

carrier's combined package policy



Carrier's Combined Package Policy Conditions

This Policy is made up of four (4) parts:

Part 1 – General conditions and definitions applicable to Part 2, Part 3 and Part 4 of this Policy.

Part 2 – Cover A Carrier's Goodwill

Part 3 – Cover B Carrier's Indemnity

Part 4 – Cover C Carrier's Liability

Conditions of cover are detailed in each section of the policy.

Part 1 – General Conditions

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:

"you" or "your"	means the Insured Carrier named in the policy schedule, and, if included in the policy schedule, includes subcontractors as defined below.
"we" or "our" or "us" or "insurer"	means Vero Insurance Limited ABN 48 005 297 807. Vero National Marine is a division of the insurer.
"animal" and/or not "livestock"	means the animals described as "the insured goods" in the policy schedule, but does not include stud stock.
"cartage conditions"	means the terms and conditions contained in your consignment note and/or your cartage contract agreements with your customers, if approved by us prior to the commencement of transit.
"customer"	means the owner of the goods and/or merchandise. For the purposes of Cover B, a "named customer" means a customer named in the Cover B policy schedule. The customer is not an insured party under this policy, is not a person to whom the insurance cover provided by this policy extends, is not responsible for the premium, has no contractual right to claim under this policy, and cannot cancel this insurance or vary its terms.
"conveyances"	means any road vehicle owned and/or operated by you and/or subcontractors acting on your behalf, and any rail, air, or sea transport services used to convey the goods and/or merchandise to the intended destination.
"excess"	means the amount you must pay towards a claim, as specified in the policy schedule. The excess applies to any one claim or series of claims arising from any one insured event.
"goods" and/or "merchandise" (hereinafter referred to as "goods")	means customer's goods, as detailed in the policy schedule, including all retail and sales packaging and shipping containers carried by you, but does not include jewellery, gold, silver, or platinum articles; precious stones; bullion; cash, banknotes, deeds, bonds, bills of exchange or other documents representing money; household goods; personal effects; or livestock; unless specifically included in the policy schedule. For the purposes of Cover B the goods are those that belong to the named customer.
"gross freight earnings"	means the total gross income, less GST but without deduction of any other expenses, derived by you from the carrying of goods whether as a principal carrier, by the use of subcontractors, or whilst you are acting as a subcontractor.
"limit of liability"	means the amount 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 current policy schedule and any adjustment in accordance with General Conditions, Sections 6 and 7, and any Government or other charges specified in the policy schedule.
“subcontractor”	means any person or company to whom you have given the goods for carriage. Where you are acting as a subcontractor to a principal carrier, this means you are carrying goods on behalf of the principal carrier.

Section 2 – Agreement

- 2.1 This insurance is for your benefit only. You are not authorised to provide any financial services on our behalf. For the purposes of this Clause, “financial services” includes selling, arranging or offering insurance issued by us or giving financial product advice (as defined in section 766B of the Corporations Act 2001 (Cth)) on our behalf.
- 2.2 We agree to provide you with the insurance as described in this policy, for the period of insurance shown in the policy schedule and for any subsequent period where renewal may be agreed, and in return you agree to pay us the premium by the dates advised to you.
- 2.3 We will also insure the goods (of the kind described in the policy schedule) carried by, or (if included in the policy schedule) your legal liability for the goods carried by, **any company formed or purchased by you** during the period of insurance, subject to the terms and exclusions and limits of liability of this policy, *provided that you:*

- ▼ have a controlling interest in such company(s), and
- ▼ provide details to us within thirty days of formation or purchase, and
- ▼ pay such additional premium as may be agreed by the date advised to you.

We must approve the cartage conditions of such companies within the said 30 days of formation or purchase.

