

Single Transit Australia Policy Accidental Damage Cover



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Section 1 – Meanings of special words in this policy

In this policy certain words have special meanings. They have the same meanings wherever they appear. These words are:

“Insured” or **“you”** or **“your”** means the Insured named in the policy schedule.

“we” or **“our”** or **“us”** means the insurer, AAI Limited ABN 48 005 297 807 trading as Vero Insurance.

“claims excess” or **“excess”** means the amount you must pay towards a claim, as specified in the policy schedule.

“goods” or **“insured goods”** means the goods specified in Section 4.

Unless specifically listed in “insured goods”, or agreed in writing by us, this policy does not cover loss of or damage to

- (a) domestic furniture, household goods, personal effects,
- (b) frozen and/or chilled meat, seafood or foodstuffs,
- (c) works of art or antiques,
- (d) precious metals and stones, money (which means any coin or banknote), bullion, cheques, credit or other card sales vouchers, securities, shares, bonds, deeds, bills of exchange, or any documents that represent money,
- (e) plant, machinery and computers (which are not the primary insured Goods) where the limit any one conveyance or location exceeds \$25,000,
- (f) tools of trade, portable data storage or communication devices including but not limited to computers, printers, scanners, readers, recorders, cameras, or projectors, digital assistants, measuring devices and mobile telephones owned or used by you, your employees, travelling salesmen or agents.

“insured transit” means the transit specified in Section 3.

“limit of liability” means the limit of liability specified in the policy schedule.

“policy” means this policy wording, the current policy schedule, and any endorsement, all of which are to be read together.

“premium” means the premium specified in the policy schedule, any endorsement premium and includes any Government charges specified in the policy schedule.

Section 2 – Agreement

We agree to provide you with the insurance as described in this policy, for the period of insurance shown in the policy schedule, and in return you agree to pay us the premium by the day advised to you.

Should there be any change in circumstances or any change in the nature of the risks which are the basis of the contract, you must advise us immediately and in writing. We will only be liable (to the extent of our legal entitlement) under this policy if we have agreed in writing to the change.

Section 3 – The insured transit

- 3 The insured transit is as specified in the policy schedule, and
 - 3.1 commences in respect of each item of goods when that item is first moved for the specific purpose of loading on to the conveying vehicle for transit to a destination outside the premises,
 - 3.2 terminates
 - 3.2.1 when that item is delivered to the intended destination either in the receiver’s premises or such other place as you or the receiver may instruct, or
 - 3.2.2 on the expiry of seventy two hours after that item is unloaded from the final conveying vehicle, whichever occurs first.
 - 3.3 excludes any period of dismantling, erection, commissioning, testing, or storage other than in the ordinary course of transit, and
 - 3.4 includes any period where the goods are “shut out” from the conveyance or intended destination, and
 - 3.5 includes any insured goods which have been “overcarried”, until return to port of destination.

Section 4 – The insured goods

We insure the goods or merchandise specified in the policy schedule, including all retail and sales packaging.

Section 5 – The insured events

- 5 5.1 Subject to the terms and exclusions of this policy, this insurance covers accidental physical loss of or damage to the goods during the insured transit, including
- 5.1.1 that caused by strikers, locked-out workers or persons taking part in labour disturbances, riots or civil commotions,
 - 5.1.2 malicious damage unless caused or directed by you,
 - 5.1.3 that caused by insufficiency or unsuitability of packing or preparation of the goods, unless caused, directed or agreed by you.
- 5.2 If the insured transit is by sea or air, this policy further covers where applicable:
- 5.2.1 any General Average and or Salvage contribution that you are required to pay under any Bill of Lading or similar document,
 - 5.2.2 physical loss or damage to the goods, caused by washing overboard; jettison; collision, grounding, sinking, capsizing of the vessel; or General Average Sacrifice,
 - 5.2.3 physical loss or damage to the goods, caused by war or warlike activities, which means invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or civil strife following any of these whilst the insured goods are on board the carrying ship, vessel or aircraft.

