



QBE Insurance (Australia) Limited

# Single Transit General Cargo Policy

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## Welcome to QBE Insurance and thank you for trusting us with your insurance.

QBE has been committed to New Zealand and its commerce since 1888. We are Australasia's largest international insurance and reinsurance group and have specialist staff operating all over the globe, providing insurance to clients in over 140 countries. Our standing in the insurance marketplace has been achieved through consistent delivery of quality service to both our brokers and policyholders.

This is your Single Transit General Cargo Policy document, which should be read in conjunction with your Policy Schedule. Together, they form your contract of insurance and tell you what you are, and are not, insured for.

We want your experience with QBE Insurance to be the best. To allow us to make your claims experience fast and easy, it is important that you provide us with all the information that could influence our decision about your insurance. You need to tell either QBE or your broker about facts known to you as well as those facts you become aware of, which you could have been reasonably expected to know about. If you are in any doubt as to whether or not a fact may be material to your insurance, you can discuss this with QBE or your broker who will guide you.

By not telling us something that it was your duty to tell us it may mean that your claim may not be accepted or an entitlement under the policy could be reduced.

If you need help understanding any aspect of your insurance cover, please contact your insurance broker.

# Single Transit General Cargo Policy

## SECTION 1

### Definitions

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

**‘Conveyance(s)’ means:**

Any ship, vessel, aircraft, postal service, rail and road transport used to transport the goods.

**‘Deductible’ means:**

The amount You must pay towards a claim as specified in the Schedule.

**‘Policy’ means:**

This policy wording, the current Schedule, and any endorsement, all of which are to be read together.

**‘Premium’ means:**

The Premium specified in the current Schedule and includes any Government charges specified in the Schedule.

**‘Schedule’ means:**

The document which specifies the particular details applicable and attaching to this Policy.

**‘Sum Insured’ means:**

The maximum amount specified in the Schedule We will pay You for any one accident or loss arising out of the same event.

**‘Terrorism’ means:**

- (a) an act by any person acting on behalf of, or in connection with any organisation that causes, occasions or threatens harm by force or violence to influence or overthrow any government;
- (b) an act caused by a person acting from political, ideological or religious motives.

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

**‘Transit Insured’ means:**

The transit specified in Section 2 B which is within the geographic limits set out in the Schedule.

**‘We’, ‘Our’ or ‘Us’ means:**

The insurer, QBE Insurance (Australia) Ltd.

**‘You’ or ‘Your’ means:**

The Insured named in the Schedule.

## SECTION 2

### A. Agreement

In consideration of payment of the Premium, We agree to insure You in accordance with the terms, conditions and exclusions as stated below or in the Schedule.

### B. Transit insured

The Transit Insured:

1. commences in respect of each item of goods when the item is first moved for the specific purpose of loading on to the Conveyance(s) for transit to a destination outside the shipper's premises;
2. continues during the ordinary course of transit and terminates either:
  - (a) when each item of goods is delivered to the intended destination either within the receiver's premises or such other place as You or the receiver may instruct; or
  - (b) when the goods have completed unloading from the Conveyance(s) at any destination or place of storage which You elect to use for storage other than in the ordinary course of transit or for distribution; or
  - (c) on the expiry of 60 days after completion of discharge of the goods from the Conveyance(s) at the final port of discharge; or
  - (d) on the expiry of 15 days following arrival at the final port of discharge in respect of war risks otherwise covered by Section 2 D 2(c), whichever first occurs.
3. excludes any period of dismantling, erection, commissioning, testing, or storage other than in the ordinary course of transit.

4. includes:

- (a) whilst in any freight forwarder's premises for the purpose of packing, consolidation or while awaiting transport on any Conveyance(s);
- (b) any period while the goods are shut out from the Conveyance(s) or intended destination;
- (c) any period while the goods have been over carried, until their return to the port of destination.

### C. Goods insured

General cargo of any description which undertakes the Transit Insured purchased or sold by You for which You have an insurable interest at the time of loss including any retail or sales packaging but excluding:

- 1. household goods and personal effects;
- 2. buildings of all description other than modular transportable structures;
- 3. goods requiring a temperature controlled environment for transport;
- 4. works of art or antiques;
- 5. precious metals and stones, money, bullion, cheques credit or other card sales vouchers, securities, shares, bonds, deeds, bills of exchange, or any documents that represent money;
- 6. live animals of all descriptions, live fish, live shellfish, live birds and live plants.

