declared them and they are specifically listed in the **Schedule**, or agreed in writing by **Us**: mobile phones, pagers, laptops/notebooks/handheld or other personal computers, personal property, cash and credit cards.
Travellers' Samples	means pieces or portions of **Your Goods** carried by **Your** sales employees for the purpose of demonstration to prospective customers.
Insured Transit	means the insured transits as outlined in Section 2 of this **Policy** and specified in the **Geographical Limits** set out in the **Schedule** subject to any voyage trading restrictions detailed in the **Policy**.
Turnover	means the gross revenue of **Your** business during the **Period of Insurance**.
War, Warlike Activities	means invasion, act of foreign enemy, hostilities (whether **War** is declared or not), civil war, rebellion, revolution, insurrection or civil strife following any of these.

5. General Exclusions and Policy Limitations

5.1 Goods Excluded

This **Policy** does not apply to or include cover for or arising out of or relating to the following unless **You** declared them and they are specifically listed in **Your Policy Schedule**, or agreed in writing by **Us**:

a) domestic furniture, household goods, personal effects;
b) frozen and/or chilled meat, seafood, foodstuffs or other temperature controlled goods;
c) **Livestock**, **Bloodstock**, **Studstock** or live animals and reptiles or live plants;
d) motor vehicles;
e) works of art or antiques;
f) precious metals and stones, money (which means anything having the value of money), bullion, cheques, credit or other card sales vouchers, securities, shares, bonds, deeds, bills of exchange, or any documents that represent money or title;
g) plant, machinery and computers (which are not the primary **Insured Goods**)
h) **Tools of Trade**, **Travellers' Samples** except where used specifically in the performance
i) radioactive or explosive goods;
j) cigarettes, e-cigarettes or tobacco products;
k) **Bulk Cargo**.

5.2 Perils Excluded

This **Policy** does not apply to or include cover for or arising out of or relating to:

a) any kind of mechanical, electrical and/or electronic breakdown of or malfunction of, the **Goods** where there is no external evidence of damage in transit from a peril insured under this **Policy**;
b) rust, oxidisation, discolouration, and/or Gradual Deterioration howsoever caused;
c) consequential losses of any kind, Loss of Profits, Loss of Market or Loss of Income howsoever caused;
d) Loss of Data of any kind, from any device, howsoever caused.
e) vermin;
f) unexplained loss, mysterious disappearance and/ or shortage deduced solely from an inventory computation;
(f) something which has not occurred during the **Insured Transit**, for example, pre-existing damage;
(g) while the **Goods** are being worked upon and directly resulting therefrom;
(h) rejection, detention, condemnation or confiscation by any government or their agencies or departments or by any public or local authority regardless of the reason;
(i) dismantling, assembly, testing or fabrication of the **Goods**, other than as required during the ordinary course of transit.

5.3 Terrorism exclusion

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

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

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

5.4 Marine Cyber Endorsement

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

2. Subject to the conditions, limitations and exclusions of the policy to which this clause attaches, the indemnity otherwise recoverable hereunder shall not be prejudiced by the use or operation of any computer, computer system, computer software programme, computer process or any other electronic system, if such use or operation is not as a means for inflicting harm.

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

LMA5403 11 November 2019

5.5 Institute Radioactive Contamination, Chemical, Biological, Bio-chemical and Electromagnetic Weapons Exclusion Clause

In no case shall this **Policy** cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from

(ii) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;

(iii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;

(iv) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;

(v) 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;

(vi) any chemical, biological, bio-chemical, or electromagnetic weapon.

10/11/03 (CL370)

5.6 Forwarding Charges limit

If the **Insured Transit** is terminated or interrupted due to the insolvency or financial default of the owners, managers, charterers or operator of the **Conveyance**, whether or not the **Goods** have been lost or damaged, the maximum amount **We** will pay under the Forwarding Charges clause of the applicable Institute Clause is 10% of the **Limit of Liability** of the **Goods**.

5.7 Average / Underinsurance

If the value of the **Insured Goods** at the time of loss or damage is greater than the specified in the **Schedule**, **We** shall only pay **You** in accordance with the provisions of the Marine Insurance Act 1909 or the Insurance Contracts Act 1984, where applicable. At all times, Our liability is limited to the amount specified on your policy schedule.

5.8 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 subject to the **Policy**'s terms and conditions (unless otherwise stated on the **Schedule**), which exclude loss, damage or expense caused by or arising from rust, oxidisation, discolouration or sea-water unless such loss, damage or expense was the result of a peril insured by the Institute Cargo Clauses (B) with Clause 1.2.3 deleted.

