



XL Insurance

Marine

Combined Cargo Insurance Policy Wording

May 2024

Table of Contents

1.	Introduction	3
2.	Insuring Agreement	6
3.	Extensions and Additional Benefits	11
4.	Definitions	19
5.	General Exclusions and Policy Limitations	22
6.	General Conditions	25
7.	Claims Conditions	28
8.	Complaints	30
9.	APPENDIX – Institute Clause	31

1. Introduction

This Combined Cargo Insurance **Policy** sets out details of the cover **We** provide.

In deciding to accept this **Policy** and in setting the terms and **Premium We** have relied on the information which **You** have provided to **Us**.

Please read this document carefully to understand the significant features, benefits and exclusions of this insurance and make sure that it meets **Your** needs. **You** must also ensure that all details as shown in **Your Schedule** are correct. Let **Us** know immediately if **You** need to make any changes.

The rest of this “Introduction” section sets out important information including the basis on which **We** insure **You**, the duty of disclosure **You** need to meet before **We** insure **You** and **Our** privacy information.

The “Definitions” set out what **We** mean by certain words used in the **Policy**. These words begin with a capital letter and appear in bold throughout this document.

The “General Exclusions and Policy Limitations” set out the general exclusions and limitations that apply to the cover and benefits.

The “General Conditions”, and “Claims Conditions” sections set out certain general rights and obligations that **You** and **We** have and the Cover **We** provide **You** under the **Policy** including cover restrictions.

All of the documents that make up the **Policy**, including the **Schedule** and any **Endorsements** or other written changes to the cover **We** issue **You** with contain specific details relevant to **You** and can affect the cover. The **Schedule** may also specify **Excesses** and other limitations on **Your** cover.

1.1 About AXA XL / Who is the Insurer

This **Policy** is issued by XL Insurance Company SE (Australian branch) ABN 36 083 570 441. You can reach us at:

AXA XL
Level 28, Angel Place,
123 Pitt Street,
Sydney NSW 2000

1.2 Your Duty of Disclosure

Before **You** enter into an insurance contract, **You** have a duty to tell **Us** anything that **You** know, or could reasonably be expected to know, 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:

- a) reduces the risk **We** insure **You** for;
- b) is of common knowledge;
- c) **We** know or in the ordinary course of **Our** business ought to know; or
- d) **We** waive **Your** duty to tell **Us** about.

The duty of disclosure applies to **You** and everyone insured under the contract of insurance. If **You**, or they, fail to comply with the duty of disclosure, **We** may reduce **Our** liability under the contract in respect of a claim.

If the non-disclosure is fraudulent, **We** may treat the **Policy** as if it never existed and pay nothing.

It is important that all information provided in support of **Your** application for insurance is understood by **You** and is correct, as **You** will be bound by **Your** answers and by the information provided by **You**. If **You** do not understand any part of this notice, **You** should obtain independent advice.

Your duty of disclosure continues after **Your** application for insurance has been completed up until the contract of insurance is entered into.

If **You**:

- (i) Failed to disclose any matter which **You** were under a duty to disclose to **Us**, or
- (ii) Made a misrepresentation to **Us** before this **Policy** was entered into

and if **We** would not have entered into this **Policy** for the same premium and on the same terms and Conditions expressed in this **Policy** but for the failure to disclose or the misrepresentation then

- a) **Our** liability in respect of any claim will be reduced to an amount to place **Us** in the same position in which **We** would have been placed if such non-disclosure had not occurred or such misrepresentation had not been made; or
- b) If the non-disclosure or misrepresentation was fraudulent, **We** may avoid this **Policy**.

Duty of Disclosure under the Marine Insurance Act 1909

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

1.3 Changes the Insurer Needs to Know About / Alteration of risk

You must notify **Us** in writing as soon as practicable of any changes in the information which happen before or during the **Period of Insurance** that change the nature of the risks covered by this **Policy** (for example a change affecting the **Goods** or **Your** business operations) in a way that would increase the risk of loss or damage.

When **We** are notified of a change **We** may amend the terms of the **Policy** or require additional premium.

1.4 General Insurance Code of Practice

We are a signatory to the General Insurance Code of Practice.

The Code aims to raise standards of practice and service in the insurance industry. It promotes better communication between insurers and customers which will lead to better public understanding of insurance to allow customers to make informed choices, and outlines good standards of practice and service to be met by insurers to enhance their regulation for responding efficiently to their customers' needs.

If **You** are interested in obtaining more information **You** can contact the Insurance Council of Australia or access the Code directly on www.codeofpractice.com.au.

1.5 Privacy Collection Statement

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

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

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

If **You** wish to access or correct **Your** personal information, or wish to raise any concerns as to how **We** handle **Your** personal information, please write to:

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

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

2. Insuring Agreement

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

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

2.1 Insured Goods

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

- a) the goods specified in the **Schedule**;
- b) all retail and sales packaging, including labels;
- c) **Your Stock Transfers**; and
- d) any return **Goods**, inwards or outwards, where **You** have the responsibility to insure the **Goods** in transit, or have assumed that responsibility prior to any loss or damage to the **Goods** being reported to **You**;

2.2 Insured Transits

The **Goods** are insured for the following **Insured Transits**:

- e) Imports
- f) Exports
- g) Inland transits, and;
- h) World to World

as specified in **Your Schedule**.

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

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

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

2.3 Commencement and Termination of Insured Transit

2.3.1 Imports / Exports / World to World

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

- (i) Each item of **Goods** is placed inside the intended destination/receivers premises;
- (ii) On being placed inside any other warehouse or place of storage, whether prior to or at the destination named herein, which either **You** or the receivers elect to use either or storage other than in the ordinary course of transit or for allocation or distribution;
- (iii) when **You**, **Your** employees or agents elect to use any **Conveyance** or **Shipping Container** for storage other than in the ordinary course of transit;

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

whichever shall first occur.

2.3.2 Inland Transits

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

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

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

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

2.4 Basis of Valuation

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

2.4.1 Imports/Exports/World to World

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

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

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

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

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

2.4.2 Inland Transit

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

- a) **Goods** sold or purchased including **Goods** returned:
The invoice value of the **Goods** including freight charges where applicable.
- b) **Stock Transfers:**
Intercompany cost including freight, or in the absence of any intercompany cost, the actual cost of the stock to **You** including freight.
- c) Plant and equipment, computers and electronic equipment transfers and/ or **Shipping Containers** (New and Used up to 5 years old from date of manufacture).
 - (i) Where the **Goods** are destroyed, the cost of replacing the **Goods** by similar **Goods** in a condition equal to preexisting to the loss but not better or more extensive than its condition when new.
 - (ii) Where the **Goods** are damaged, the repair of the damage and the restoration of the damaged portion of the **Goods** to a condition substantially the same as that preexisting to the loss but not better or more extensive than its condition when new.
- d) Plant and equipment, computers and electronic equipment transfers and/ or **Shipping Containers** (more than 5 years old from date of manufacture)
 - (i) where the **Goods** are destroyed, the cost of replacing the **Goods** with similar **Goods** of the same type, age, specification and condition or as near as possible to that type, age, specification and condition.
 - (ii) where the **Goods** are damaged, the cost of repairing or reinstating the **Goods** to a condition equal to but no better or more extensive than the condition immediately prior to the loss or damage.
 - (iii) In case of loss of or damage to any part(s) of plant, equipment, computers or electronic equipment or **Shipping Containers** or other manufactured item consisting of more than one part caused by a peril covered by this **Policy**, the amount recoverable shall not exceed the cost of replacement or repair of such part(s) plus labor for (re)fitting and carriage costs. Duty incurred in the provision of replacement or repaired part(s) shall also be recoverable provided that the full duty payable on the insured plant, equipment, computers or electronic equipment or **Shipping Containers** or manufactured item is included in the **Limit of Liability** .
 - (iv) In the event of a claim recoverable under this **Policy** necessitating the manufacture of any new part(s) for the repair of an insured plant, equipment, computers or electronic equipment or **Shipping Containers** or other manufactured item, the amount recoverable shall not exceed the manufacturer's last list price for the year of manufacture of the lost or damaged part(s), uplifted for inflation. Inflation shall be determined by reference to the Retail Price Index, or other officially published data of the country of manufacture of the insured plant, equipment, computers or electronic equipment or **Shipping Containers** or manufactured item, up to a maximum total uplift of 25%.

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

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

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

2.5 Insuring Clauses

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

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

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

In respect to the movement of Goods by sea:

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

In respect movement of Goods moving by air or post:

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

Additional Clauses applicable to all movements:

- Marine Cyber Endorsement LMA5403 11.11.2019; and
- Institute Contamination, Chemical, Biological, Biochemical and Electromagnetic Weapons Clause 10.11.2003 (CL 370); and
- Institute Replacement Clause 1.12.2008 (CL 372) ; and
- Termination of Transit (Terrorism) 2009 JC2009/056; and
- Communicable Disease Exclusion

If We have agreed to insure Goods (excluding Frozen Meat) which are frozen or otherwise temperature controlled the following conditions apply when shipped by sea and inland transits other than by air or post:

- Institute Frozen Food Clauses (A) (excluding frozen meat) 1.1 1986 (CL 263); and
- Frozen Food Extension Clauses (For use only with the Institute Frozen Food Clauses (A) 1/1/86) 1/1/86 (CL.334)
- Institute Strikes Clauses (Frozen Food) (excluding frozen meat) 1.1 1986 (CL 265).