- 2.4 **Without limiting clause 2.1, we acknowledge the industry practice of principal carriers charging subcontractors for cover under the principal carrier’s own insurance policy.**

Where you are acting as a subcontractor to a principal carrier, and contingency cover is selected in the policy schedule, this insurance, in so far as permitted by law, shall act as your contingency cover in the event that the principal carrier or their insurance does not pay for the loss, damage, or liability that otherwise would have been covered by this insurance. However this contingency cover shall not replace or act as a dual or double insurance to the principal carrier’s insurance.

Section 3 – The Insured Transits

- 3.1 For goods other than livestock, the insured transits are only those specified in the policy schedule and commencing within the period of insurance shown in the policy schedule. Each insured transit:
- 3.1.1 **commences**, in respect of each item of goods, when the item is first moved by you for the specific purpose of loading on to the conveying vehicle for transit to a destination outside the premises,
- 3.1.2 **terminates**, in respect of each item of goods, when each item of goods is delivered by you to the intended destination either in the receiver’s premises or such other place as the receiver may instruct,
- 3.1.3 **excludes** any period of dismantling, erection, commissioning, testing, or storage other than storage as required for transshipment or on-carriage, and
- 3.1.4 **includes** any period where the goods are **“shut out”** from the intended destination for a period up to but not exceeding 21 days.

- 3.2 If the goods are livestock, the insured transits are only those specified in the policy schedule and commencing within the period of insurance shown in the policy schedule. Each insured transit:
- 3.2.1 **commences** when each animal enters the conveyance or its loading ramp,
 - 3.2.2 **terminates** when each animal is discharged from the conveyance or its loading ramp at the destination, and
 - 3.2.3 includes any period where the insured livestock are being **transhipped or are being rested** for up to seven days during the ordinary course of transit.

Section 4 – Exclusions to all Parts

4.1 The Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause (Clause 4.2) and the Transit and Terrorism Clause (Clause 4.3) 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 and Electromagnetic Weapons Exclusion Clause (Clause 4.2) shall prevail.

4.2 Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and 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

- 4.2.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- 4.2.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- 4.2.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 4.2.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.
The exclusion in this Sub-Clause 4.2.4 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.
- 4.2.5 any chemical, biological, bio-chemical, or electromagnetic weapon.

4.3 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 this policy covers loss of or damage to the goods insured caused by terrorism, such cover is conditional upon the goods insured being in the ordinary course of transit and, in any event **shall terminate either:**

- 4.3.1 as per clause 3.1.2 and 3.2.2 or
- 4.3.2 on delivery to any other warehouse or place of storage, whether prior to or at the intended destination, which is used either for storage other than in the ordinary course of transit or for allocation or distribution,

whichever shall first occur.

For the purposes of this insurance, "terrorism" means any act(s) of any person(s) or organisations(s) involving:

- ▼ the causing, occasioning or threatening of harm of whatever nature and by whatever means,
- ▼ putting the public or any section of the public in fear,

in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) concerned are wholly or partly of a political, religious, ideological or similar nature.

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

- 4.4 This insurance **does not cover** loss, damage or liability:
- 4.4.1 to goods **owned or leased** by you or your employees or goods **used by you or a relative** for personal, domestic or household purposes,
 - 4.4.2 resulting from **any illegal activity** of which you have knowledge,
 - 4.4.3 due to **inherent vice or nature of the goods**,
 - 4.4.4 resulting from **delay**,
 - 4.4.5 that existed or occurred prior to the commencement of the insured transit,
 - 4.4.6 resulting from an act of **war**, whether or not war has been declared, whilst the goods are not on board a ship, vessel or aircraft.
- 4.5 This insurance **does not cover**:
- 4.5.1 **loss of market, loss of profit or consequential loss of any description**, even if caused by an insured-event,
 - 4.5.2 **mechanical, electrical and/or electronic breakdown, derangement, or malfunction of the goods** where there is no evidence of external damage to the goods caused by an insured event
- 4.6 If livestock are insured, this insurance also **does not cover**:
- 4.6.1 **failure to pass tests or examinations, or inoculation and its after effects**,
 - 4.6.2 **slaughter or confiscation** by, or at the direction of government or other authorities, on account of **infectious diseases**.