5.9 Pairs and Sets Clause

In case of loss of or damage to an item of the **Insured Goods** which is part of a pair or set, no regard shall be made to the value such item may have as part of such pair or set and the amount recoverable under this **Policy** shall be calculated at pro rata of the insured value of the whole pair or set.

5.10 Communicable Disease Exclusion (Cargo)

1. Notwithstanding any provision to the contrary within this insurance, this insurance does not insure any loss, damage, liability, claim, cost or expense of whatsoever nature caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.

2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where: 2.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

   2.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

   2.3. the disease, substance or agent can cause or threaten bodily injury, illness, damage to human health, human welfare or property.

JC2020-011 17 April 2020

6. General Conditions

6.1 Law and Jurisdiction

This **Policy** shall be governed by and construed in accordance with the laws of the Commonwealth of Australia and the States and Territories thereof. Each party agrees to submit to the jurisdiction of the Court of competent jurisdiction in the State or Territory of Australia in which this **Policy** has been issued and to comply with all requirements necessary to give such Court jurisdiction. All disputes arising under this **Policy** shall be determined in accordance with the law and practice of such Court.

6.2 Premium

You must pay to **Us** all **Premiums** due, together with all charges due on the Premiums, by the due date.

Note: This **Premium** is not adjustable for any reason other than for an increase in policy limit.

6.3 Cancellation

a) Insured's Right to Cancel

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

b) Insurer's Right to Cancel

We shall not be bound to invite or accept renewal of this **Policy** and may, by thirty (30) days' notice in writing to **You** by recorded delivery, cancel this **Policy** in accordance to s60 of the Insurance Contracts Act 1984. **You** shall then be entitled to a refund of **Premium** for the unexpired **Period of Insurance**.

c) War Risks & Strikes

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

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

Cancellation, including under clause 6.3 (c) above, will be effective from 4:00pm L.S.T on the day on which the notice of cancellation is effective.

6.4 Sanction Limitation and Exclusion Clause (JC2010/014 11/08/10)

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

6.5 Amendments to the Policy

No amendment to this **Policy** will be effective except when made by written endorsement

6.6 Goods and Services Tax

As part of the **Premium**, **We** will charge **You** an amount on account of GST. **You** must inform **Us** of the extent to which **You** are entitled to an input tax credit for that GST amount each time that **You** make a claim under **Your Policy**.

No payment will be made to **You** for any GST liability that **You** may incur on the settlement of a claim if **You** do not inform **Us** of **Your** entitlement or correct entitlement to any input tax credit.

Despite the other terms of this **Policy Our** liability to **You** will be calculated taking into account any input tax credit to which **You** are entitled for any acquisition which is relevant to **Your** claim, or to which **You** would have been entitled were **You** to have made a relevant acquisition.

6.7 Government Taxes and Duties

You must pay all levies, taxes, imposts and/or charges, including but not limited to stamp duty and other similar charges which may be payable to or required to be paid to any government in Australia whether acting through any agency, instrumentality or otherwise in relation to **Your Policy**.

6.8 Interpretation

Any word or expression which appears in the **Policy** in bold shall have the meaning given in the **Policy** Definitions. Any other word or expression given a specific meaning in the **Schedule**, or any **Endorsement** and beginning with a capital letter, shall have the same meaning throughout the **Policy**.

Headings are provided for reference only and do not form part of the **Policy** for interpretation purposes.

7. Claims Conditions

7.1 Claims Notification

a) In case of loss or damage which may give rise to a claim under this **Policy You** must give notice as soon as practicable to:

Manager – Specialty Claims
XL Insurance Company SE
Level 28, Angel Place, 123 Pitt Street
Sydney NSW 2000 Australia
Email: NewclaimAUspecialty@axaxl.com

b) **You** shall endeavour take all reasonable measures to avoid or minimise any further loss, damage, liability or expense;
c) at **Your** own expense, supply supporting claims documentation, along with evidence and information as may be reasonably be required **Us** for the purposes of investigating or verifying the claim, including details of all other insurances covering the loss or damage or any part of it and, if requested, a sworn declaration of truth of the claim and any connected matters;
d) **You** must preserve any damaged or defective property or **Goods** which might prove necessary as evidence for examination by **Us**;
e) in the case of loss or damage due to theft or malicious act, **You** must inform the police as soon as possible and take all practicable steps to discover any guilty person and to trace and recover the missing property;
f) in case of a **General Average** or salvage contribution claim **You** must consult **Us** before signing any **General Average** or **Salvage** bond
g) **You** must not abandon any **Goods** to **Us** whether **We** have paid **Your** claim or not; and
h) **You** must not release carriers, bailees or other third parties from liability when loss or damage is discovered and **You** must take all reasonable actions necessary to properly preserve and exercise all rights against carriers, bailees or other third parties.
i) **You** must not make any settlement, admission of liability, payment, or promise of payment to a third party without **Our** written consent.