Note: Where the word “frozen” appears in these clauses it is deemed to read “frozen or otherwise temperature controlled”.

If We have agreed to insure Frozen Meat the following conditions apply when shipped by sea and inland transits within Australia other than by air or post:

- Institute Frozen Meat Clauses (A) (not suitable for chilled, cooled or fresh meat) 1/1/86 (CL.323)
- IMTA Frozen Meat Extension Clauses (For use only with the Institute Frozen Meat Clauses (A) 1/1/86) (CL.327)
- Institute War Clauses (Commodity Trades) 5/9/83 (CL.278)
- Note: these clauses do not apply to shipments on land
- Institute Strikes Clauses (Frozen Meat) 1/1/86 (CL.326)

Note: Where the word “frozen” appears in these clauses it is deemed to read “frozen or otherwise temperature controlled”.

3. Extensions and Additional Benefits

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

3.1 Accumulation Clause

In case of an accumulation of **Goods** during the ordinary course of transit:

- (i) by reason of any interruption of transit; or
- (ii) during transshipment; or
- (iii) after the arrival of the overseas vessel or **Conveyance** at the port; or
- (iv) at a place of discharge,

notwithstanding anything stated to the contrary, the maximum **Limit of Liability** under the **Policy** shall be twice the **Limit of Liability** stated in the **Schedule** provided that:

- a) the accumulation has not arisen from any circumstances within **Your** control; and
- b) **You** notify **Us** of the accumulation as soon as it is known to **You**.

Note: This Accumulation Clause does not apply to a Single **Transit Policy**.

3.2 Acquired Company Clause

The **Insured** named in the **Schedule** includes any company, subsidiary company or firm, formed, purchased or otherwise acquired by **You** during the **Period of Insurance** provided that:

- (i) **You** hold a controlling interest in the company or firm or have agreed to accept responsibility for insurance for such a company or firm; and
- (ii) **You** advise **Us** of **Your** interest in the company or firm within sixty (60) days from the date of signing of the instrument by which **You** acquired such company or firm, or from the date of formation of such company or firm, whichever the case may be; and
- (iii) the **Goods** are of a like or similar nature to that noted in the **Schedule**; and.
- (iv) **You** declare to **Us** value of **Sendings** or **Turnover**, type of goods to be insured, past claims, and **You** agree to any additional conditions including additional premium.

Note: This Acquired Company Clause does not apply to a Single **Transit Policy**.

3.3 Brands Clause

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

- (i) bear permanent markings identifying **You** as the manufacturer; or
- (ii) have been manufactured using exclusive and/or secret formulas; without **Your** consent.

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

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

3.4 Buyers Contingency (Difference in Conditions) Clause

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

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

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

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

3.5 Delayed Unpacking Clause

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

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

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

3.6 Duties and Taxes (applicable to Imports only)

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

No claim is recoverable under this clause:

- (i) arising from total loss of the **Goods** or total loss of part thereof prior to the arrival at destination;
- (ii) arising from **General Average**;
- (iii) in respect of duty waived by Customs Authorities at destination on shipments arriving damaged;
- (iv) where no duty or landing charges are paid.

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

3.7 Exhibition and Demonstration Clause

This **Policy** is extended to include cover for the **Goods** and any owned, leased or hired exhibition equipment, fixtures or fittings for which **You** are responsible whilst in **Transit** to or from and during any exhibition, trade fair or display.

However, **We** will not cover:

- a) loss or damage to the **Goods** whilst in use or as a direct result of a demonstration.
- b) theft, pilferage or unexplained loss of the **Goods** and equipment, fixtures or fittings during the open hours of the exhibition, trade fair or display.

The maximum amount **We** will pay under this extension/additional benefit is AUD200,000 for any one **Occurrence** unless otherwise specified in the **Schedule**.

In addition, **We** will also reimburse **You** for non-refundable expenses paid directly to the holder of the exhibition, trade fair or display which arise from **Your** inability to attend the exhibition, trade fair or display as a direct result of a loss covered by this Exhibition and Demonstration Clause up to a limit of AUD10,000 for any one **Occurrence** and for all claims occurring during the **Period of Insurance**.

The **Excess** applicable to this extension is AUD250, unless a higher **Excess** is specified in the **Schedule**.

Note: This Exhibition and Demonstration Clause will not apply to a Single Transit Policy.

3.8 Expediting Expenses Clause

If **We** pay a claim under the **Policy**, **We** will also pay **You** the reasonable costs of air freighting damaged but repairable **Goods**, replacement parts or components to and/or from the suppliers and the location of the **Goods**, even if the original transit was not by airfreight, provided that :

- (i) repair to **Goods** or replacement of any part or component is necessary to prevent interruption of **Your** business; and
- (ii) repair or replacement to original shipped condition cannot otherwise be effected in the country of destination.

The maximum amount **We** will pay under this extension/additional benefit is AUD100,000 or 20% of the insured value, whichever is greater, for any one **Occurrence** unless otherwise specified in the **Schedule**.

3.9 FOB/CFR Pre-Shipment Clause (applicable to Imports only)

Notwithstanding the legal ownership under **Your** purchase contract, in the case of shipments on FOB, CFR or similar terms of sale where:

- (i) **We** are unable to establish the point during the **Insured Transit** at which the loss took place; or
- (ii) where **You** are unable to obtain compensation from the seller or other parties

We will indemnify **You** for loss or damage to the **Goods**, as if **We** had insured the **Goods** on the terms and conditions of this **Policy** from the time of departure from the seller's warehouse or premises, provided that:

- a) The **Goods** are not **Bulk Cargo**; and
- b) **You** use all reasonable means to recover the loss from the seller before claiming under this **Policy**; and
- c) **You** do not disclose the existence of this **Policy** to the seller or any other interested parties; and
- d) **We** are subrogated to all rights and remedies in respect of any recourse there may be under any other **Policy** covering the **Goods** prior to shipment.

3.10 Fumigation and Decontamination Clause

This **Policy** is extended to include cover for the reasonable costs, charges and expenses of fumigation, decontamination or quarantine (including additional freight charges incurred) on arrival at the port or place destination or intermediate port or place where:

- (i) the **Goods** are suspected of being infested, or actually infested; and
- (ii) the appropriate authority orders the **Goods** to be fumigated or decontaminated; and
- (iii) **You** are legally liable for such costs, charges and expenses.

This **Policy** will also cover any loss or damage to the **Goods** proximately caused by this process of fumigation or decontamination including by fire resulting from the application of heat during such processes.

The maximum amount **We** will pay under this extension/additional benefit is AUD100,000 for any one **Occurrence** unless otherwise specified in the **Schedule**.

This **Policy** does not cover the costs of customary or mandatory fumigation, decontamination or quarantine under government quarantine regulations or similar statutory requirements.

3.11 Cargo ISM Forwarding Charges Clause

This **Policy** is extended to reimburse **You**, up to the **Limit of Liability** for the **Insured Transit**, for any extra charges properly and reasonably incurred in unloading, storing and forwarding the **Goods** to their intended destination following release from a vessel arrested or detained at or diverted to any other port or place (other than the intended port of destination) where the voyage is terminated due:

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

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

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

3.12 Cargo ISPS Forwarding Charges Clause

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

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

3.13 Removal of Debris/Clean Up Costs Clause

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

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

The maximum amount **We** will pay under this extension/additional benefit is AUD200,000 for any one **Occurrence** unless otherwise specified in the **Schedule**.

3.14 Re-securing Costs Clause

We will pay for **Your** reasonable costs and expenses incurred in re-securing the **Goods** where there has been movement of the **Goods** in transit which makes re-securing necessary, even though there may be no claim resulting from the incident, provided that:

- a) the circumstances were outside **Your** control and **You** could not reasonably be expected to know of them during the normal course of **Your** business; and
- b) these costs and expenses are not recoverable under any other **Policy**.

The maximum amount **We** will pay under this extension/additional benefit is AUD10,000 for any one **Occurrence** unless otherwise specified in the **Schedule**.

3.15 Sealed Containers Clause

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

- a) **You** produce documentary evidence to substantiate the quantity loaded into the **Shipping Container**; and
- b) **You** agree to use all reasonable means to first recover the full amount of the loss from the seller, packer or other responsible third party before claiming under this **Policy**; and
- c) all rights of recovery against the seller, packer or other third party where liability may attach are to be subrogated to **Us**.

3.16 Seller's Interest Clause

Subject to the **Geographical Limits** shown in the **Schedule**, **We** will pay for loss, damage or expense that would otherwise be recoverable under this **Policy** where, under the contract of sale, **You** do not have a responsibility to arrange insurance up to final destination, if:

- a) the buyer fails to accept the **Goods** and pay **You** its purchase price; or
- b) the buyer fails to take up the documents of title and pay **You** the **Goods** purchase price; or
- c) **You** exercise a right or lien; or
- d) **You** interrupt the transit; or
- e) **You** suspend the contract of sale in order to protect **Your** interests.

Cover will remain in force, subject to the **Policy** terms and conditions until:

- a) the **Goods** are accepted by the buyer, or
- b) the **Goods** are sold to an alternative buyer, or
- c) the **Goods** are returned to **You**, or
- d) ninety (90) days has elapsed from the time of arrival of the overseas vessel at the port of discharge, whichever occurs first.

