



QBE Insurance (Australia) Limited

# Cargo single transit inland

Marine policy wording

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## About this booklet

This document contains important information to help you understand the insurance. It is up to you to choose the cover you need. Any advice in this booklet is general nature only and has not considered your objectives, financial situation or needs. You should carefully consider the information provided having regard to your personal circumstances to decide if it's right for you.

### For more information

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

- your financial services provider.

### About QBE Australia

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

Full details of what you must do for us to consider your claim are provided in the 'Claims' section at the end of this booklet. To make a claim under this Policy please contact:

- QBE by sending an email to [marineclaims@qbe.com](mailto:marineclaims@qbe.com).

## Important Information

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

### Duty of disclosure

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

You have this duty until we agree to insure you.

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

You do not need to tell us anything that:

- reduces the risk we insure you for, or
- is common knowledge, or
- we know or should know as an insurer, or
- we waive your duty to tell us about.

### If you do not tell us something

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

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

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

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

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

## The General Insurance Code of Practice

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

The Code aims to:

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

## Privacy

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

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

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

## Resolving complaints & disputes

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

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

### Something not right?

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

#### Step 1 – Talk to us

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

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

#### Step 2 – Escalate your complaint

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

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

#### Step 3 – Still not resolved?

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

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

#### *Disputes not covered by the AFCA Rules*

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

### *Privacy complaints*

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

## Contacting QBE's CCU, AFCA or the OAIC

### How to contact QBE Customer Care

Phone	1300 650 503 (Monday to Friday from 9am to 5pm, Sydney time, except on public holidays).  Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	<ul style="list-style-type: none"> <li>complaints@qbe.com, to make a complaint.</li> <li>privacy@qbe.com, to contact us about privacy or your personal information.</li> <li>customercare@qbe.com, to give feedback or pay a compliment.</li> </ul>
Post	Customer Care, GPO Box 219, Parramatta NSW 2124

### How to contact AFCA

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

### How to contact the OAIC

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

## Policy Wording

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

### Our agreement with you

Where we agree to insure you based on the information provided in your application, we issue a Policy Schedule confirming cover.

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

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

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

- a. we agree to provide you with the insurance cover set out in the Policy Schedule, subject to your payment of or agreement to pay the premium,
- b. the insurance cover is in force for the nominated transit set out in the Policy Schedule,
- c. we will cover you for loss or damage occurring to the insured goods during the nominated transit,
- d. we will not pay any more than the sum insured and / or sub-limits shown in either the Policy Schedule or this Policy unless we have stated otherwise.

## 1. Definitions

When used in this Policy, the following word means:

Word or term	Meaning
Conveyance	Any road, rail, ship, vessel, aircraft or registered postal service used to transport the insured goods as specified in the Policy Schedule. This includes a trailer when attached to a registered road vehicle.
Excess	The amount you must pay towards a claim, as specified in the Policy Schedule.
Insured event	Any occurrence or event which arises during transportation and results in loss or damage to the insured goods which is unintended and could not have been expected by a person who has actual knowledge of the means of transportation of the goods.
Interest insured	The goods that are specified as the interest insured in the Policy Schedule.
Policy	This Policy wording, the Policy Schedule and any endorsements we issue to you which amend this Policy wording or the Policy Schedule.
Policy Schedule	The most recent document we give you. We give you a Policy Schedule when you: <ul style="list-style-type: none"> <li>• first buy the Policy from us; or</li> <li>• change any part of the Policy or any personal details relevant to it.</li> </ul>
Premium	The amount you pay for the insurance provided by this Policy.
Reinstatement	Where property is lost or destroyed the replacement cost of similar property in a condition equal to, but not better or more extensive than its condition at the time of loss.  Where property is damaged, the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as, but not better or more extensive than its condition at the time of loss.
Packaging	Packing materials, crates, pallets, or similar items belonging to you or for which you are responsible.
Terrorism	Any act which may, or may not, involve the use of, or threat of, force or violence where the purpose of the act is to further a political, religious, ideological or similar aim or to intimidate or influence a government (whether lawfully constituted or not) or any section of the public.
We, our, us	QBE Insurance (Australia) Limited ABN 78 003 191 035.
You, your, yours	The person(s), companies or firms named in the current Policy Schedule as the insured.

## 2. When your insured transits start and finish (Duration clause)

Goods other than livestock and motor vehicles

During the period of insurance:

- cover commences from the time the goods are picked up inside the warehouse/premises or place of storage for loading on to the conveying vehicle;
- cover terminates when the goods are placed and/or positioned inside the receiver's or other designated warehouse or premises.

The cover granted under this transit clause is subject to:

- the conveying vehicle departing for its destination within seventy two (72) hours of the commencement of loading. If this period is exceeded cover ceases after seventy two (72) hours and recommences when the conveying vehicle actually departs for its destination;
- the placement or positioning of the goods within the warehouse or premises must be:
  - directly associated with the transit, and
  - completed within seventy two (72) hours of the conveying vehicles arrival,
- cover excluding the risks of dismantling, re-assembly and testing of goods.