Notice of loss or damage which may give rise to a claim by any one **Insured**, or their agent, shall be accepted by the **Insurer** as notice of that occurrence by all of the insured parties.

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

7.2 Fraudulent Claims

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

7.3 Payments on Account

When **We** have accepted **Your** claim, **We** may make reasonable progress payments on account of any claims to **You** at such intervals and for such amounts as **We** may both agree.

Any payment shall be a full release of liability of that part of the claim for which the payment on account is made.

7.4 Contribution

Subject to the provisions of either the Insurance Contracts Act 1984 or the Marine Insurance Act 1909, upon the payment of any claim under this **Policy**, **We** may avail of the right to recover or obtain contribution from:

a) any person against whom **You** may be able to claim and **We** have the right to take action in **Your** name, and
b) other insurance covering or which may cover the same loss, the details of which **You** have advised to **Us**.

7.5 Subrogation

In the event of any payment by **Us** under this **Policy**, **We** shall be subrogated up to the amount of such payment to all **Your** rights of recovery against any third party who may be held responsible for the loss, damage or expense.
You shall, all times protect and preserve any rights of recovery and, provide such assistance as **We** may reasonably require in any subrogation effort.

We shall have full discretion in the conduct or settlement of any recovery action. This includes the right to instruct lawyers to provide advice as to the liability and to represent **You** in such action.

If there is a loss that is partially covered by this **Policy** that **We** have paid for and there remains an uninsured loss, **We** will use **Our** best efforts to agree with **You** upon a fair and proper allocation of amounts. that may be recovered from other parties who may be responsible for the losses, having regard to the Insurance Contracts Act 1984 and the Marine Insurance Act 1909 and the relative legal costs and financial exposures attributable to covered and uncovered losses.

7.6 Several Liability Clause

The liability of the **Insurer** under this contract is several and not joint with other insurers party to this contract. The **Insurer** is liable only for the proportion of liability it has underwritten. The **Insurer** is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

APPENDIX A – Accepted Performer Activities

CATEGORY 1	• Actors/Theatre performers/Theatre In Education Performers - Includes film & television acting however excludes Stunt artists or any other act specifically listed in Category 1 or 2). • Visual Artist/Craft Artist (including drawing, painting, sculpture, craft) • Bingo Callers • Bubble blowing - Detergent bubbles blown and sculpted. Usually small but sometimes body-sized • Caricature • Cartoons • Characters/ Costume Characters - Includes costumes and/or makeup. Usually roving. e.g. Santa, Easter Bunny and others. • Comedians • Compère • Escape - Straitjacket, cling wrap, chains etc. • Hula hoop • Magicians - Close up, sleight of hand and stage. Includes equipment-based illusions. Also known as illusion. (Excludes the use of any live animals, birds or naked flame. Refer to Category 3)	• Marching / Baton twirling • Mime • Models Includes 'promotion girls & boys' eg: cigarette girls at Grand Prix (Must be over 18 Years old) • MCs • Murder Mystery Host • Poetry • Promotion Girl/Boy (Must be over 18 years old) • Public Speakers • Puppetry - Includes marionettes, glove puppets, life-size (or larger) figures. Sometimes involves puppet stage and props • Race Callers • Spruikers • Statues • Stilt walking • Story-tellers / Writers • Television / Radio Presenters • Trivia hosts • Unicycling/Trick Cycling
CATEGORY 2	• Balloon sculpting • Clown / Therapeutic (hospital) Clown • Dancers (Excludes choreography or erotic dancing). • DJ / VDJ • Face and Body Painters / Makeup Artists - Includes henna painting, airbrush temporary tattooing. • Juggling / Staff / Diabolo / Poi - If any flame involved, you will also need to select Fire Acts (Category 3) • Karaoke operator • Pavement Art (council approval must be obtained) • Physical Theatre	• Musicians/Singers Includes playing instruments. Acoustic or amplified. Covers an individual performing in solo, duo and ensemble acts. Includes cabaret, pubs, clubs. Singers who sing accompanied or acapella are listed as musicians even if you use no other instrument but your voice. • Plate spinning • Roller Skating / Skateboarding (excluding Roller Derby) • Trick Rope / Lasso • Children's Party Host - Excludes child-minding. • Singular individual freelance photographers – excluding professional photographers for media outlets (freelance, contract or employed) and any activities arising out of or related to photography studios.”
CATEGORY 3	• Acrobats • Aerial performers • Parkour • Angle Grinding Acts • Acts including animals or birds - Excludes petting zoos. Includes rabbits, doves, pet type animals, and non-hazardous snakes. No cover for horses, circus-type animals, any venomous snake, spider or insect.	• Bed of Nails • Boomerang Throwing • Cooking Demonstrations • Fire acts and any act that uses fire Any act with a naked flame. Excludes pyro as defined by state or federal laws. • Own body piercing