We will not pay for loss or damage to the **Goods**:

- a) unless notice is given to us as soon as practicable,
- b) if **You** have divulged the existence of this insurance to the seller, their insurers or any other interested third party,
- c) if this **Policy** or any interest in the subject matter insured is assigned,
- d) if the loss is recoverable from any credit insurers,
- e) arising from government action and/or regulations preventing the transfer of currency.

This clause is not deemed to be double insurance.

When a claim is paid under this clause **We** will be subrogated to all **Your** rights and remedies in respect of any recourse against the buyer or their insurers.

3.17 Shipping Container Clause

i. Shipping Containers owned by You

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

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

ii. Non-owned containers

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

iii. Non-owned containers – Demurrage

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

The maximum amount **We** will pay under this **Shipping Container** Clause is AUD200,000 for any one **Occurrence**.

3.18 Strikes Diversion/Forwarding Charges Clause

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

- a) the **Goods** are over-carried to or discharged at a port other than their scheduled port of discharge under the contract of affreightment solely in consequence of strikes, riots, civil commotions, lockouts or labour disturbances
- b) the liberty is exercised prior to the expiry of 15 (fifteen) days from midnight of the day on which the strikes, riots, civil commotions, lockouts or labour disturbances cease to be in active operation.

The maximum amount **We** will pay under this Strikes Diversion/Forwarding Charges Clause is AUD150,000 for any one **Occurrence** unless otherwise specified in the **Schedule**.

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

3.19 Tools of Trade Clause

This **Policy** covers **Tools of Trade** owned by **You** or **Your** employees against loss or damage occurring within Australia and up to a limit of AUD20,000 any one **Occurrence** unless otherwise specified in the **Schedule**, caused by:

- (i) fire, flood, collision and/or overturning of the **Conveying Vehicle**;
- (ii) theft or pilferage of the tools following forcible entry into a securely locked vehicle or fixed carrying compartment or, following theft of the vehicle;

provided that:

- a) the vehicle and/or fixed carrying compartment is of a fully enclosed design capable of being securely locked at all times; and
- b) windows, doors and openings of the vehicle or carrying compartment are securely locked when unattended and any alarms fitted to the vehicle are activated.

Note: This **Tools of Trade** clause does not apply to Imports, Exports, World to World or a Single Transit Policy.

3.20 Travellers' Samples Clause

This **Policy** covers **Travellers' Samples** owned by **You** against loss or damage occurring within Australia and up to a limit of AUD20,000 any one **Occurrence** unless otherwise specified in the **Schedule**, in respect of theft or malicious damage, provided that:

- a) the vehicle and/or fixed carrying compartment is of a fully enclosed design capable of being securely locked at all times; and
- b) windows, doors and openings of the vehicle or carrying compartment are securely locked when unattended and any alarms fitted to the vehicle are activated.

In the event of the **Insured** being obliged to stay overnight at a hotel/motel, the **Goods** remain covered provided that the vehicle in which the **Travellers' Samples** are stored is locked and parked within the hotel/motel complex and not on the street.

Note: This **Travellers' Samples** clause does not apply to Import, Exports, World to World or a Single Transit Policy.

3.21 Loss of Information/Data/Media Clause

We will pay for the reasonable cost of rewriting information, data or media held within the **Insured Goods** provided that:

- (i) there is visible external damage to the **Goods** from a peril insured under this **Policy**; and
- (ii) these costs are not recoverable under any other **Policy**.

The maximum **We** will pay under this extension/additional benefit is AUD100,000 for any one **Occurrence** unless otherwise specified in the **Schedule**.

3.22 Voyage/Transit Extensions Clause

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

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

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

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

3.23 Clothing & Fashion Goods or Printed Matters Additional Expenses Clause

If **We** pay a claim under this **Policy** for loss or damage to Clothing and Fashion **Goods** or Printed Matter (as defined below),

We will also reimburse **You** for Additional Expenses (as defined below) incurred by **You** arising from the same **Occurrence**.

We will not pay:

- a) where there is no reasonable expectation of such remake/reprint and delivery happening prior to any pre-established or recorded launch, opening, application, release or festivity date, or
- b) for re-shooting or re-taking images, or re-drafting, re-styling, re-drafting, enhancing or upgrading artwork or any original data or material.

The maximum **We** will pay under this extension/additional benefit is AUD50,000 for any one **Occurrence** unless otherwise specified in the **Schedule**.

Note: **You** shall bear an **Excess** of 5% of the amount payable under this Additional Expenses Clause.

Extension Definitions:

Clothing and Fashion Goods means clothing and apparel designed to be worn on a person's body, hats & head wear and accessories but does not include handbags and footwear.

Printed Matter means brochures, advertising flyers, magazines, catalogues, newsletters or similar items.

Additional Expenses means the reasonable additional costs incurred to expedite the remake of the original **Clothing and Fashion Goods** or re-set, re-type or reprint the original **Printed Matter** and deliver them to the originally intended destination. When calculating such costs, **We** will take into account amounts which might exceed the declared value of the original production run due to replacement fashion or clothing goods incurring minimum production run costs and/or the need to expedite the remake due to a pre-established or recorded launch, opening, application or festivity date.

5. Definitions

For the purposes of this **Policy**:

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

Combined Cargo Policy Wording

Insured, Assured, You or Your	means the person(s), companies or firms named in the current Schedule as the insured or the party to whom this Policy has legally been assigned.
Goods, Insured Goods, or Subject Matter Insured	means the Goods specified in the Schedule which You own or which You have contractually accepted responsibility to insure, as set out in the Insuring Agreement.
Insurer, Underwriters We, Us or Our	means XL Insurance Company SE ABN: 36 083 570 441 of Level 28, 123 Pitt Street, Sydney, NSW 2000
Limit of Liability	means the amount(s) stated in the this document or the Schedule and which will be the limit of the amount We will pay for any one Occurrence subject to the application of any Excess .
Livestock	means any domesticated herd animal or poultry raised for home use or profit or commercial purposes but not kept as a pet, as described in the Schedule . For example: sheep, goats, pigs, cattle and chickens.
Occurrence	means any one loss, or series of losses in one place or consequent upon, or attributable to one original cause.
Period of Insurance	<p>means the period between and including the dates in the Schedule shown as “Period of Insurance From/To” during which We provide cover under Your Policy.</p> <p>Your Policy expires on the date specified in the Schedule as the “to” date at 4.00pm Local Standard Time (L.S.T.) of the State or Territory within the Commonwealth of Australia in which Our office issuing Your Policy is located, unless another time is noted in the Schedule.</p> <p>For Single Transit Policies, the Period of Insurance expires when the Insured Transit is complete.</p>
Policy	means this document including the Appendix with the Institute Clauses, any Endorsement , any declarations and statements You make to Us , specification, attachment or memoranda affixed to it, and the Schedule .
Premium	means the premium specified in the current Schedule , in any Endorsement and in any adjustment in accordance with the General Condition 6.2 - Premium plus any applicable Government charges.
Salvage	means the physical act of recovering Your Goods which have been lost or damaged.
Salvage Value	means the value of what is left of Your Goods after it has suffered loss or damage.
Schedule	means the most recently dated schedule We have provided to You which specifies important information such as the Policy number, Geographical Limits , the details of the Insured Goods , the Limit of Liability and any Excess payable by You .

Combined Cargo Policy Wording

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

5. General Exclusions and Policy Limitations

5.1 Goods Excluded

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

- a) domestic furniture, household goods, personal effects;
- b) frozen and/or chilled meat, seafood, foodstuffs or other temperature controlled goods;
- c) **Livestock, Bloodstock, Studstock** or live animals and reptiles or live plants;
- d) motor vehicles;
- e) works of art or antiques;
- f) precious metals and stones, money (which means anything having the value of money), bullion, cheques, credit or other card sales vouchers, securities, shares, bonds, deeds, bills of exchange, or any documents that represent money or title;
- g) plant, machinery and computers (which are not the primary **Insured Goods**) where the limit any one **Conveyance** or location exceeds AUD25,000;
- h) **Tools of Trade, Travellers' Samples** except under clauses 3.19 and 3.20 for Inland Transits;
- i) 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;
- j) radioactive or explosive goods;
- k) cigarettes, e-cigarettes or tobacco products;
- l) **Bulk Cargo**.

5.2 Perils Excluded

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

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

5.3 Terrorism exclusion

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

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

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

5.4 Marine Cyber Endorsement

1. Subject only to paragraph 3 below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer system programme, malicious code, computer virus, computer process or any other electronic system.
2. Subject to the conditions, limitations and exclusions of the policy to which this clause attaches, the indemnity otherwise recoverable hereunder shall not be prejudiced by the use or operation of any computer, computer system, computer software programme, computer process or any other electronic system, if such use or operation is not as a means for inflicting harm.
3. Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, paragraph 1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

LMA5403 11 November 2019

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

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

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

10/11/03 (CL370)

5.6 Forwarding Charges limit

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

5.7 Average / Underinsurance

If the value of the **Insured Goods** at the time of loss or damage is greater than the specified in the **Schedule**, **We** shall only pay **You** in accordance with the provisions of the Marine Insurance Act 1909 or the Insurance Contracts Act 1984, where applicable.

5.8 On deck shipments

Cargo shipped on deck in general purpose ISO fully enclosed shipping containers or cargo carried on deck without **Your** privity, knowledge or consent, but subject to an under-deck bill of lading, is covered under this **Policy**.