Section 5 – Claims

- 5.1 **Notwithstanding the payment provisions contained in this policy, we will pay you or another party agreed with you (“payee”):**
- 5.1.1 where the customer 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
 - 5.1.2 where the customer 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 customer 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.
- 5.2 All claims we pay under this policy will have any **excess deducted** prior to settlement.
- 5.3 **You authorise us to act in your name** and undertake to give us reasonable assistance in settling or negotiating any claim under this policy or any **recovery action** we may take against any third party who may have caused the loss or damage.
- 5.4 If we have paid a claim we may exercise our right to possession of the **damaged or recovered property**.

Section 6 – Premiums and Declarations

6.1 The premium payable for this policy is based on the estimated **gross freight earnings** figures provided by you for the period of insurance. Unless otherwise agreed:

6.1.1 **if the deposit premium is \$2,000 or less**, the deposit premium shall be regarded as the minimum premium for the period of insurance shown in the current policy schedule, and **no adjustment or declaration of actual figures is required**,

6.1.2 **if the deposit premium is more than \$2,000** you must supply a **declaration of your actual gross freight earnings** (including those of your subcontractors when carrying for you, and your earnings when acting as a subcontractor) within three months of the expiry of the period of insurance.

An adjustment will be made to the deposit premium, based on the adjustment method and rates agreed at the beginning of the policy period. If the adjusted premium exceeds the deposit premium, you agree to pay the difference to us by the dates advised to you. If the adjusted premium is lower, we will pay the difference to you. However, we reserve the right to limit any such **return premium to 25%** of the original estimated annual premium, the balance being regarded as the **minimum annual premium**.

Section 7 – Cancellation

7.1 You may cancel the policy at any time by giving us written notification.

7.2 We may only cancel this policy when permitted to do so by the Insurance Contracts Act 1984 or other legislation.

7.3 Upon cancellation we will calculate and pay you any return premium due, after deduction of any minimum premium. However, if the cancellation is due to insolvency or takeover of your company, consideration will be given to reducing the minimum premium depending on the circumstances, claims, and our exposure during the policy period. Any additional premium payable by you on cancellation of the policy is payable to us by the date advised to you.

Section 8 – Law & Practice

This policy is subject to Australian law, including the Insurance Contracts Act 1984. It is also subject to Australian jurisdiction.

Section 9 – Your Duty of Disclosure

Before you enter into a contract of general insurance with us, you have a duty under the law to disclose to us every matter that you know, or could reasonably be expected to know, is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to us before you renew, extend, vary or reinstate a contract of general insurance.

Your duty however does not require disclosure of any circumstance:

- ▼ that diminishes the risk to be undertaken by us;
- ▼ that is of common knowledge;
- ▼ that we know or, in the ordinary course of our business, ought to know;
- ▼ as to which compliance with your duty is waived by us.

Non-disclosure and misrepresentations where the Marine Insurance Act applies

If you fail to comply with your duty of disclosure, we may avoid the contract from its beginning. Further, if you make a representation before the contract is entered into which is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms and that representation is untrue, we may avoid the contract from its beginning.

Non-disclosure where the Insurance Contracts Act applies

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the contract in respect of a claim or may cancel the contract.

If your non-disclosure is fraudulent, we may also have the option of avoiding the contract from its beginning.

Section 10 – Privacy Statement

We respect your Privacy

The Privacy Act 1988 (as amended) now applies and requires us to inform you that:

Purpose of collection

We collect personal information (this is information or an opinion about an individual whose identity is apparent or can reasonably be ascertained and which relates to a natural living person) for the purposes of providing insurance services to you, including:

- ▼ evaluating your application,
- ▼ evaluating any request for a change to any insurance provided,
- ▼ providing, administering, and managing the insurance services following acceptance of an application and
- ▼ investigating and, if covered, managing claims made in relation to any insurance you have with us or other members of the group of companies to which we belong.