APPENDIX B – Institute Clauses

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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,

8.1.1. 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

8.1.2. 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

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

whichever shall first occur.

8.2. If, after discharge overside from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 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.

01/01/2009 CL382

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INSTITUTE WAR CLAUSES (CARGO)

RISKS COVERED

Risks

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

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

    1.2. capture seizure arrest restraint or detainment, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat

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

General Average

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

EXCLUSIONS

3. In no case shall this insurance cover

   3.1. loss damage or expense attributable to wilful misconduct of the Assured

   3.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured

   3.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)

   3.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured

   3.5. loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)

   3.6. loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage

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

   3.7. any claim based upon loss of or frustration of the voyage or adventure

   3.8. loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

4.

   4.1. In no case shall this insurance cover loss damage or expense arising from

      4.1.1. unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein

      4.1.2. unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.

   4.2. Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.

4.3. The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

DURATION

Transit Clause

5.

5.1. This insurance

5.1.1. attaches only as the subject-matter insured and as to any part as that part is loaded on an oversea vessel and

5.1.2. terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is discharged from an oversea vessel at the final port or place of discharge,

or

on expiry of 15 days counting from midnight of the day of arrival of the vessel at the final port or place of discharge,

whichever shall first occur;

nevertheless,

subject to prompt notice to the Insurers and to an additional premium, such insurance

5.1.3. reattaches when, without having discharged the subject-matter insured at the final port or place of discharge, the vessel sails therefrom,

and

5.1.4. terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the vessel at the final (or substituted) port or place of discharge,

or

on expiry of 15 days counting from midnight of the day of re-arrival of the vessel at the final port or place of discharge or arrival of the vessel at a substituted port or place of discharge,

whichever shall first occur.

5.2. If during the insured voyage the oversea vessel arrives at an intermediate port or place to discharge the subject-matter insured for on-carriage by oversea vessel or by aircraft, or the subject-matter insured is discharged from the vessel at a port or place of refuge, then, subject to 5.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the vessel at such port or place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying oversea vessel or aircraft. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such port or place. If the subject-matter insured is on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 5.2

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

or

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

5.3. If the voyage in the contract of carriage is terminated at a port or place other than the destination agreed therein, such port or place shall be deemed the final port of discharge and this insurance terminates in accordance with 5.1.2. If the subject-matter insured is subsequently reshipped to the original or any other destination, then provided notice is given to the Insurers before the commencement of such further transit and subject to an additional premium, this insurance reattaches

5.3.1. in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying vessel for the voyage;

5.3.2. in the case of the subject-matter not having been discharged, when the vessel sails from such deemed final port of discharge;

thereafter this insurance terminates in accordance with 5.1.4.

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

5.5. Subject to prompt notice to Insurers, and to an additional premium if required, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

(For the purpose of Clause 5

"arrival" shall be deemed to mean that the vessel is anchored, moored or otherwise secured at a berth or place within the Harbour Authority area. If such a berth or place is not available, arrival is deemed to have occurred when the vessel first anchors, moors or otherwise secures either at or off the intended port or place of discharge

"oversea vessel" shall be deemed to mean a vessel carrying the subject-matter from one port or place to another where such voyage involves a sea passage by that vessel)

Change of Voyage

6.

6.1. Where, after attachment of this insurance, the destination is changed by the Assured, this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.

6.2. Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 5.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

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

CLAIMS

Insurable Interest

8.

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

8.2. Subject to Clause 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Increased Value

9.