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

5.9 Pairs and Sets Clause

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

5.10 Communicable Disease Exclusion (Cargo)

1. Notwithstanding any provision to the contrary within this insurance, this insurance does not insure any loss, damage, liability, claim, cost or expense of whatsoever nature caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
 - 2.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - 2.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - 2.3. the disease, substance or agent can cause or threaten bodily injury, illness, damage to human health, human welfare or property.

JC2020-011 17 April 2020

5.11 Five Powers War Clause (JC2023-024 6th Jan 2023)

Where any war risks coverage is provided by underwriters, this(re)insurance excludes loss damage liability or expense arising from the outbreak of war (whether there be a declaration of war or not) between any of the following: United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China

JC2023-024 06/01/2023

5.12 Countries Excluded

Unless noted and agreed in writing by the Underwriters, Transit To, From or Within and/or Storage Within the following countries is absolutely excluded:

Afghanistan, Cambodia, Central Africa, CIS, Cuba, East Africa, Iran, Iraq, Israel, Lebanon, Laos, Myanmar, North Korea, Southern Africa (excluding South Africa), Syria, West Africa, Russia, Ukraine, Belarus including the Black Sea and Sea of Azov

6. General Conditions

6.1 Law and Jurisdiction

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

6.2 Premium

a) Premium Payment

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

b) Premium Declaration & Adjustment

The **Premium** payable for this **Policy** is based on the estimated value of **Sendings** (or **Turnover**, if applicable) as determined by the **Basis of Valuation**, provided by **You** for the **Period of Insurance**. Unless otherwise agreed:

- (i) if the deposit **Premium** is AUD5,000 or less, the deposit **Premium** shall be regarded as the minimum **Premium** for the **Period of Insurance** shown in the current **Schedule**, and no adjustment or declaration of actual **Sendings** is required.
- (ii) if the deposit **Premium** is more than AUD5,000 but less than AUD25,000, and the actual **Sendings** vary to the estimated **Sendings** by no more than 10%, then no adjustment or declaration of actual **Sendings** will be calculated.
- (iii) if the deposit **Premium** is AUD25,000 and greater or the variance percentage of 10% in ii. above is exceeded, **You** must supply a declaration of actual **Sendings** within three months of the expiry of the **Period of Insurance**. An adjustment will be made to the deposit **Premium**, based on rates agreed at the beginning of the **Period of Insurance**. If the adjusted **Premium** exceeds the deposit **Premium**, **You** agree to pay the difference to **Us** by the date advised to **You**.

If any adjusted **Premium** is lower than the deposit **Premium**, **We** will pay the difference to **You**, subject to the application of the minimum **Premium** stated in (i) above or limited to 25% of the deposit **Premium**.

You agree that **Your** declaration of actual value of **Sendings** will be the total value of **Insured Goods** by or at risk under this **Policy**, calculated in accordance with the **Basis of Valuation** contained in this **Policy** and/or the **Policy Schedule**.

Note: This **Premium** Declaration & Adjustment clause does not apply to a Single Transit Policy.

c) War & Strikes Variation Clause

The **Premium** and rates quoted/charged are inclusive of the war and strikes rates charged by **Us** as at the attachment date of the **Policy**. As war and strikes exposures may vary during the currency of the **Policy**, **We** reserve the right to vary the war and strikes rates at any time by giving **You** (or **Your** broker/agent or representative) 7 (seven) days' notice in writing of any such variation.

Any variation in **Premium** will be calculated by deducting the rate charged at the commencement of the **Policy** from the new rate and applying the difference to the exposed value of **Sendings** (or **Turnover** if applicable). The method of payment for any difference in **Premium** will be advised in the notice of variation of war and strikes rates. .

Nothing contained herein shall vary the relevant Cancellation provisions of this **Policy**.

Note: This **War & Strikes** Variation clause does not apply to a Single Transit Policy.

6.3 Cancellation

a) Insured's Right to Cancel

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

A Single **Transit Policy** may be cancelled at any time prior to the commencement of the transit.

b) Insurer's Right to Cancel

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

c) War Risks & Strikes

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

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

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

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

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

6.5 Amendments to the Policy

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

6.6 Goods and Services Tax

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

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

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

6.7 Government Taxes and Duties

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

6.8 Interpretation

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

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

7. Claims Conditions

7.1 Claims Notification

- a) In case of loss or damage which may give rise to a claim under this **Policy You** must immediately give notice to:
- Marine Claims
XL Insurance Company SE
Level 28, Angel Place, 123 Pitt Street
Sydney NSW 2000 Australia
Email: newclaimauspecialty@axaxl.com
- b) **You** must take all reasonable measures to avoid or minimise any further loss, damage, liability or expense;
- c) **You** must, at **Your** own expense, supply supporting claims documentation, along with evidence and information as may be reasonably be required **Us** for the purposes of investigating or verifying the claim, including details of all other insurances covering the loss or damage or any part of it and, if requested, a sworn declaration of truth of the claim and any connected matters;
- d) **You** must preserve any damaged or defective property or **Goods** which might prove necessary as evidence for examination by **Us**;
- e) in the case of loss or damage due to theft or malicious act, **You** must inform the police immediately and take all practicable steps to discover any guilty person and to trace and recover the missing property;
- f) in case of a **General Average** or salvage contribution claim **You** must consult **Us** before signing any **General Average** or **Salvage** bond
- g) **You** must not abandon any **Goods** to **Us** whether **We** have paid **Your** claim or not; and
- h) **You** must not release carriers, bailees or other third parties from liability when loss or damage is discovered and **You** must take all actions necessary to properly preserve and exercise all rights against carriers, bailees or other third parties.
- i) **You** must not make any settlement, admission of liability, payment, or promise of payment to a third party without **Our** written consent.

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

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

7.3 Fraudulent Claims

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

7.4 Payments on Account

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

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

7.5 Contribution

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

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

7.6 Subrogation

In the event of any payment by **Us** under this **Policy**, **We** shall be subrogated up to the amount of such payment to all **Your** rights of recovery against any third party who may be held responsible for the loss, damage or expense.

You shall, all times protect and preserve any rights of recovery and, provide such assistance as **We** may require in any subrogation effort.

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

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

7.7 Several Liability Clause

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

8. Complaints

We strive to provide a quality service to **You**. However, **We** understand that occasionally there may be some aspect of **Our** service or a decision made by **Us** that **You** would like to discuss with **Us**. If **You** have a complaint about **Our** Products or the service **You** have received from **Us**, please contact **Your** insurance broker to initiate the complaint with **Us**.

In most cases **We** will be able to resolve this matter once contact is made by **You**. If **We** cannot, **You** will be referred to a manager who will attempt to resolve the matter.

If **You** are not happy with **Our** response, **You** may have the matter reviewed by **Our** Internal Dispute Resolution (IDR) process which is free of charge. **You** can contact **Our** IDR department at apacompliance@axaxl.com or by mail to;

The Complaints Officer
AXA XL
Level 28, Angel Place
123 Pitt Street, Sydney NSW 2000

The IDR Department will contact **You** with a decision within fifteen (15) business days of receiving **Your** complaint.

If **You** are not satisfied with the outcome of the IDR process and would like to take the complaint further, **You** may refer the matter to the Australian Financial Complaints Authority (AFCA), an independent and external dispute resolution scheme at no cost to **You**, subject to the terms of reference.

AFCA can be contacted at;

Australian Financial Complaints Authority
Post: GPO Box 3, Melbourne VIC 3001
Freecall: 1800 931 678
Email: info@afca.org.au
Web: <https://www.afca.org.au/>

If **Your** complaint is not covered by the AFCA scheme, **We** will advise **You** of other options for resolution that may be available to **You**.

9. Appendix

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INSTITUTE CARGO CLAUSES (A)

RISKS COVERED

Risks

1. This insurance covers all risks of loss of or damage to the subject-matter insured except as excluded by the provisions of Clauses 4, 5, 6 and 7 below.

General Average

2. This insurance covers general average and salvage charges, adjusted or determined according to the contract of carriage and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 4, 5, 6 and 7 below.

"Both to Blame Collision Clause"

3. This insurance indemnifies the Assured, in respect of any risk insured herein, against liability incurred under any Both to Blame Collision Clause in the contract of carriage. In the event of any claim by carriers under the said Clause, the Assured agree to notify the Insurers who shall have the right, at their own cost and expense, to defend the Assured against such claim.

EXCLUSIONS

4. In no case shall this insurance cover
 - 4.1. loss damage or expense attributable to wilful misconduct of the Assured
 - 4.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 4.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 4.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 4.5. loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 4.6. loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 4.7. loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

5.
 - 5.1. In no case shall this insurance cover loss damage or expense arising from
 - 5.1.1. unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 5.1.2. unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.
 - 5.2. Exclusion 5.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 5.3. The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.
6. In no case shall this insurance cover loss damage or expense caused by
 - 6.1. war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 6.2. capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat
 - 6.3. derelict mines torpedoes bombs or other derelict weapons of war.
7. In no case shall this insurance cover loss damage or expense
 - 7.1. caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 7.2. resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
 - 7.3. caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
 - 7.4. caused by any person acting from a political, ideological or religious motive.

DURATION

Transit Clause

8.
 - 8.1. Subject to Clause 11 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either 8.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,
 - 8.1.1. on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of

insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or

8.1.2. when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or

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

whichever shall first occur.

8.2. If, after discharge oversee from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 8.1.1 to 8.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.