Section 6 – Policy exclusions

- 6 6.1 Institute Radioactive Contamination, Chemical, Biological, Bio Chemical & Electro Magnetic Weapons exclusion clause (clause 6.2) and Transit & Terrorism Clauses (clause 6.3) shall be paramount and shall override anything contained in this insurance inconsistent therewith. In the event of conflict between these two Clauses, the Institute Radioactive Contamination, Chemical, Biological, Bio Chemical & Electro Magnetic Weapons exclusion clause (clause 6.2) shall prevail.
- 6.2 Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical & Electromagnetic Weapons Exclusion Clause 10/11/03.
- In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:
- 6.2.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel,
 - 6.2.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof,
 - 6.2.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter,
 - 6.2.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.

the exclusion in this Sub-Clause 6.2.4 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.
 - 6.2.5 any chemical, biological, bio-chemical, or electromagnetic weapon.
- 6.3 Transit and Terrorism Clause
- Notwithstanding any provision to the contrary contained in this policy 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 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
- 6.3.1 as per Section 3 – The Insured Transits, or

- 6.3.2 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,
- 6.3.3 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
- 6.3.4 on delivery to any other warehouse or place of storage, which you elect to use either for storage other than in the ordinary course of transit or for allocation or distribution,
- 6.3.5 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
- 6.3.6 in respect of marine transits, on the expiry of 60 days after completion of discharge overseas of the subject-matter insured from the overseas vessel at the final port of discharge,
- 6.3.7 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.

- 6.4 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 6.3.

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

- 6.5 Sanction Limitation and Exclusion Clause 1.6.11

We shall not provide cover, and shall not 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 us to any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

This insurance also does not cover

- 6.6 loss or damage that existed or occurred prior to the commencement of the insured transit.
- 6.7 loss or damage directly or indirectly as a result of mechanical, electrical or electronic breakdown or malfunction where there is no external evidence of damage in transit from an insured event.
- 6.8 loss or damage as a result of an act of war, whether or not war has been declared, whilst your property is not on board a ship, vessel or aircraft.
- 6.9 loss of market or consequential loss of any description, even if caused by any insured events.

Section 7 – How much we will pay

- 7 7.1 Claims under this policy are not subject to the application of average or underinsurance.
- 7.2 If, at the time of any loss of 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 (having regard to the other insurances, whether Marine or Fire, and whether or not such other insurances are exempted from contributing either by the existence of this policy or any other policy) of such loss, damage, liability or expense.
- 7.3 Subject to the terms, exclusions and the limit of liability of this policy, at our option we will pay you, repairers or other parties agreed with you
 - 7.3.1 for goods other than plant, machinery, computers and the like, the lesser of
 - 7.3.1.1 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 (including the reasonable cost of any necessary overtime), or
 - 7.3.1.2 the invoice value covering the goods whilst in transit (including freight if separately invoiced to the receiver of the goods), or
 - 7.3.1.3 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.
 - 7.3.2 for plant and machinery up to five years old and computers up to five years old, the lesser of
 - 7.3.2.1 the cost of repairing or reinstating the goods to a condition equal to but no better or more extensive than when new (including the reasonable costs of any necessary overtime), or