## 3. What you are covered for

### 3.1 The cover

We cover you against loss or destruction of or damage to goods specified in the Policy Schedule.

The Policy only applies to the nominated voyage specified in the Policy Schedule and for insured events listed in the level of cover that is noted on your Policy Schedule.

### 3.2 Further cover that automatically applies

In relation to transit by sea, the interest insured is also covered against each of the following:

- a. loss, destruction of, or damage to goods or livestock caused by jettison,
- b. loss incurred as a result of general average sacrifice,
- c. general average and salvage charges, in accordance with the contract of affreightment and the governing law and practice, incurred in connection with avoiding a loss covered by this Policy.

## 4. Cover a: Accidental damage

If the Policy Schedule indicates that accidental damage applies, the insured goods are covered for each of the following insured events:

- a. loss, destruction of, or damage to goods caused by accident or by the deliberate act of a third party,
- b. death of livestock caused by accident, natural causes or slaughter for humane reasons.

## 4.1 Refrigerated goods

Where the interest insured includes refrigerated goods this Policy excludes loss or damage resulting from any variation in temperature howsoever caused, unless the variation in temperature is directly caused by:

- a. an event listed in 'Cover B: Specific events',
- b. accidental failure, breakdown, stoppage, or malfunction of refrigerating machinery resulting in its failure to perform its normal or intended refrigeration cycle for at least two (2) consecutive hours or the number of hours specified in the Policy Schedule,
- c. mismanagement of refrigerating machinery which term shall include the incorrect setting of the refrigeration units temperature control.

## 5. Cover B: Specific events

If the Policy Schedule indicates that specific events applies, the insured goods are covered against each of the following insured events:

- loss, destruction of or damage to goods;
- death (or slaughter for humane reasons following injury) of livestock;

caused by any one (1) of the following events:

- a. fire or explosion,
- b. lightning, hail or flood,
- c. collision of the conveyance with an external object, or of the goods while on a land conveyance carrying them with something not on or part of that conveyance,
- d. hijack or armed hold up of the conveyance,
- e. overturning, jack-knifing or derailment of the conveyance,
- f. grounding, sinking, stranding or capsizing of the oversea vessel,
- g. crashing or forced landing of the aircraft,
- h. discharge of the oversea vessel at a port of distress.

In addition, we will pay for the total loss of any package being lost overboard or dropped while loading onto or unloading from a vessel or craft.

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

## 6. Valuing your insured goods

This Policy is an 'Agreed value' Policy, whereby the value shown in the Policy Schedule is fixed between us and you, and conclusive of the insurable value of the interest insured.

## 7. What we will pay

### 7.1 How we calculate your claim

- a. Total loss (actual or constructive)

Claims are settled for the sum insured value.

- b. Partial loss or damage

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

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

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

### 7.2 Brands/labels

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

Where only the labels of the goods are affected by the insured event, the amount payable by us is limited to the reasonable cost of reconditioning and relabelling, subject to our liability not exceeding the sum insured as detailed in your Policy Schedule.

### 7.3 Compensation from other parties (waiver of rights)

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

### 7.4 Sum insured

The sum insured stated in:

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

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

### 7.5 Minimising losses

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

### 7.6 Other policies of insurance (non-contribution)

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

### 7.7 Replacement and repair of machinery

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

### 7.8 Sorting charges

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

### 7.9 Underinsurance

We require you to insure for the full value or maximum potential risk. If you do not do so, and you are underinsured, we may pay you less in the event of a claim, calculated in accordance with this Policy, which takes into account the degree of underinsurance.

### 7.10 Used machinery and plant

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

## 8. What you must pay if you make a claim

### 8.1 Excess

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

No excess will be payable by you in respect of any claim that would have been recoverable by a peril insured by 'Cover B: Specific events', had it been applicable.

## 9. Automatic cover extensions

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

### 9.1 Delayed unpacking

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

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

### 9.2 Insolvency of carrier

If the insured transit is interrupted or terminated due to the insolvency or financial default of the carrier, whether or not loss or damage has been occasioned to the goods, we will pay you the extra costs of freight and/or storage to forward the goods to their intended destination, or to return the goods to the place from which they were despatched, up to a maximum of 10% of the insured value of the goods (calculated according to 'Clause 6: Valuing your insured goods').

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

### 9.3 Packaging and shipping containers

This Policy covers accidental loss of, or damage to, packaging and shipping containers while carried in transit. Expenses incurred in demurrage charges following the late return of shipping containers are also covered where the charges are necessary due to you retaining containers for our inspection following a claim and upon our instruction. Subject to a limit of \$75,000 unless otherwise specified in the Policy Schedule and provided the costs are not recoverable under any other policy of insurance.

### 9.4 Packers' premises

The insured goods are covered from the time of leaving the supplier's warehouse while in transit to the packer's warehouse. Cover remains in force while at the packer's warehouses and thereafter while in transit to final destination.

### 9.5 Pollution hazard

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

### 9.6 Refused goods

In the event that you or your customer either refuse delivery or are unable to accept delivery of insured goods, cover is extended to insure the goods during any delay, storage or onward transport.