9.1. If any Increased Value insurance is effected by the Assured on the subject-matter insured

under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

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

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

BENEFIT OF INSURANCE

10. This insurance

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

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

MINIMISING LOSSES

Duty of Assured

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

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

and

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

NOTE:- Where a reattachment of cover is requested under Clause 5, or a change of destination is notified under Clause 6, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.
01/01/2009 (CL385)

INSTITUTE STRIKES CLAUSES (CARGO)

RISKS COVERED

Risks

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

1.1. strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions

1.2. any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted

1.3. any person acting from a political, ideological or religious motive.

General Average

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

EXCLUSIONS

3. In no case shall this insurance cover

3.1. loss damage or expense attributable to wilful misconduct of the Assured

3.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured

3.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)

3.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured

3.5. loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)

3.6. loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract

3.7. loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion

3.8. any claim based upon loss of or frustration of the voyage or adventure

3.9. loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

3.10. loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.

4.

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,

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 overside of the subject-matter insured from the oversea vessel at the final port of discharge,

whichever shall first occur.

5.2. If, after discharge overside from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 5.1.1 to 5.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.

5.3. This insurance shall remain in force (subject to termination as provided for in Clauses 5.1.1 to 5.1.4 above and to the provisions of Clause 6 below) during delay beyond the control of the Assured, any deviation, forced discharge, 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

6. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 5 above, then this insurance shall also terminate unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers, either

6.1. until the subject-matter insured is sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the subject-matter insured at such port or place, whichever shall first occur,

or

6.2. if the subject-matter insured is forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 5 above.

Change of Voyage

7.

7.1. Where, after attachment of this insurance, the destination is changed by the Assured, this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.

7.2. Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 5.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

CLAIMS

Insurable Interest

8.

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

8.2. Subject to Clause 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Increased Value

9.

9.1. If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

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

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

BENEFIT OF INSURANCE

10. This insurance

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

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

MINIMISING LOSSES

Duty of Assured

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

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

    and

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

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

NOTE:- Where a continuation of cover is requested under Clause 6, or a change of destination is notified under Clause 7, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.
01/01/2009 (CL386)

INSTITUTE CLASSIFICATION CLAUSE 01/01/2001

QUALIFYING VESSELS

1. This insurance and the marine transit rates as agreed in the **Policy** or open cover apply only to cargoes and/or interests carried by mechanically self-propelled vessels of steel construction classed with a Classification Society which is:

   1.1. a Member or Associate Member of the International Association of Classification Societies (IACS*), or

   1.2. a National Flag Society as defined in Clause 4 below, but only where the vessel is engaged exclusively in the coastal trading of that nation (including trading on an inter-island route within an archipelago of which that nation forms part).

Cargoes and/or interests carried by vessels not classed as above must be notified promptly to underwriters for rates and conditions to be agreed. **Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable commercial market terms**.

AGE LIMITATION

2. Cargoes and/or interests carried by Qualifying Vessels (as defined above) which exceed the following age limits will be insured on the **Policy** or open cover conditions **subject to an additional premium to be agreed**.

   Bulk or combination carriers over 10 years of age or

   other vessels over 15 years of age unless they :

   2.1. have been used for the carriage of general cargo on an established and regular pattern of trading between a range of specified ports, and do not exceed 25 years of age, or

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

CRAFT CLAUSE

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

NATIONAL FLAG SOCIETY

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

PROMPT NOTICE

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

LAW AND PRACTICE

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

1/1/01 (CL354-2001)

INSTITUTE 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,

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 transhipment 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.
01/01/2009 (CL387)

INSTITUTE WAR CLAUSES (AIR CARGO)
(excluding sendings by Post)

RISKS COVERED

Risks

1. This insurance covers, except as excluded by the provisions of Clause 3 below, loss of or damage to the subject-matter insured caused by

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

1.2. capture seizure arrest restraint or detainment, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat

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

Salvage Charges

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

EXCLUSIONS

3. In no case shall this insurance cover

3.1. loss damage or expense attributable to wilful misconduct of the Assured

3.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured

3.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)

3.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured

3.5. loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.

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

3.6. loss damage or expense caused by delay, even though the delay be caused by a risk insured against

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

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

3.8. any claim based upon loss of or frustration of the transit or adventure

3.9. loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

DURATION

Transit Clause

4.