- 7.3.2.2 in the case of a purchase or sale, the purchase or sale price plus the cost of packing and transport, or
- 7.3.2.3 in the case of movement of the goods other than for the reason of purchase or sale, we will pay the new replacement cost or, if not available, as near as possible to the same make, model and specifications as is available.
- 7.3.3 for plant and machinery more than five years old and computers more than five years old the lesser of
 - 7.3.3.1 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 (including the reasonable cost of any necessary overtime), or
 - 7.3.3.2 in the case of a purchase or sale, the purchase or sale price plus the cost of packing and transport, or
 - 7.3.3.3 in the case of movement of the goods other than for the reason of purchase or sale, the greater of the written down book value in your books of account or the current market value.
- 7.4 If we agree to pay a claim under Section 7.3, we will also pay you for the following additional benefits (if you are required to pay these costs)
 - 7.4.1 the cost of air freighting replacement parts from suppliers to the original destination, even if the original transit was not by air freight, up to the greater of \$10,000 or 10% of the insured value of the damaged goods (calculated according to Section 7.3 above),
 - 7.4.2 the reasonable costs and expenses incurred in cleaning up or decontaminating your premises following the delivery or return of salvaged goods, plus the cost of transport and disposal costs to remove those goods, up to a limit of \$50,000 any one accident or series of accidents arising from any one insured event,
 - 7.4.3 clean up and disposal costs at any accident site, where you are legally or contractually obliged to pay those costs, up to a limit of \$50,000 any one accident or series of accidents arising from any one insured event,
 - 7.4.4 any additional freight or salvage charges that you are required to pay to remove your goods from any accident site, including the cost of transport to forward the goods to their intended destination or to return the goods to the place from which they were despatched, and
 - 7.4.5 the reasonable costs paid by you to avoid or minimise any further loss or damage to the goods.
- 7.5 Where a loss is payable under this policy, we will apply the following restrictions to payments
 - 7.5.1 for any damaged goods bearing identifying brands or labels or other permanent markings, 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 goods and this allowance is deducted from the claim settlement,
 - 7.5.2 where only the labels or packaging are affected, we will pay you only the cost to recondition and/or replace those labels or packaging.
- 7.6 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 Section 7.3).
- 7.7 Claims we pay under this policy may have an excess deducted prior to settlement. (The excess will be stated in the policy schedule).
- 7.8 Notwithstanding the payment provisions contained in this policy, we will pay the claimant or payee
 - 7.8.1 where the claimant or payee cannot claim an input tax credit in respect of the cost of repairs or replacement to make good the loss, the amount(s) payable as detailed in the policy, including the amount of any Goods and Services Tax (GST) due in respect of the payment, or
 - 7.8.2 where the claimant or payee can claim an input tax credit in respect of the cost of repairs or replacement to make good the loss, the amount(s) payable as detailed in this policy, less any input tax credits available to the claimant or payee in respect of the payment.

The terms "GST" and "input tax credits" have the meaning given to them in A New Tax System (Goods and Services Tax) Act 1999.

Section 8 – Claims procedures

These procedures are important.

Failure to follow them might jeopardise a claim under this policy.

In these procedures we use the term “carrier”. Where this term is used it means the party who caused (or is suspected of causing) the loss or damage for which you are claiming. That party might be a shipping company or its agent, container depot operator, stevedoring company, port authority, airline, customs or forwarding agent, railway operator, removalist, or road carrier.

If we accept liability for your claim we will settle it and look at attempting to obtain a recovery from the party responsible for the loss or damage. For us to succeed in a recovery attempt, certain things need to be done immediately the loss or damage is discovered.

We may need your assistance in answering some queries or supplying documents, or possibly giving evidence if there is a recovery action. If that is the case, we will pay the reasonable costs associated with you giving that assistance.

Actions you need to take – Cargo delivery

When you receive a cargo delivery you will usually be asked to sign the delivery documentation and acknowledge that the consignment was received in good order and condition (this is called a clean receipt).

Before you do so, it is important that you inspect the cargo for signs of any tampering or damage. If the goods are in a container, immediately inspect external surfaces for damage and inspect the door seals and rust spots for water leaks. Examine the locks and seals and compare the seal numbers with those listed on the shipping documents.

If damage or any discrepancy is apparent, note the extent and type of damage on the delivery documentation. If you suspect that there is damage, even if it is not obvious, add a note to say you are accepting the goods in apparent good order and condition.

Do not under any circumstance give a clean receipt if there is any evidence of damage or shortage.

Photographs of the damage are very helpful, including the goods, accident site, packaging, carriers’ vehicle, and the internal & external container walls.

Actions you need to take – Cargo claims

1 Prevent Further Loss

Immediately take all reasonable measures to avoid or minimise any further loss or damage to the goods. The reasonable cost in doing this will be reimbursed by us under Section 7.4.5. Any measures you or we take to save, protect or recover the insured goods.

2 Advise Vero Insurance

Immediately advise our Claims Team toll-free on 1300 664201 that you have an inland transit loss.

Advise all details known to you including the time and location of the loss, and any circumstances that will assist us in investigating that loss.

Gather evidence and documentation to support your claim and provide it to us as soon as possible.

Complete and sign the appropriate claim form.

3 Retain Goods

Do not dispose of any damaged goods without first giving us the opportunity to inspect them.

If the goods have to be disposed of because they are a safety hazard or for other emergency reasons, please obtain a Disposal Certificate from the appropriate authority.

4 Hold Carrier Liable

On receipt of suspect or damaged goods, note the extent and type of damage on the consignment note or similar document.