8.3. This insurance shall remain in force (subject to termination as provided for in Clauses 8.1.1 to 8.1.4 above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transhipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

Termination of Contract of Carriage

9. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 8 above, then this insurance shall also terminate unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers, either

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

or

9.2. if the subject-matter insured is forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 8 above.

Change of Voyage

10.

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

10.2. Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 8.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

CLAIMS

Insurable Interest

11.

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

11.2. Subject to Clause 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Forwarding Charges

12. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a port or place other than that to which the subject-matter insured is covered under this insurance, the Insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject-matter insured to the destination to which it is insured.

This Clause 12, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 4, 5, 6 and 7 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their employees.

Constructive Total Loss

13. No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter insured to the destination to which it is insured would exceed its value on arrival.

Increased Value

14.

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

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

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

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

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

BENEFIT OF INSURANCE

15. This insurance

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

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

MINIMISING LOSSES

Duty of Assured

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

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

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

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

NOTE:- Where a continuation of cover is requested under Clause 9, or a change of destination is notified under Clause 10, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

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INSTITUTE WAR CLAUSES (CARGO)

RISKS COVERED

Risks

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

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

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

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

General Average

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

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1. loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5. loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 3.6. loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.7. any claim based upon loss of or frustration of the voyage or adventure
 - 3.8. loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

4.

- 4.1. In no case shall this insurance cover loss damage or expense arising from
 - 4.1.1. unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 4.1.2. unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.

- 4.2. Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 4.3. The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

DURATION

Transit Clause

5.

5.1. This insurance

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

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

or

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

whichever shall first occur;

nevertheless,

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

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

and

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

or

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

whichever shall first occur.

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

whilst the subject-matter insured and as to any part as that part is at such port or place. If the subject-matter insured is on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 5.2

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

or

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

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

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

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

thereafter this insurance terminates in accordance with 5.1.4.

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

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

(For the purpose of Clause 5

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

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

Change of Voyage

6.

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

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

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

CLAIMS

Insurable Interest

8.

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

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

Increased Value

9.

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

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

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

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

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

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

BENEFIT OF INSURANCE

10. This insurance

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

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

MINIMISING LOSSES

Duty of Assured

11. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder
 - 11.1. to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
 - 11.2. to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

01/01/2009 (CL385)

INSTITUTE STRIKES CLAUSES (CARGO)

RISKS COVERED

Risks

1. This insurance covers, except as excluded by the provisions of Clauses 3 and 4 below, loss of or damage to the subject-matter insured caused by
 - 1.1. strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 1.2. any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
 - 1.3. any person acting from a political, ideological or religious motive.

General Average

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

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1. loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5. loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 3.6. loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.7. loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion
 - 3.8. any claim based upon loss of or frustration of the voyage or adventure
 - 3.9. loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 3.10. loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.
4.
 - 4.1. In no case shall this insurance cover loss damage or expense arising from
 - 4.1.1. unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein

- 4.1.2. unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.
- 4.2. Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 4.3. The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

DURATION

Transit Clause

5.

- 5.1. Subject to Clause 8 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either
 - 5.1.1. on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,
 - 5.1.2. on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 5.1.3. when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or
 - 5.1.4. on the expiry of 60 days after completion of discharge overseaside of the subject-matter insured from the overseas vessel at the final port of discharge,whichever shall first occur.
- 5.2. If, after discharge overseaside from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 5.1.1 to 5.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 5.3. This insurance shall remain in force (subject to termination as provided for in Clauses 5.1.1 to 5.1.4 above and to the provisions of Clause 6 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transhipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

Termination of Contract of Carriage

6. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 5 above, then this insurance shall also

terminate unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers, either

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

or

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

Change of Voyage

7.

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

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

CLAIMS

Insurable Interest

8.

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

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

Increased Value

9.

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

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

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

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

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

BENEFIT OF INSURANCE

10. This insurance

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

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

MINIMISING LOSSES

Duty of Assured

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

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

and

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

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

01/01/2009 (CL386)

INSTITUTE CLASSIFICATION CLAUSE 01/01/2001

QUALIFYING VESSELS

1. This insurance and the marine transit rates as agreed in the **Policy** or open cover apply only to cargoes and/or interests carried by mechanically self-propelled vessels of steel construction classed with a Classification Society which is:
 - 1.1. a Member or Associate Member of the International Association of Classification Societies (IACS*),
or
 - 1.2. a National Flag Society as defined in Clause 4 below, but only where the vessel is engaged exclusively in the coastal trading of that nation (including trading on an inter-island route within an archipelago of which that nation forms part).

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

AGE LIMITATION

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

Bulk or combination carriers over 10 years of age or

other vessels over 15 years of age unless they :

- 2.1. have been used for the carriage of general cargo on an established and regular pattern of trading between a range of specified ports, and do not exceed 25 years of age, or
- 2.2. were constructed as containerships, vehicle carriers or double-skin open-hatch gantry crane vessels (OHGCs) and have been continuously used as such on an established and regular pattern of trading between a range of specified ports, and do not exceed 30 years of age.

CRAFT CLAUSE

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

NATIONAL FLAG SOCIETY

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

PROMPT NOTICE

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

LAW AND PRACTICE

6. This insurance is subject to Australian law and practice.
1/1/01 (CL354-2001)

CARGO ISM ENDORSEMENT

Applicable to shipments on board Ro-Ro passenger ferries.

Applicable with effect from 1 July 1998 to shipments on board:

1. Passenger vessels transporting more than 12 passengers and
2. oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high speed craft of 500 gt or more.

Applicable with effect from 1 July 2002 to shipments on board all other cargo ships and mobile offshore drilling units of 500 gt or more.

In no case shall this Insurance cover loss, damage or expense where the subject matter insured is carried by a vessel that is not ISM Code certified or whose owners or operators do not hold an ISM Code Document of Compliance when, at the time of loading of the subject matter insured on board the vessel, the Assured were aware, or in the ordinary course of business should have been aware:

- a) Either that such vessel was not certified in accordance with the ISM Code
- b) Or that a current Document of Compliance was not held by her owners or operators

as required under the SOLAS Convention 1974 as amended.

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

01/05/1998 - JC98/019

CARGO ISPS ENDORSEMENT

In no case shall this insurance cover loss, damage or expense where the subject matter insured is carried by a vessel that does not hold a valid International Ship Security Certificate as required under the International Ship and Port Facility Security (ISPS) Code when, at the time of loading of the subject matter insured on board the vessel, the Assured were aware, or in the ordinary course of business should have been aware that such vessel was not certified in accordance with the ISPS Code as required under the SOLAS Convention 1974 as amended.

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

04/11/04 (JC2004/050)

INSTITUTE CARGO CLAUSES (AIR)

(excluding sendings by Post)

RISKS COVERED

Risks

1. This insurance covers all risks of loss of or damage to the subject-matter insured except as excluded by the provisions of Clauses 3, 4 and 5 below.

Salvage Charges

2. This insurance covers salvage charges incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 3, 4 and 5 below.

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1. loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5. loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading. This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 3.6. loss damage or expense caused by delay, even though the delay be caused by a risk insured against
 - 3.7. loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.8. loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
4. In no case shall this insurance cover loss damage or expense caused by
 - 4.1. war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 4.2. capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat
 - 4.3. derelict mines torpedoes bombs or other derelict weapons of war.

5. In no case shall this insurance cover loss damage or expense
 - 5.1. caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 5.2. resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
 - 5.3. caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
 - 5.4. caused by any person acting from a political, ideological or religious motive.

DURATION

Transit Clause

6.

- 6.1. Subject to Clause 9 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse, premises or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit,

continues during the ordinary course of transit

and terminates either
 - 6.1.1. on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse, premises or place of storage at the destination named in the contract of insurance,
 - 6.1.2. on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse, premises or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 6.1.3. when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or
 - 6.1.4. on the expiry of 30 days after completion of unloading of the subject-matter insured from the aircraft at the final place of discharge,whichever shall first occur.
- 6.2. If, after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 6.1.1 to 6.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 6.3. This insurance shall remain in force (subject to termination as provided for in Clauses 6.1.1 to 6.1.4 above and to the provisions of Clause 7 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.

Termination of Contract of Carriage

7. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 6 above, then this insurance shall also terminate *unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers*, either
- 7.1. until the subject-matter insured is sold and delivered at such place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter insured at such place, whichever shall first occur,
- or
- 7.2. if the subject-matter insured is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 6 above.

Change of Transit

8.

- 8.1. Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*
- 8.2. Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 6.1), but, without the knowledge of the Assured or their employees the aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

CLAIMS

Insurable Interest

9.

- 9.1. In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 9.2. Subject to Clause 9.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Forwarding Charges

10. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a place other than that to which the subject-matter insured is covered under this insurance, the Insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject-matter insured to the destination to which it is insured.

This Clause 10, which does not apply to salvage charges, shall be subject to the exclusions contained in Clauses 3, 4 and 5 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their employees.

Constructive Total Loss

11. No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter insured to the destination to which it is insured would exceed its value on arrival.

Increased Value

12.