### D. Events insured

- 1. Subject to the Sum Insured noted in the Schedule and events uninsured in Section E, this Policy covers all risks of accidental physical loss or damage to the Goods Insured during the Transit Insured including:
  - (a) that caused by strikers, locked-out workers or persons taking part in labour disturbances, riots or civil commotions;
  - (b) that caused by any act of Terrorism;
  - (c) malicious damage, unless caused or directed by You;
  - (d) that caused by insufficiency or unsuitability of packing or preparation of the goods to meet the normal forces of transit, unless it was caused, directed or agreed to by You;
  - (e) that caused by fumigation ordered by a properly constituted authority which was not customarily required at the time the transit commenced;
  - (f) that caused by the deliberate actions of governmental authorities acting for the public welfare to prevent or mitigate a pollution hazard or threat of pollution, provided that the event which caused this action would have been covered by this Policy if loss or damage had been sustained;
  - (g) that discovered on unpacking the goods within 30 days of the Transit Insured terminating where there were no external visible signs of loss or damage to the packaging or container at time of delivery and where on the balance of probability the loss or damage occurred during transit;
- 2. If the Transit Insured is by sea or air, this Policy further covers:
  - (a) any general average and or salvage contribution that You are required to pay under the terms of any contract of carriage payable in full and without reference to insured and contributory values;
  - (b) general average sacrifice;
  - (c) physical loss of or damage to the goods while the Goods Insured are on board the carrying ship, vessel or aircraft caused by:
    - (i) war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power;
    - (ii) capture, seizure, arrest, restraint or detainment arising from risks covered under 2(c)(i) above, and the consequences thereof or any attempt thereat;
    - (iii) derelict mines, torpedoes, bombs or other derelict weapons of war.
  - (d) liability under any 'Both to Blame' clause in any contract of carriage.
- 3. This Policy further covers expenses reasonably and properly incurred up to the Sum Insured for the defence, safeguarding and recovery of goods insured where such expenses would prevent or minimise a claim.

### E. Events uninsured

This Policy does not cover:

- 1. claims arising from Your wilful misconduct;
- 2. ordinary leakage, ordinary loss in weight or volume, ordinary wear and tear of the goods;
- 3. loss, damage or expense caused by inherent vice or nature of the goods;
- 4. loss, damage or expense caused by delay even though the delay may have been caused by an event otherwise insured;
- 5. loss, damage or expense caused by insolvency or financial default of the owners, managers, charterers or operators of a Conveyance(s) where, at the time of loading of the goods on board the Conveyance(s), You are aware, or in the ordinary course of Your business should be aware, that such insolvency or financial default could prevent the normal prosecution of the Transit Insured;

6. loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:
  - (a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
  - (b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
  - (c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
  - (d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter;
  - (e) any chemical, biological, bio-chemical or electromagnetic weapon.
7. Notwithstanding any provision to the contrary contained in this Policy, in so far as this Policy covers loss of or damage to the goods insured caused by Terrorism, such cover is conditional upon the goods insured being in the ordinary course of transit and in any event shall terminate either:
  - (a) as per Section 2 B; or
  - (b) on delivery to any other warehouse or place of storage, whether prior to or at the destination named in the Schedule, which You elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, whichever first occurs;
8. loss or damage that existed or occurred prior to the commencement of the Transit Insured;
9. loss, damage or expense when the goods are shipped on the deck of any ship or vessel unless packed in a fully enclosed ISO container of solid wall and roof construction;
10. loss, damage or expense directly or indirectly arising as a result of mechanical, electrical or electronic breakdown or malfunction where there is no external evidence of damage in transit;
11. loss, damage or expense arising or resulting from of an act of war, whether or not war has been declared, whilst goods are not on board a ship, vessel or aircraft;
12. loss of market, or any other consequential or financial loss of any description, even if caused by any insured events;
13. any liability, cost or expense arising in respect of pollution, contamination or pollution clean-up costs, fines or penalties;
14. any loss or provide any benefit under this policy where a claim payment would breach any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulation of any country;
15. 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.  
 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:
  - (a) 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
  - (b) 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
  - (c) the disease, substance or agent can cause or threaten bodily injury, illness, damage to human health, human welfare or property.
16. marine cyber risks as per the 'Marine Cyber Endorsement – LMA5403' below:
  - (a) Subject only to paragraph (c) 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 software programme, malicious code, computer virus, computer process or any other electronic system.
  - (b) 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.
  - (c) 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 (a) 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.