Within three (3) days lodge a written claim against the carrier (see below for letter) for any loss or damage. If you are unable to fully quantify the extent of damage, you should still write to the carrier within three days and advise the carrier that further details will be forwarded once the claim is quantified.

The most important point is to ensure they receive your written claim quickly.

Where you are the owner of the goods, send this letter to the carrier on YOUR letterhead within three (3) days of you first knowing of the loss or damage.

RE – Loss of/Damage to ...insert details of goods... on ...insert date of transit...

Consignment Note or Reference Number:

We wish to make a claim for lost/damage items from the transit between and

We hold your company responsible for the repairs or replacement of the following items:

(list items lost/damaged)

Please acknowledge this claim.

Information you need to provide

- 5 Receipts/documents
 - ▼ Bill of Lading/Air Way bill;
 - ▼ Local carriers consignment note with terms and conditions on reverse;
 - ▼ Invoice for the purchase or sale (as applicable) of the goods;
 - ▼ Copy of your claim against the carrier;
 - ▼ Copy of carrier's reply (if and when received);
 - ▼ Copy of any non-delivery, or short receipt, credit notes (if applicable);
 - ▼ Documentation relating to outturn/receipt of goods;
 - ▼ Police report number;
 - ▼ Insurance Certificate;
 - ▼ Copy of temperature records;
 - ▼ Invoices to confirm salvage sale price;
 - ▼ Copy of any specific instructions given to the carrier.
- 6 Quotations
 - ▼ Quote for repairs / replacement.

What we will do

- 1 Record the details of your loss.
- 2 If required, ask you for more information.
- 3 Appoint a surveyor to inspect the goods and gather information for us. You should co-operate with the surveyor as this will assist in the handling of your claim.
- 4 Once your claim is approved and finalised we will pay you or another party as appropriate.

Section 9 – Law and practice

This policy is subject to Australian Law, including the Insurance Contracts Act 1984.

It is also subject to Australian jurisdiction.

Section 10 – Your duty of disclosure

You have a legal duty of disclosure to us whenever you apply for, change or renew an insurance policy.

What you must tell us

You have a general duty to disclose to us everything that you know, or could reasonably be expected to know, is relevant to our decision whether to insure you, and, if we do, on what terms.

However, your duty does not require you to disclose anything

- ▼ that reduces the risk to be undertaken by us;
- ▼ that is generally well known;
- ▼ that we know or, in the ordinary course of our business, ought to know, or;
- ▼ in respect of which we have waived your duty.

Your general duty applies to renewals and changes

Your general duty applies in full when you renew an insurance policy or change an existing policy (including when you extend or reinstate it).

Who needs to tell us

It is important that you understand you are disclosing to us and answering our questions for yourself and anyone else you want to be covered by the policy.

If you do not tell us

If you do not answer our questions honestly or do not properly disclose to us, we may reduce or refuse to pay a claim or may cancel the policy. If you act fraudulently in answering our questions or not disclosing to us, we may refuse to pay a claim or treat the policy as never having existed.

Section 11 – Privacy

Privacy statement

AAI Limited trading as Vero Insurance is the insurer and issuer of your commercial insurance product, and is a member of the Suncorp Group, which we'll refer to simply as "the Group".

Why do we collect personal information?

Personal information is information or an opinion about an identified individual or an individual who is reasonably identifiable. We collect personal information so that we can:

- ▼ identify you and conduct appropriate checks;
- ▼ understand your requirements and provide you with a product or service;
- ▼ set up, administer and manage our products and services and systems, including the management and administration of underwriting and claims;
- ▼ assess and investigate any claims you make under one or more of our products;
- ▼ manage, train and develop our employees and representatives;
- ▼ manage complaints and disputes, and report to dispute resolution bodies; and
- ▼ get a better understanding of you, your needs, your behaviours and how you interact with us, so we can engage in product and service research, development and business strategy including managing the delivery of our services and products via the ways we communicate with you.

What happens if you don't give us your personal information?

If we ask for your personal information and you don't give it to us, we may not be able to provide you with any, some, or all of the features of our products or services.

How we handle your personal information

We collect your personal information directly from you and, in some cases, from other people or organisations. We also provide your personal information to other related companies in the Group, and they may disclose or use your personal information for the purposes described in 'Why do we collect personal information?' in relation to products and services they may provide to you. They may also use your personal information to help them provide products and services to other customers, but they'll never disclose your personal information to another customer without your consent.