The personal information collected can be used or disclosed by us for a secondary purpose related to those purposes listed above, but only if you would reasonably expect us to use or disclose the information for this secondary purpose. However for sensitive information, the secondary purpose must be directly related to the purposes listed above.

Disclosure

We may disclose your personal information (and receive personal information from), when necessary and in connection with the purposes listed above, to other members of the group of companies to which we belong your insurance broker or our agent, Government bodies, loss assessors, claim investigators, reinsurers, other insurance companies, mailing houses, claims reference providers, other service providers, hospitals, medical and health professionals, legal and other professional advisers.

Consequences if information is not provided

If you do not provide us with the information we need we will be unable to consider your application for insurance cover, administer your policy or manage any claim under your policy.

Access

You can request access to the personal information by contacting Vero Insurance Limited.

Privacy Statement issued by

Vero Insurance Limited, GPO Box 3999, Sydney NSW 2001.

Section 11 – General Insurance Code of Practice

We have adopted the General Insurance Code of Practice developed by the Insurance Council of Australia. The Code is designed to promote good relations and good insurance practice between insurers, intermediaries and consumers. The Code sets out what we must do when dealing with you. Please contact us if you want more information about the Code.

Section 12 – Resolving your complaints

If you think we have let you down in any way, or our service is not what you expect (even if through one of our agents or representatives), please tell us so we can help. You can tell us by phone, in writing or in person.

Should you tell us in writing it will help to send us the full details of your complaint together with any supporting documents and an explanation of what you want us to do. If you would like to come in to talk to us face to face, please call and we will arrange an appointment for a meeting.

What we will do to resolve your complaint

When you first let us know about your complaint or concern, the person trying to resolve your complaint will listen to you, consider the facts and contact you to resolve your complaint as soon as possible, usually within 24 hours.

If you are not satisfied with this person's decision on your complaint, then it will be referred to the relevant Manager, who will contact you within 5 working days.

If you not satisfied with the Manager's decision, then it will be referred to our Head Office. We will send you our final decision within 15 working days from the date you first made your complaint.

What if you are not satisfied with our final decision?

We expect our procedures will deal fairly and promptly with your complaint.

However, if you are not satisfied with our final decision you may be able to take your complaint to mediation or arbitration. Legal action is also available.

Cover A – Carrier's Goodwill

Section 1 – The Insured Events

- 1.1 Subject to the terms, conditions and exclusions of this policy, **under this Cover A we will**, at your request and regardless of your legal liability, **pay you or any other party directed by you**, for **physical loss of or damage** to the goods during the insured transit, **directly caused by**:
 - 1.1.1 **fire, explosion, lightning, or flood**,
 - 1.1.2 **collision** of the conveyance with any external object other than the road, gutter, or similar surrounding surfaces,
 - 1.1.3 **overturning or jackknifing or derailment** of the land conveyance,
 - 1.1.4 **impact** of the goods with something that is not on or part of the conveyance, but not impact of the goods with:
 - 1.1.4.1 the road or surrounding areas caused by the goods dropping or falling from the conveyance, unless caused by an insured event
 - 1.1.4.2 rain, water and/or hail,
 - 1.1.5 **hijacking or armed hold-up**, or
 - 1.1.6 **collision, crashing, or forced landing** of the conveying aircraft.
- 1.2 If the goods include livestock, Clause 1.1 is extended to include **death, physical injury, or slaughter for humane reasons** directly caused by the insured events detailed above.
- 1.3 **If the insured transit is by sea or air**, this policy further covers where applicable:
 - 1.3.1 **General Average and or Salvage contribution** that you are required to pay under any Bill of Lading or similar document,
 - 1.3.2 physical loss or damage to the goods caused by **washing overboard; jettison; collision, grounding, sinking, capsizing of the vessel; or General Average Sacrifice**,
 - 1.3.3 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 vessel or aircraft.
- 1.4 **If included in the policy schedule, this policy (other than in respect of livestock) is extended to include the following optional cover/s during the insured transit**:
 - 1.4.1 **all accidental physical loss or damage to the goods during loading and unloading**. For the purpose of this extension, **loading** means from the time of commencement of movement of the goods from immediately adjacent to the conveyance until directly placed thereon. **Unloading** means from the time of lifting from the conveyance until placed directly on the ground or loading dock immediately adjacent thereto, or if not so placed, until removed from the conveyance,
 - 1.4.2 physical loss of or damage to the goods caused by **theft, pilferage, or non delivery**,
 - 1.4.3 deterioration to the goods caused by **breakdown or malfunction of refrigerating machinery** which results in its stoppage, or failure to deliver air at the preset temperature, for a period of not less than four consecutive hours,
 - 1.4.4 physical loss or damage to the goods caused by **rain, water, and/or hail**.