4.1. This insurance

4.1.1. attaches only as the subject-matter insured and as to any part as that part is loaded on the aircraft for the commencement of the air transit insured

and

4.1.2. terminates, subject to 4.2 and 4.3 below, either as the subject-matter insured and as to any part as that part is discharged from the aircraft at the final place of discharge

or

on expiry of 15 days counting from midnight of the day of arrival of the aircraft at the final place of discharge,

whichever shall first occur;

nevertheless,

subject to prompt notice to the Insurers and to an additional premium, such insurance

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

and

4.1.4. terminates, subject to 4.2 and 4.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the aircraft at the final (or substituted) place of discharge,

or

on expiry of 15 days counting from midnight of the day of re-arrival of the aircraft at the final place of discharge or arrival of the aircraft at a substituted place of discharge,

whichever shall first occur.

4.2. If during the insured transit the aircraft arrives at an intermediate place to discharge the subject-matter insured for on-carriage by aircraft or oversea vessel, then, subject to 4.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the aircraft at such place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying aircraft or oversea vessel. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such intermediate place. If the subject-matter insured is on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 4.2

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

or

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

4.3. If the air transit in the contract of carriage is terminated at a place other than the destination agreed therein, that place shall be deemed to be the final place of discharge and this insurance terminates in accordance with 4.1.2. If the subject-matter insured is subsequently consigned to the original or any other destination, then, *provided notice is given to the Insurers before the commencement of such further transit and subject to an additional premium*, this insurance reattaches

4.3.1. in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying aircraft for the transit;

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

thereafter this insurance terminates in accordance with 4.1.4.

4.4. *Subject to prompt notice to Insurers, and to an additional premium if required*, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.

(For the purpose of Clause 4, "oversea vessel" shall be deemed to mean a vessel carrying the subject-matter from one port or place to another where such voyage involves a sea passage by that vessel)

Change of **Transit**

5.

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

notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.

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

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

CLAIMS

Insurable Interest

7.

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

7.2. Subject to Clause 7.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Increased Value

8.

8.1. If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

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

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

BENEFIT OF INSURANCE

9. This insurance

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

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

MINIMISING LOSSES

Duty of Assured

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

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

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

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

NOTE:- Where a reattachment of cover is requested under Clause 4, or a change of destination is notified under Clause 5, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.
01/01/2009 (CL388)

INSTITUTE STRIKES CLAUSES (AIR CARGO)

RISKS COVERED

Risks

1. This insurance covers, except as excluded by the provisions of Clause 3 below, loss of or damage to the subject-matter insured caused by

    1.1. strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions

    1.2. any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted

    1.3. any person acting from a political, ideological or religious motive.

Salvage Charges

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

EXCLUSIONS

3. In no case shall this insurance cover

    3.1. loss damage or expense attributable to wilful misconduct of the Assured

    3.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured

    3.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)

    3.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured

    3.5. loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading. This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.

    3.6. loss damage or expense caused by delay, even though the delay be caused by a risk insured against

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

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

3.8. loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion

3.9. any claim based upon loss of or frustration of the transit or adventure

3.10. loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

3.11. loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.

DURATION

Transit Clause

4.

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,

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 transhipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.

Termination of Contract of Carriage

5. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a place other than the destination named therein or the transit is otherwise terminated before

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

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

Or

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

Change of **Transit**

6.

6.1. Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*

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

CLAIMS

Insurable Interest

7.

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

7.2. Subject to Clause 7.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Increased Value

8.

8.1. If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

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

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

BENEFIT OF INSURANCE

9. This insurance

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

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

MINIMISING LOSSES

Duty of Assured

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

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

and

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

NOTE:- Where a continuation of cover is requested under Clause 5, or a change of destination is notified under Clause 6, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.
01/01/2009 (CL389)

INSTITUTE WAR CANCELLATION CLAUSE (CARGO)

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

01/05/2016 (CL 396)

TERMINATION OF TRANSIT CLAUSE (TERRORISM) 2009

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

1. Notwithstanding any provision to the contrary contained in the contract of insurance or the Clauses referred to therein, it is agreed that in so far as the contract of insurance covers loss of or damage to the subject-matter insured 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 or 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

1.1. as per the transit clauses contained within the contract of insurance,

or

1.2. 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,

1.3. 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

1.4. 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

1.5. in respect of marine transits, on the expiry of 60 days after completion of discharge overside of the subject-matter insured from the oversea vessel at the final port of discharge,

1.6. in respect of air transits, on the expiry of 30 days after unloading the subject-matter insured from the aircraft at the final place of discharge,

whichever shall first occur.

2. If the contract of insurance 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 1.

01/01/2009 (JC2009/056)

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