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

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

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

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

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

BENEFIT OF INSURANCE

13. This insurance

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

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

MINIMISING LOSSES

Duty of Assured

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

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

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

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

NOTE:- Where a continuation of cover is requested under Clause 7, or a change of destination is notified under Clause 8, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

01/01/2009 (CL387)

INSTITUTE WAR CLAUSES (AIR CARGO)

(excluding sendings by Post)

RISKS COVERED

Risks

1. This insurance covers, except as excluded by the provisions of Clause 3 below, loss of or damage to the subject-matter insured caused by
 - 1.1. war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 1.2. capture seizure arrest restraint or detainment, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat
 - 1.3. derelict mines torpedoes bombs or other derelict weapons of war.

Salvage Charges

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

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1. loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured

- 3.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
- 3.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured
- 3.5. loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.

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

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

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

- 3.8. any claim based upon loss of or frustration of the transit or adventure
- 3.9. loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

DURATION

Transit Clause

4.

4.1. This insurance

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

and

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

or

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

whichever shall first occur;

nevertheless,

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

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

and

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

or

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

whichever shall first occur.

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

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

or

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

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

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

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

thereafter this insurance terminates in accordance with 4.1.4.

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

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

Change of Transit

5.

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

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

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

CLAIMS

Insurable Interest

7.

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

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

Increased Value

8.

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

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

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

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

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

BENEFIT OF INSURANCE

9. This insurance

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

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

MINIMISING LOSSES

Duty of Assured

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

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

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

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

01/01/2009 (CL388)

INSTITUTE STRIKES CLAUSES (AIR CARGO)

RISKS COVERED

Risks

1. This insurance covers, except as excluded by the provisions of Clause 3 below, loss of or damage to the subject-matter insured caused by
 - 1.1. strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 1.2. any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
 - 1.3. any person acting from a political, ideological or religious motive.

Salvage Charges

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

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1. loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5. loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading. This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 3.6. loss damage or expense caused by delay, even though the delay be caused by a risk insured against
 - 3.7. loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit

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

- 3.8. loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion
- 3.9. any claim based upon loss of or frustration of the transit or adventure
- 3.10. loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 3.11. loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.

DURATION

Transit Clause

4.

- 4.1. Subject to Clause 7 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse, premises or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either
 - 4.1.1. on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse, premises or place of storage at the destination named in the contract of insurance,
 - 4.1.2. on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse, premises or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 4.1.3. when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or
 - 4.1.4. on the expiry of 30 days after completion of unloading of the subject-matter insured from the aircraft at the final place of discharge,whichever shall first occur.
- 4.2. If, after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 4.1.1 to 4.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 4.3. This insurance shall remain in force (subject to termination as provided for in Clauses 4.1.1 to 4.1.4 above and to the provisions of Clause 5 below) during delay beyond the control of the Assured, any

deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.

Termination of Contract of Carriage

5. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 4 above, then this insurance shall also terminate *unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers*, either

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

Or

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

Change of Transit

6.

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

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

CLAIMS

Insurable Interest

7.

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

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

Increased Value

8.

8.1. If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the

total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

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

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

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

BENEFIT OF INSURANCE

9. This insurance

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

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

MINIMISING LOSSES

Duty of Assured

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

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

and

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

01/01/2009 (CL389)

INSTITUTE WAR CLAUSES

(Sendings by Post)

RISKS COVERED

Risks

1. This insurance covers, except as excluded by the provisions of Clause 3 below, loss of or damage to the subject-matter insured caused by
 - 1.1. war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 1.2. capture seizure arrest restraint or detention, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat
 - 1.3. derelict mines torpedoes bombs or other derelict weapons of war.

General Average

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

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1. loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5. loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 3.6. any claim based upon loss of or frustration of the voyage or adventure
 - 3.7. loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

DURATION

Transit Clause

4.

4.1. This insurance attaches only as the subject-matter insured and as to any part as that part is first moved in the premises of the senders at the place named in the contract of insurance for the immediate commencement of the transit and continues, but with the exclusion of any period during which the subject-matter insured is in packers' premises, until the subject-matter insured and as to any part as that part is delivered to the address on the postal package(s) when this insurance shall terminate.

5. **Anything contained in this contract which is inconsistent with Clauses 3.6, 3.7 or 4 shall, to the extent of such inconsistency, be null and void.**

CLAIMS

Insurable Interest

6.

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

6.2. Subject to Clause 6.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

BENEFIT OF INSURANCE

7. This insurance shall not extend to or otherwise benefit the carrier or other bailee.

MINIMISING LOSSES

Duty of Assured

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

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

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

11. This insurance is subject to Australian law and practice.
01/03/2009 (CL390)

INSTITUTE WAR CANCELLATION CLAUSE (CARGO)

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

01/05/2016 (CL 396)

INSTITUTE REPLACEMENT CLAUSE

In the event of loss of or damage to any part(s) of an insured machine or other manufactured item consisting of more than one part caused by a peril covered by this insurance, the sum recoverable shall not exceed the cost of replacement or repair of such part(s) plus labour for (re)fitting and carriage costs. Duty incurred in the provision of replacement or repaired part(s) shall also be recoverable provided that the full duty payable on the insured machine or manufactured item is included in the amount insured.

The total liability of Insurers shall in no event exceed the amount insured of the machine or manufactured item.

01/12/2008 (CL372)

TERMINATION OF TRANSIT CLAUSE (TERRORISM) 2009

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

1. Notwithstanding any provision to the contrary contained in the contract of insurance or the Clauses referred to therein, it is agreed that in so far as the contract of insurance covers loss of or damage to the subject-matter insured caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted or any person acting from a political, ideological or religious motive,

such cover is conditional upon the subject-matter insured being in the ordinary course of transit and, in any event, SHALL TERMINATE:

either

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

or

- 1.2. on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,
 - 1.3. on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 1.4. when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit,
- or
- 1.5. in respect of marine transits, on the expiry of 60 days after completion of discharge overseas of the subject-matter insured from the overseas vessel at the final port of discharge,
 - 1.6. in respect of air transits, on the expiry of 30 days after unloading the subject-matter insured from the aircraft at the final place of discharge,

whichever shall first occur.

2. If the contract of insurance or the Clauses referred to therein specifically provide cover for inland or other further transits following on from storage, or termination as provided for above, cover will re-attach, and continues during the ordinary course of that transit terminating again in accordance with clause 1.

01/01/2009 (JC2009/056)

INSTITUTE FROZEN FOOD CLAUSES (A)

(Excluding Frozen Meat)

RISKS COVERED

1. This insurance covers, except as provided in Clauses 4, 5, 6 and 7 below, Risks Clause
 - 1.1. all risks of loss of or damage to the subject-matter insured, other than loss or damage resulting from any variation in temperature howsoever caused,
 - 1.2. loss of or damage to the subject-matter insured resulting from any variation in temperature attributable to
 - 1.2.1. breakdown of refrigerating machinery resulting in its stoppage for a period of not less than 24 consecutive hours**
 - 1.2.2 fire or explosion
 - 1.2.3 vessel or craft being stranded grounded sunk or capsized
 - 1.2.4 overturning or derailment of land conveyance
 - 1.2.5 collision or contact of vessel craft or conveyance with any external object other than water
 - 1.2.6 discharge of cargo at a port of distress.
- 2 This insurance covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 4, 5, 6 and 7 or elsewhere in this insurance. General Average Clause

- 3 this insurance is extended to indemnify the Assured against such proportion of liability under the contract of affreightment "Both to Blame Collision" Clause as is in respect of a loss recoverable hereunder. In the event of any claim by shipowners under the said Clause the Assured agree to notify the **Underwriters** who shall have the right, at their own cost and expense, to defend the Assured against such claim. "Both to Blame Collision" Clause

EXCLUSIONS

- 4 In no case shall this insurance cover General Exclusions Clause
- 4.1 loss damage or expense attributable to wilful misconduct of the Assured Clause
- 4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
- 4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 4.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
- 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured (except loss damage or expense resulting from variation in temperature specifically covered under Clause 1.2 above)
- 4.5 loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
- 4.6 loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the vessel
- 4.7 loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 4.8 loss damage or expense arising from any failure of the Assured or their servants to take all reasonable precautions to ensure that the subject-matter insured is kept in refrigerated or, where appropriate, properly insulated and cooled space
- 4.9 any loss damage or expense otherwise recoverable hereunder unless prompt notice thereof is given to the **Underwriters** and, in any event, not later than 30 days after the termination of this insurance.
- 5 5.1 In no case shall this insurance cover loss damage or expense arising from Unseaworthiness and Unfitness Exclusion Clause
- unseaworthiness of vessel or craft,
- unfitness of vessel craft conveyance container or liftvan for the safe carriage of the subject-matter insured,
- where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.
- 5.2 The **Underwriters** waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination, unless the Assured or their servants are privy to such unseaworthiness or unfitness.
6. In no case shall this insurance cover loss damage or expense caused by **War** Exclusion Clause

- 6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
- 6.2 capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat
- 6.3 derelict mines torpedoes bombs or other derelict weapons of war.

- 7. In no case shall this insurance cover loss damage or expense Strikes Exclusion
 - 7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions Clause
 - 7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
 - 7.3 caused by any terrorist or any person acting from a political motive.