## F. Claims settlement

1. If goods are accidentally lost or damaged as a result of an event covered by this Policy We will at Our option, subject to the terms and conditions of this Policy, the Sum Insured and any provisions contained in the Schedule, pay You, repairers or other parties agreed with You the lesser of:
  - (a) the cost of repairing or reinstating the goods to a condition equal to but no better or more extensive than their condition immediately prior to the loss or damage (including the reasonable cost of any necessary overtime); or
  - (b) the commercial invoice value of the goods plus freight charges if separately invoiced, plus an additional 10% added to the total, plus duty if incurred; or
  - (c) in the case of used or second hand motor vehicles or machinery, the proportion of the cost of replacement of damaged parts as the Sum Insured bears to the value of a new machine or motor vehicle.
2. If We make a payment under Section 2 F 1, We will also reimburse You the following additional costs, if You are required to pay them in the first instance:
  - (a) the cost of air freighting replacement goods from suppliers to the original destination, even if the original transit was not by air freight, up to NZD 10,000 or the equivalent thereof;
  - (b) the reasonable costs and expenses incurred in cleaning up or decontaminating Your premises following the delivery or return of salvaged goods, plus the cost of transport and disposal costs to remove those goods, up to a limit of NZD 10,000 (or the equivalent thereof) any one accident or series of accidents arising from any one event;
  - (c) clean-up and disposal costs at any accident site, (excepting any liability, cost, expense, fine or penalty in respect of pollution, contamination or pollution clean-up), where You are legally or contractually obliged to pay those costs to a limit of NZD 10,000 (or the equivalent thereof) any one accident or series of accidents arising from any one insured event;
  - (d) any additional freight or salvage charges that You are required to pay to remove goods from any accident site, including the cost of forwarding the goods to their intended destination or to returning the goods to the place from which they were dispatched;
  - (e) any reasonable costs paid by You in engaging external experts or labour to assist You in preparation of a claim;
  - (f) the reasonable costs paid by You to avoid or minimise any further loss of or damage to the goods.
3. If the Transit Insured is interrupted or terminated due to loss of or damage to the goods, otherwise covered by the Policy, or the insolvency or financial default of the carrier in circumstances not excluded by Section 2 E 5, or in the event of interruption or termination of the transit because of strikes, riots, civil commotions or labour disturbances whether or not loss or damage has been occasioned to the goods, We will pay You the extra costs of freight and/or storage to forward the goods to their intended destination, or to return the goods to the place from which they were dispatched.
4. Where a loss is payable under this Policy, We will apply the following restrictions to payment:
  - (a) for any damaged goods bearing identifying brands or labels or other permanent markings, the goods may be retained by You to dispose of as You see fit, provided a reasonable allowance is agreed for the value of the goods and this allowance is deducted from the claim settlement;
  - (b) where only the labels or packaging are affected, We will pay You only the cost to recondition and/or replace those labels or packaging.
5. The amount payable for each adjusted claim will be reduced by the amount of the Deductible shown in the Schedule.
6. If Goods and Services Tax (GST) is recoverable by Us:
  - (a) the limit of Our liability specified in this Policy is exclusive of GST to the intent that, in the event of a claim, We will pay a maximum of that limit plus GST at the current rate of GST; or
  - (b) if no limit is specified We will pay the amount of the claim plus GST at the current rate.
7. Claims under this Policy are subject to the application of average or under insurance.
8. If, at the time of any loss of or damage to the goods, there is any other current insurance covering the same goods, whether effected by You or by any other person, We will not be liable for more than Our rateable proportion, (having regard to the other insurances, whether marine or fire, and whether or not such other insurances are exempted from contributing either by the existence of this Policy or any other policy), of such loss, damage, liability or expense.
9. Claims paid under this Policy are payable in New Zealand dollars. Foreign currencies will be converted to New Zealand dollars at the average daily Interbank rate of exchange as published at <http://www.oanda.com> for the date the goods arrived or, if lost, were scheduled to arrive at the destination.

## G. Certificates of insurance

Where You have agreed to arrange transit insurance for the benefit of the purchaser of goods sold by You, You will retain the full benefits of this Policy until insurable interest in the goods transfers to the purchaser. At that time the provisions of Section 2 D, E and F will cease to apply and insurance for the benefit of the purchaser of the goods in transit will be subject to the Terms and Conditions stated on the Cargo Insurance Certificate issued by Us.

## H. Claims procedures

### What You Must Do

Following an event that is likely to give rise to a claim under this Policy, You must take the following steps:

#### Immediate action

- Take all reasonable steps to avoid or minimise any loss, damage or expense (the reasonable and necessary cost of doing this will be payable by Us).
- Inform the Police as soon as possible after a theft is discovered.
- Retain all packaging and damaged goods for later inspection if required.
- Take photographs where possible which can later be used to support any claim on this Policy.

#### Notification

- Inform Us of the event as soon as possible.
- Submit to Us full written details as soon as possible.
- Send to Us all correspondence and documents relating to the event.
- Provide or arrange for Us to be provided with invoices, statements and other documents evidencing the amount of the loss.

#### When other parties may be liable

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

- not agree to release those parties from liability;
- hold the parties liable by delivering a notice of intention to claim;
- in no circumstances, except under written protest, give clean receipts where the goods are in doubtful condition;
- when delivery is made by container, ensure that the container and seals are examined immediately by the responsible official. If the container is delivered damaged or with the seals broken or missing or with seals other than those stated in the shipping documents, note the delivery docket accordingly and retain all defective or irregular seals for subsequent identification;
- if the loss or damage was not immediately apparent at the time of delivery, apply immediately for surveys by the carriers or other bailees to be conducted within three days of delivery;
- inform Us of the circumstances and give Us a copy of all the relevant documents.

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

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

#### Claims documentation

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

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

If You fail to follow the claims procedures or provide the documentation requested You may prejudice or delay settlement of any claim You have under the Policy.

## I. Law and practice

This Policy is subject to the provisions of the Marine Insurance Act 1908.

The Policy is governed by New Zealand law and the New Zealand courts have exclusive jurisdiction.