### 9.7 Removal of debris/clean up costs

This Policy covers all reasonable costs and expenses incurred in unloading, removing and disposing of insured goods that have been damaged by an insured event as well as clean up of the accident site.

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

## 9.8 Resecuring of goods

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

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

## 10. When you are not covered

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

### 10.1 Consequential loss/delay

Loss of market and loss arising from delay or consequential loss of any description even if consequent upon the happening of an insured event.

### 10.2 Electrical, mechanical and electronic failure

Electrical or mechanical failure of the insured goods where there is no external visible evidence of damage from an insured event.

### 10.3 Expropriation

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

### 10.4 Inherent vice

Ordinary leakage, ordinary loss in weight or volume or inherent vice of the insured goods other than refrigerated goods due to variation in temperature as provided by the insured events detailed in clauses 4 and 5.

### 10.5 Insolvency of carrier

Expense arising from the insolvency or financial default of the carrier other than as provided by clause 9.2.

### 10.6 Labour shortage

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

### 10.7 Livestock

To animals caused by inoculation and/or its after effects, infectious diseases, rejection, abortion, loss/death of foetus, loss of use or delay.

### 10.8 Pre-existing damage

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

### 10.9 Rust/oxidisation/discolouration

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

## 10.10 Radioactive contamination

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

- a. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel,
- b. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof,
- c. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter,
- d. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes,
- e. any chemical, biological, bio-chemical and electromagnetic weapons.

## 10.11 Terrorism

Terrorism, and/or steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, anticipated, threatened, suspected or perceived terrorism, unless caused by a terrorist or any person acting from a political motive while the insured goods are in transit.

## 10.12 War

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

## 11. General conditions

### 11.1 Due diligence

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

### 11.2 Changing your Policy

If you want to make a change to this Policy, the change becomes effective when we agree to it in writing. If you do or omit to do something which materially changes the risk that increases the chances of future loss, you must give us immediate notice in writing.

### 11.3 Cancelling your Policy

#### 11.3.1 How you may cancel this Policy

(provided the insured transit has not commenced)

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

#### 11.3.2 How we may cancel this Policy

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

#### 11.3.3 Premium

If you cancel this Policy we will refund to you the premium, subject to any minimum premium to be retained by us and any non-refundable government taxes.

## 11.4 Jurisdiction and law and practice

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

This Policy is subject to the Insurance Contracts Act 1984.

## 11.5 Headings

The headings and titles of paragraphs in the Policy are included for descriptive purposes only and do not form part of this Policy for the purposes of its construction or interpretation, except for the headings contained in 'Definitions' (Clause 1) of this Policy.

## 12. Claims

### 12.1 What you must do

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

#### Immediate action

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

#### Notification

Inform us of the event as soon as possible,

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

### 12.2 Claims documentation

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

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

#### Note:

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

### 12.3 When others may be liable

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

- a. not agree to release those parties from liability,
- b. hold the parties liable by delivering a notice of intention to claim within three (3) days of delivery,
- c. in no circumstances, except under written protest, give clean receipts where the goods are in doubtful condition.

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

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

If the loss or damage was not immediately apparent at the time of delivery, apply immediately for surveys by the carriers or other bailees to be conducted within three (3) days of delivery. Inform us of the circumstances and let us have a copy of all relevant documents.

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

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

### 12.4 Apportionment of recoveries

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

### 12.5 Fraud

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

### 12.6 How the Goods and Services Tax (GST) affects any payments we make

The amount of premium payable by you for this Policy includes an amount on account of the GST on the premium. When we pay a claim, your GST status will determine the amount we pay. When you are: (a) not registered for GST, the amount we pay is the sum insured/limit of indemnity or the other limits of insurance cover including GST. (b) registered for GST, we will pay the sum insured/limit of indemnity or the other limits of insurance and where you are liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a Damaged item insured under the Policy) we will pay for the GST amount. We will reduce the GST amount we pay for by the amount of any input tax credits to which you are or would be entitled if you made a relevant acquisition. In these circumstances, the Input Tax Credit may be claimable through your Business Activity Statement (BAS). You must advise us of your correct Australian Business Number & Taxable Percentage. Any GST liability arising from your incorrect advice is payable by you. Where the settlement of your claim is less than the sum insured/limit of indemnity or the other limits of insurance cover, we will only pay an amount for GST (less your entitlement for Input Tax Credit) applicable to the settlement. This means that if these amounts are not sufficient to cover your loss, we will only pay the GST relating to our settlement of the claim. We will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by any business of yours which is relevant to your claim. GST, Input Tax Credit (ITC), Business Activity Statement (BAS) and Acquisition have the same meaning as given to those expressions in A New Tax System (Goods and Services Tax) Act 1999 and related legislation as amended from time to time. Taxable Percentage is your entitlement to an Input Tax Credit on your premium as a percentage of the total GST on that premium.

### Notices

Any notice we give you will be in writing, and will be effective once it's delivered to you personally or to your last known address (including when it's an electronic one).

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

### Sanction limitation and exclusion clause

You're not insured under any section of this Policy where a claim payment breaches any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America, or any local autonomous sanctions.