DURATION

- 8. 8.1 This insurance attaches from the time the goods are loaded into the conveyance at freezing works or cold store at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates **Transit Clause**

either

 - 8.1.1 on delivery to the cold store or place of storage at the destination named herein,
 - 8.1.2 on delivery to any other cold store or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either
 - 8.1.2.1 for storage other than in the ordinary course of transit or
 - 8.1.2.2 for allocation or distribution,

or

 - 8.1.3 on the expiry of 5 days after discharge overside of the goods hereby insured from the oversea vessel at the final port of discharge,

whichever shall first occur.
- 8.2 If, after discharge overside from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.
- 8.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to shipowners or charterers under the contract of affreightment.
- 9. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before delivery of the goods as provided for in Clause 8 above, then this insurance shall also terminate *unless prompt notice is given to the **Underwriters** and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the* Termination of Contract of Carriage Clause

Underwriters, either

9.1 until the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the goods hereby insured at such port or place, whichever shall first occur,

or

9.2 if the goods are forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 8 above.

10. Where, after attachment of this insurance, the destination is changed by the Assured, *held covered at a premium and on conditions to be arranged subject to prompt notice being given to the **Underwriters**.* Change of Voyage Clause

CLAIMS

11. 11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss. Insurable Interest Clause

11.2 Subject to 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the **Underwriters** were not.

12. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a port or place other than that to which the subject-matter is covered under this insurance, the **Underwriters** will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject-matter to the destination to which it is insured hereunder. Forwarding Charges Clause

This Clause 12, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 4, 5, 6 and 7 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their servants.

13. No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter to the destination to which it is insured would exceed its value on arrival. Constructive Total Loss Clause

14. 14.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured. Increased Value Clause

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

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

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

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

BENEFIT OF INSURANCE

- 15.** This insurance shall not inure to the benefit of the carrier or other bailee. Not to Inure Clause

MINIMISING LOSSES

- 16.** It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder Duty of Assured Clause

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

and

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

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

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

AVOIDANCE OF DELAY

- 18.** It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control. Reasonable Despatch Clause

LAW AND PRACTICE

- 19.** This insurance is subject to Australian law and practice. Australian Law and Practice Clause

*NOTE:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the **Underwriters** and the right to such cover is dependent upon compliance with this obligation.*

SPECIAL NOTE:- This insurance does not cover loss damage or expense caused by embargo, or by rejection prohibition or detention by the government of the country of import or their agencies or departments, but does not exclude loss of or damage to the subject-matter insured caused by risks insured hereunder and sustained prior to any such embargo rejection prohibition or detention.

1/1/86 (CL263)

FROZEN FOOD EXTENSION CLAUSES

(For use only with the Institute Frozen Food Clauses (A) 1/1/86)

Clause 1 and Clauses 4.4 and 4.5 of the attached Institute Frozen Food Clauses (A) 1/1/86 are deemed to be deleted and replaced by:

1. Subject always to the goods being in sound condition at the time of attachment, this insurance covers, except as provided in Clauses 4, 5, 6 and 7 below, loss of, deterioration of, or damage to the subject-matter insured which shall arise during the currency of this insurance.

4.

- 4.4 loss damage or expense arising from bone taint, salmonella, infection prior to attachment of this insurance, fault in preparation dressing cooling freezing wrapping or packing

- 4.5 claims arising from loss of market.

Nevertheless, in the absence of prior notice to the **Underwriters** and agreement of any additional premium required by them, this insurance excludes any claim for deterioration of or damage to the subject-matter insured where the period between the first passing of the goods into a Freezing Chamber and attachment of this insurance exceeds 60 days.

1/1/86 (CL334)

INSTITUTE STRIKES CLAUSES (FROZEN FOOD)

(Excluding Frozen Meat)

RISKS COVERED

1. This insurance covers, except as provided in Clauses 3 and 4 below, loss of or damage to the subject-matter insured caused by
 - 1.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 1.2 any terrorist or any person acting from a political motive.

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

General Average Clause

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured

General

Exclusions Clause
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)

- 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 3.6 loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the vessel
 - 3.7 loss damage or expense arising from the absence shortage or withholding of equipment, power, fuel, coolant, refrigerant or labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion
 - 3.8 any claim based upon loss of or frustration of the voyage or adventure
 - 3.9 loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 3.10 loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 3.11 any loss damage or expense otherwise recoverable hereunder unless prompt notice thereof is given to the **Underwriters** and, in any event, not later than 30 days after the termination of this insurance.
- 4.** 4.1 In no case shall this insurance cover loss damage or expense arising from unseaworthiness of vessel or craft, unfitness of vessel craft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein. Unseaworthiness and Unfitness Exclusion Clause
- 4.2 The **Underwriters** waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination, unless the Assured or their servants are privy to such unseaworthiness or unfitness.

DURATION

- 5.** 5.1 This insurance attaches from the time the goods are loaded into the conveyance at freezing works or cold store at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either Transit Clause
- 5.1.1 on delivery to the cold store or place of storage at the destination named herein,

5.1.2 on delivery to any other cold store or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either

5.1.2.1 for storage other than in the ordinary course of transit or

5.1.2.2 for allocation or distribution,

or

5.1.3 on the expiry of 5 days after discharge overseas of the goods hereby insured from the overseas vessel at the final port of discharge,

whichever shall first occur.

5.2 If, after discharge overseas from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.

5.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 6 below) during delay beyond the control of the Assured, any deviation, forced discharge, re-shipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to shipowners or charterers under the contract of affreightment.

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

Termination of Contract of Carriage Clause

6.1 until the goods are sold and delivered at such port or place or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the goods hereby insured at such port or place, whichever shall first occur,

or

6.2 if the goods are forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 5 above.

7. Where, after attachment of this insurance, the destination is changed by the Assured, *held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters*.

Change of Voyage Clause

CLAIMS

8. 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.

Insurable Interest Clause

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

9. 9.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured. Increased Value Clause

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

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

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

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

BENEFIT OF INSURANCE

10. This insurance shall not inure to the benefit of the carrier or other bailee. Not to Inure Clause

MINIMISING LOSSES

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

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

and

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

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

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

AVOIDANCE OF DELAY

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| 13. | It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control. | Reasonable Despatch Clause |
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LAW AND PRACTICE

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| 14. | This insurance is subject to Australian law and practice. | Australian Law and Practice Clause |
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NOTE:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation.

SPECIAL NOTE:- This insurance does not cover loss damage or expense caused by embargo, or by rejection prohibition or detention by the government of the country of import or their agencies or departments, but does not exclude loss of or damage to the subject-matter insured caused by risks insured hereunder and sustained prior to any such embargo rejection prohibition or detention.

1/1/86 (CL265)

INSTITUTE FROZEN MEAT CLAUSES (A)
(not suitable for chilled, cooled or fresh meat)

RISKS COVERED

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| 1. | This insurance covers all risks of loss of or damage to the subject-matter insured except as provided in Clauses 4, 5, 6 and 7 below. | Risks Clause |
| 2. | This insurance covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 4, 5, 6 and 7 or elsewhere in this insurance. | General Average Clause |
| 3. | This insurance is extended to indemnify the Assured against such proportion of liability under the contract of affreightment "Both to Blame Collision" Clause as is in respect of a loss recoverable hereunder. In the event of any claim by shipowners under the said Clause the Assured agree to notify the Underwriters who shall have the right, at their own cost and expense, to defend the Assured against such claim. | "Both to Blame Collision" Clause |

EXCLUSIONS

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| 4. | In no case shall this insurance cover | General |
| 4.1 | loss damage or expense attributable to wilful misconduct of the Assured | Exclusions Clause |
| 4.2 | ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured | |
| 4.3 | loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 4.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants) | |

- 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured (except loss damage or expense resulting from variation in temperature whilst this insurance is in force)
- 4.5 loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
- 4.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage

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

- 4.7 loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 4.8 loss damage or expense on shore caused directly or indirectly by earthquake, volcanic eruption and/or fire resulting therefrom
- 4.9 loss damage or expense arising from any failure of the Assured or their servants to take all reasonable precautions to ensure that the subject-matter insured is kept in refrigerated or, where appropriate, properly insulated and cooled space.

- 5. 5.1 In no case shall this insurance cover loss damage or expense arising from
 - 5.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 5.1.2 unfitness of container liftvan or land conveyance for the safe carriage of the subject-matter insured, where loading therein is carried out prior to attachment of this insurance or by the Assured or their servants.
- 5.2 Where this insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract, exclusion 5.1.1 above shall not apply.
- 5.3 The **Underwriters** waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.
- 6. In no case shall this insurance cover loss damage or expense caused by
 - 6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 6.2 capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat

Unseaworthiness

and Unfitness Exclusion Clause

War Exclusion

Clause

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

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| <p>7. In no case shall this insurance cover loss damage or expense</p> <p>7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions</p> <p>7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions</p> <p>7.3 caused by any terrorist or any person acting from a political motive.</p> | <p>Strikes</p> <p>Exclusion Clause</p> |
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DURATION