Cover A

Section 2 – How Much we will Pay

- 2.1 Claims under this policy **are not subject to the application of average or underinsurance.**
- 2.2 Subject to the policy terms, conditions, limitations, and the maximum limit of liability shown in the policy schedule, and the provisions of Clauses 5.1 to 5.3 of the General Conditions, we will **pay you or any other party directed by you**, the lesser of:
 - 2.2.1 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
 - 2.2.2 the invoice value of the goods whilst in transit, or
 - 2.2.3 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, or
 - 2.2.4 if the insured goods are livestock, we will pay the net invoice value covering the livestock whilst in transit, or if there is no invoice value, the cost of replacing the livestock with similar livestock of the same age and condition or as near as possible to that age and condition.
- 2.3 If the loss or damage relates to shipping containers, we will pay the cost of repair or replacement (as required by the hand-over agreement or similar document) up to a limit of \$20,000 any one claim or series of claims arising from any one insured event.
- 2.4 If the loss or damage only relates to labels or packaging, we will only pay the cost to recondition and/or replace such labels or packaging.
- 2.5 **If a claim is payable under Cover A, Section 1**, we will also pay the following **additional benefits** (if the customer is required to pay these costs):
 - 2.5.1 **clean up and disposal costs at any accident site**, where there is a legal or contractual obligation to pay same, up to a limit of \$25,000 any one accident or series of accidents arising from any one insured event,
 - 2.5.2 reasonable costs, including additional freight costs, paid to **avoid or minimise any** further loss of, or damage to the goods,
 - 2.5.3 reasonable costs and expenses incurred in **cleaning up or decontaminating your premises or the customer's premises** following the delivery or return of salvaged goods, plus the cost of transport for removal and disposal of those goods, up to a limit of \$25,000 any one accident or series of accidents arising from any one insured event,
 - 2.5.4 the cost of **agisting** livestock following injury as detailed in Cover A, Section 1.2. At our option, we will pay to bring them back to their condition prior to the loss, or the agreed depreciation in value if they are sold as injured livestock,
 - 2.5.5 the cost of **mustering** animals following a loss as detailed in Cover A, Section 1.2, up to a limit of 25% of the value of the livestock involved,
 - 2.5.6 the reasonable costs paid to **avoid or minimise any further deaths of livestock** following a loss as detailed in Cover A, Section 1.2.

Cover A

Section 3 – Claims

- 3.1 When an event occurs which may give rise to a claim under this policy, there are certain procedures you and your subcontractors must follow to protect the goods and your potential recovery action, if any, against third parties. **You must:**
- 3.1.1 immediately **take all reasonable measures** to avoid or minimise any further loss of, or damage to, the goods, or death of livestock. The reasonable cost in doing this will be reimbursed by us.
 - 3.1.2 **tell us** as soon as possible all of the details (including the time and location of the loss) and any circumstances known to you that will assist us in investigating that loss. This information should be provided to us in writing. Include the cartage condition(s), and all supporting documentation such as the invoice(s), and letters of demand from the customer(s).
- We may wish to appoint a surveyor to report to us on aspects of the loss. **You should co-operate** with the surveyor, as this will assist swift consideration of the claim.
- 3.1.3 report the matter to the **Police** or appropriate Government Authority as required by law.