Under various laws we will be (or may be) authorised or required to collect your personal information. These laws include the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, Personal Property Securities Act 2009, Corporations Act 2001, Autonomous Sanctions Act 2011, Income Tax Assessment Act 1997, Income Tax Assessment Act 1936, Income Tax Regulations 1936, Tax Administration Act 1953, Tax Administration Regulations 1976, A New Tax System (Goods and Services Tax) Act 1999 and the Australian Securities and Investments Commission Act 2001, as those laws are amended and includes any associated regulations.

We will use and disclose your personal information for the purposes we collected it as well as purposes that are related, where you would reasonably expect us to. We may disclose your personal information to and/or collect your personal information from:

- ▼ other companies within the Group and other trading divisions or departments within the same company (please see our Group Privacy Policy for a list of brands/companies);
- ▼ any of our Group joint ventures where authorised or required;
- ▼ customer, product, business or strategic research and development organisations;
- ▼ data warehouse, strategic learning organisations, data partners, analytic consultants;
- ▼ social media and other virtual communities and networks where people create, share or exchange information;
- ▼ publicly available sources of information;
- ▼ clubs, associations, member loyalty or rewards programs and other industry relevant organisations;
- ▼ a third party that we've contracted to provide financial services, financial products or administrative services – for example:
 - ▼ information technology providers,
 - ▼ administration or business management services, consultancy firms, auditors and business management consultants,
 - ▼ marketing agencies and other marketing service providers,

- ▼ claims management service providers
- ▼ print/mail/digital service providers, and
- ▼ imaging and document management services;
- ▼ any intermediaries, including your agent, adviser, a broker, representative or person acting on your behalf, other Australian Financial Services Licensee or our authorised representatives, advisers and our agents;
- ▼ a third party claimant or witnesses in a claim;
- ▼ accounting or finance professionals and advisers;
- ▼ government, statutory or regulatory bodies and enforcement bodies;
- ▼ policy or product holders or others who are authorised or noted on the policy as having a legal interest, including where you are an insured person but not the policy or product holder;
- ▼ in the case of a relationship with a corporate partner such as a bank or a credit union, the corporate partner and any new incoming insurer;
- ▼ the Financial Ombudsman Service or any other external dispute resolution body;
- ▼ credit reporting agencies;
- ▼ other insurers, reinsurers, insurance investigators and claims or insurance reference services, loss assessors, financiers;
- ▼ legal and any other professional advisers or consultants;
- ▼ hospitals and, medical, health or wellbeing professionals;
- ▼ debt collection agencies;
- ▼ any other organisation or person, where you've asked them to provide your personal information to us or asked us to obtain personal information from them, eg your mother.

We'll use a variety of methods to collect your personal information from, and disclose your personal information to, these persons or organisations, including written forms, telephone calls and via electronic delivery. We may collect and disclose your personal information to these persons and organisations during the information life cycle, regularly, or on an ad hoc basis, depending on the purpose of collection.

Overseas disclosure

Sometimes, we need to provide your personal information to – or get personal information about you from – persons or organisations located overseas, for the same purposes as in 'Why do we collect personal information?'

The complete list of countries is contained in our Group Privacy Policy, which can be accessed at www.vero.com.au/privacy, or you can call us for a copy.

From time to time, we may need to disclose your personal information to, and collect your personal information from, other countries not on this list. Nevertheless, we will always disclose and collect your personal information in accordance with privacy laws.

How to access and correct your personal information or make a complaint

You have the right to access and correct your personal information held by us and you can find information about how to do this in the Suncorp Group Privacy Policy.

The Policy also includes information about how you can complain about a breach of the Australian Privacy Principles and how we'll deal with such a complaint. You can get a copy of the Suncorp Group Privacy Policy. Please use the contact details in **Contact Us**.

Contact us

For more information about our privacy practices including accessing or correcting your personal information, making a complaint, or obtaining a list of overseas countries you can:

- ▼ Visit www.vero.com.au/privacy.
- ▼ Speak to us directly by phoning one of our Sales & Service Consultants on: 1300 888 073 or by
- ▼ Email us at claims@vero.com.au

Insured by:
AAI Limited ABN 48 005 297 807 trading as Vero Insurance
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