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| <p>8. 8.1 This insurance attaches from the time</p> <p>8.1.1 the goods pass into the cooling and/or freezing chambers of the works at the place named herein, provided that the period in such chambers prior to shipment on board the oversea vessel shall not exceed 60 days unless prompt notice be given to the Underwriters and an additional premium paid for each further period of 30 days or part thereof.</p> <p>8.1.2 the goods are loaded into the conveyance at the freezing works or cold store at the place named herein for the commencement of the transit.</p> <p>8.1.3 of loading of the goods into the oversea vessel.</p> <p>8.2 This insurance continues during the ordinary course of transit to and whilst in</p> <p>8.2.1 cold store at the destination named herein</p> <p style="padding-left: 40px;">or</p> <p>8.2.2 any other cold store which the Assured elect to use following discharge of the goods from the oversea vessel at the port of discharge either</p> <p style="padding-left: 40px;">8.2.2.1 for storage other than in the ordinary course of transit or</p> <p style="padding-left: 40px;">8.2.2.2 for allocation or distribution.</p> <p>8.3 This insurance terminates</p> <p>8.3.1 <i>for transit to a destination in the Continent of Europe (including Eire and the United Kingdom), U.S.A. or Canada</i> on the expiry of 30 days</p> <p>8.3.2 <i>for transit to a destination elsewhere</i> on the expiry of 5 days after final discharge of the goods from the oversea vessel at the port of discharge.</p> <p>8.4 Any disposal of the goods other than by storage as in 8.2.1 or 8.2.2 above (except with the prior consent of the Underwriters) or any removal from cold store before the expiry of the relevant period in 8.3.1 or 8.3.2 above shall terminate the insurance on such goods.</p> | <p>Transit Clause</p> <p>DELETED
SECTIONS
NOT
APPLICABLE</p> |
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- 8.5 If, after discharge overseas from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.
- 8.6 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to shipowners or charterers under the contract of affreightment.
- 9.** If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before delivery of the goods as provided for in Clause 8 above, then this insurance shall also terminate *unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters*, either
- 9.1 until the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the goods hereby insured at such port or place, whichever shall first occur,
- or
- 9.2 if the goods are forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named herein or to any other destination until terminated in accordance with the provisions of Clause 8 above.
- 10.** Where, after attachment of this insurance, the destination is changed by the Assured, *held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters*.

Termination of Contract of Carriage Clause

Change of Voyage Clause

CLAIMS

- 11. 11.1** In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 11.2 Subject to 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Underwriters were not.
- 11.3 Prompt notice of any deterioration loss or damage shall be given to Underwriters upon first discovery and any claim for depreciation or damage is conditional upon Underwriters having been given an opportunity to inspect such depreciation or damage before termination of the insurance.

Insurable Interest Clause

Notice of Claim Clause

- 12.** Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a port or place other than that to which the subject-matter is covered under this insurance, the Underwriters will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject-matter to the destination to which it is insured hereunder. Forwarding Charges Clause

This Clause 12, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 4, 5, 6 and 7 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their servants.

- 13.** No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter to the destination to which it is insured would exceed its value on arrival. Constructive Total Loss Clause

- 14.** Should the subject-matter insured or any part thereof not be shipped any claim in respect thereto shall be adjusted on the basis of its insured value less, where included, freight, duty and all charges not incurred. Adjustment Clause

- 15. 15.1** If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured. Increased Value Clause

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

- 15.2 Where this insurance is on Increased Value the following clause shall apply:**

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

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

BENEFIT OF INSURANCE

- 16.** This insurance shall not inure to the benefit of the carrier or other bailee. Not to Inure Clause

MINIMISING LOSSES

- 17.** It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder Duty of Assured Clause

- 17.1** to take such measures as may be reasonable for the purpose of averting or minimising such loss,
and

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

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

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

20. This insurance is subject to Australian law and practice. Australian Law and Practice Clause

NOTE:- *It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation.*

SPECIAL NOTE:- *This insurance does not cover loss damage or expense caused by embargo, or by rejection prohibition or detention by the government of the country of import or their agencies or departments, but does not exclude loss of or damage to the subject-matter insured caused by risks insured hereunder and sustained prior to any such embargo rejection prohibition or detention.*

1/1/86 (CL323)

IMTA FROZEN MEAT EXTENSION CLAUSES

(For use only with the Institute Frozen Meat Clauses (A) 1/1/86)

Clause 1 and Clauses 4.4 and 4.5 of the attached Institute Frozen Meat Clauses (A) 1/1/86 are deemed to be deleted and replaced by:

1. Subject always to the goods being in sound condition at the time of attachment, this insurance covers, except as provided in Clauses 4, 5, 6 and 7 below, loss of, deterioration of, or damage to the subject-matter insured which shall arise during the currency of this insurance.
- 4.
- 4.4 loss, damage or expense arising from bone taint, salmonella, infection prior to attachment of this insurance, fault in preparation, dressing, cooling, freezing, wrapping or packing
- 4.5 claims arising from loss of market
Nevertheless, in the absence of prior notice to the Underwriters and agreement of any additional premium required by them, this insurance excludes any claim for deterioration of or damage to the subject matter insured where the period in freezing works and in any cold store, before loading into the conveyance for commencement of the transit, exceeds 60 days.

1/1/86 (CL327)

INSTITUTE WAR CLAUSES (COMMODITY TRADES)

Agreed with The Federation of Commodity Associations

RISKS COVERED

- | | |
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| <p>1. This insurance covers, except as provided in Clauses 3 and 4 below, loss of or damage to the subject-matter insured caused by</p> <p>1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power</p> <p>2.2 capture seizure arrest restraint or detainment, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat</p> <p>1.3 derelict mines, torpedoes, bombs, or other derelict weapons of war.</p> | <p>Risks Clause</p> |
| <p>2. This insurance covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from a risk covered under these clauses.</p> | <p>General Average Clause</p> |

EXCLUSIONS

- | | |
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| <p>3. In no case shall this insurance cover</p> <p>3.1 loss damage or expense attributable to wilful misconduct of the Assured</p> <p>3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured</p> <p>3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)</p> <p>3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured</p> <p>3.5 loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)</p> <p>3.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage.</p> | <p>General Exclusions Clause</p> |
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This exclusion shall not apply where this insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract

- 3.7 any claim based upon loss of or frustration of the voyage or adventure
- 3.8 loss damage or expense arising from any hostile use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
4. 4.1 In no case shall this insurance cover loss damage or expense arising from Unseaworthiness and Unfitness
- 4.1.1 loss damage or expense attributable to wilful misconduct of the Assured
- 4.1.2 unfitness of container liftvan or land conveyance for the safe carriage of the subject-matter insured, where loading therein is carried out prior to attachment of this insurance or by the Assured or their servants.
- 4.2 Where this insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract, exclusion 4.1.1 above shall not apply.
- 4.3 The **Underwriters** waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

DURATION

5. Transit Clause

- 5.1 This insurance
- 5.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on an overseas vessel
- and
- 5.1.2 terminates, subject to 5.2 and 5.3 below, either as the subject matter insured and as to any part as that part is discharged from an overseas vessel at the final port or place of discharge,
- or
- on expiry of 15 days counting from midnight of the day of arrival of the vessel at the final port or place of discharge,
- whichever shall first occur;
- nevertheless,
- subject to prompt notice to the Underwriters and to an additional premium, such insurance
- 5.1.3 reattaches when, without having discharged the subject-matter insured at the final port or place of discharge, the vessel sails therefrom,
- and
- 5.1.4 terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the vessel at the final (or substituted) port or place of discharge,

- 5.2 If during the insured voyage the overseas vessel arrives at an intermediate port or place to discharge the subject-matter insured for on-carriage by overseas vessel or by aircraft, or the goods are discharged from the vessel at a port or place of refuge, then, subject to 5.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the vessel at such port or place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying overseas vessel or aircraft. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such port or place. If the goods are on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 5.2
- 5.2.1 where the on-carriage is by overseas vessel this insurance continues subject to the terms of these clauses,
- or
- 5.2.2 where the on-carriage is by aircraft, the current Institute War Clauses (Air Cargo) (excluding sendings by Post) shall be deemed to form part of this insurance and shall apply to the on-carriage by air.
- 5.3 If the voyage in the contract of carriage is terminated at a port or place other than the destination agreed therein, such port or place shall be deemed the final port of discharge and such insurance terminates in accordance with
- 5.1.2. If the subject-matter insured is subsequently reshipped to the original or any other destination, then provided notice is given to the Underwriters before the commencement of such further transit and subject to an additional premium, such insurance reattaches
- 5.3.1 in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying vessel for the voyage;
- 5.3.2 in the case of the subject-matter not having been discharged, when the vessel sails from such deemed final port of discharge;
- thereafter such insurance terminates in accordance with 5.1.4.
- 5.4 The insurance against the risks of mines and derelict torpedoes, floating or submerged, is extended whilst the subject-matter insured or any part thereof is on craft whilst in transit to or from the overseas vessel, but in no case beyond the expiry of 60 days after discharge from the overseas vessel unless otherwise specially agreed by the Underwriters.
- 5.5 Subject to prompt notice to Underwriters, and to an additional premium if required, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to shipowners or charterers under the contract of affreightment.

(For the purpose of Clause 5

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

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

6. Where, after attachment of this insurance, the destination is changed by the Assured, held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.

Change of Voyage Clause

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

CLAIMS

8. Insurable Interest Clause

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

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

9. Increased Value Clause

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

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

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

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

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

BENEFIT OF INSURANCE

10. Not to Inure Clause

This insurance shall not inure to the benefit of the carrier or other bailee.

MINIMISING LOSSES

11. Duty of Assured Clause

It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder

11.1 to take such measures as may be reasonable for the purpose of averting or minimizing such a loss,
and

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

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

12. Waiver Clause

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

AVOIDANCE OF DELAY

13. Reasonable Despatch Clause

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

LAW AND PRACTICE

14. Australian Law and Practice Clause

This insurance is subject to Australian law and practice.

NOTE:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation.

5/9/83 (CL278)



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