Cover B – Carrier's Indemnity

Section 1 – The Insured Events

- 1.1 **Subject to the terms, conditions and exclusions of this policy, under this Cover B we will insure your contractual liability to named customers where, before the insured transit commenced, you contracted in writing to indemnify the named customer/s for loss or damage to their goods during transit.**
- 1.2 We will **pay you or any other party directed by you, for:**
 - 1.2.1 **accidental physical loss of or damage to the goods (excluding livestock),**
 - 1.2.2 **unexpected deterioration of temperature controlled goods,**
 - 1.2.3 **death of livestock,**
 - 1.2.4 **loss or damage to the goods caused by strikers, locked-out workers or persons taking part in labour disturbances, riots, or civil commotions,**
 - 1.2.5 **malicious damage** to the goods, unless caused or directed by you or the **customer,**
 - 1.2.6 **loss or damage to the goods resulting from insufficiency or unsuitability of packing or preparation of the goods (excluding livestock or temperature controlled goods),** unless such insufficiency or unsuitability of packing or preparation of the goods was caused, directed or agreed by you, the consignor, or the customer,
- 1.3 If the insured transit is by sea or air, Clause 1.2 is extended to include:
 - 1.3.1. **physical loss of or damage to the goods caused by washing overboard; jettison; collision, grounding, sinking, capsizing of the vessel; or General Average Sacrifice**
 - 1.3.2 **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 goods are on board the carrying vessel or aircraft,
 - 1.3.3 **indemnity for any General Average and or Salvage contribution** that you have accepted liability to pay under any Bill of Lading or similar document.

Cover B

Section 2 – How Much we will Pay

- 2.1 Claims under this policy **are not subject to the application of average or underinsurance.**
- 2.2 Subject to the policy terms, conditions, exclusions, and the maximum limit of liability as shown in the policy schedule, and the provisions of clauses 5.1 to 5.3 of the General Conditions, we will **pay you or any other party directed by you**, the lesser of:
- 2.2.1 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
 - 2.2.2 the invoice value of the goods whilst in transit, or
 - 2.2.3 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, or
 - 2.2.4 if the insured goods are livestock, we will pay the net invoice value covering the livestock whilst in transit, or if there is no invoice value, the cost of replacing the livestock with similar livestock of the same age and condition or as near as possible to that age and condition.
- 2.3 If you are required to pay for loss or damage to shipping containers, we will pay the cost of repair or replacement (as required by the hand-over agreement or similar document) up to a limit of \$20,000 any one claim or series of claims arising from any one insured event.
- 2.4 If the loss or damage only relates to labels or packaging, we will only pay the cost to recondition and/or replace such labels or packaging.
- 2.5 If we agree to pay a claim under Cover B, we will also pay you the following **additional benefits** (if the customer is required to pay these costs):
- 2.5.1 **clean up and disposal costs at any accident site**, where there is a legal or contractual obligation to pay same, up to a limit of \$25,000 any one accident or series of accidents arising from any one insured event,
 - 2.5.2 reasonable costs paid to **avoid or minimise any** further loss of, or damage to, the goods
 - 2.5.3 the reasonable costs and expenses incurred in **cleaning up or decontaminating your premises or the customer's premises** following the delivery or return of salvaged goods, plus the cost of transport for removal and disposal of those goods, up to a limit of \$25,000 any one accident or series of accidents arising from any one insured event.

Cover B

Section 3 – Claims

- 3.1 When an event occurs which may give rise to a claim under this policy, there are certain procedures you and your subcontractors must follow to protect the goods and your potential recovery action, if any, against third parties. **You must:**
- 3.1.1 immediately **take all reasonable measures** to avoid or minimise any further loss of, or damage to, the goods. The reasonable cost in doing this will be reimbursed by us.
 - 3.1.2 **tell us** as soon as possible all of the details (including the time and location of the loss) and any circumstances known to you that will assist us in investigating that loss. This information should be provided to us in writing, including the cartage condition(s), and all supporting documentation such as the invoice(s), and letters of demand from the customer(s).
- We may wish to appoint a surveyor to report to us on aspects of the loss. **You should co-operate** with the surveyor, as this will assist swift consideration of the claim.
- 3.1.3 report the matter to the **Police** or appropriate Government Authority as required by law.

Cover C – Carrier's Liability

Section 1 – The Insured Liability

- 1.1 Subject to the conditions and exclusions of this policy, under this Cover C we will insure you if an Australian Court finds, or we accept, that you are legally liable to pay compensation for physical loss of, or damage to:
 - 1.1.1 **goods** carried by you, and
 - 1.1.2 shipping **containers**, up to a limit of \$20,000 any one claim or series of claims arising from any one incident or occurrence,provided always that we have not paid the claim under Cover A or Cover B of this policy, the goods and/or shipping containers were in your care, custody or control and were in the ordinary course of the insured transit.
- 1.2 **If the transit is by sea**, this policy further covers your legal liability to pay any **General Average and or Salvage contribution** that you are or the customer is required to pay under any Bill of Lading or similar document.
- 1.3 **In addition to the liability detailed above**, we will pay, up to a limit of \$250,000, any **legal expenses** incurred with our consent in the defence of any claim.
- 1.4 This insurance **does not cover** any fines, penalties, aggravated, exemplary or punitive damages imposed on you or awarded against you.

Cover C

Section 2 – How Much we will Pay

- 2.1 Claims under this policy **are not subject to the application of average or underinsurance**.
- 2.2 Unless excluded or limited in General Conditions Sections 4 and 5, or Cover C, Clause 1.4 above, we will **pay you or any other party directed by you**:
 - 2.2.1 the amount awarded against you in respect of physical loss or damage to the goods carried,
 - 2.2.2 the customer's legal expenses awarded,
 - 2.2.3 any interest awarded,
 - 2.2.4 removal of debris or clean up costs awarded,
 - 2.2.5 any other charges awarded against you,or the amount/s we negotiate on your behalf.

Cover C

Section 3 – Claims

- 3.1 **When you are notified of an event which may give rise to a claim under this policy, there are certain procedures you and your sub-contractors must follow. You must:**
 - 3.1.1 **deny liability** in writing in respect of any claim made upon you, referring to the terms and conditions of carriage,
 - 3.1.2 **not make any admission of liability**, or make any payment, offer or promise of payment in connection therewith without our written consent, as this may prejudice your right to recover under this insurance,

- 3.1.3 if you receive a further demand, **tell us** as soon as possible all of the details known to you and your subcontractors, including the time and location of the loss, and any circumstances that will assist us in investigating that loss and determine your liability (if any). This information should be provided to us in writing, including the cartage conditions and all supporting documentation such as invoice/s and letters of demand from the customer/s.
- 3.1.4 take all reasonable measures to prevent any further loss of, deterioration of, or damage to the goods.
- 3.2 If a consignment note has not been issued, or if you suspect your cartage conditions may not apply, you must advise us as soon as you or your subcontractors are made aware of any event which may give rise to a claim being made against you.**
- 3.3** We may wish to appoint a surveyor to report to us on aspects of the loss. **You should co-operate** with the surveyor, as this will assist early consideration of the claim.
- 3.4** At our option we may take over and conduct, in your name, the defence or settlement of any claim, and shall have full discretion in the conduct of any proceedings.

Notes & Endorsements

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Insured by:
Vero Insurance Limited ABN 48 005 297 807
Vero National Marine is a division of Vero Insurance Limited

