

Goods in Transit (Own Vehicles) Insurance

Policy Wording



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Welcome to Zurich

About Zurich

The insurer of this product is Zurich Australian Insurance Limited (ZAIL), ABN 13 000 296 640, AFS Licence Number 232507. In this document, ZAIL may also be expressed as 'Zurich', 'we', 'us' or 'our'.

ZAIL is part of the Zurich Insurance Group, a leading multi-line insurer that serves its customers in global and local markets. Zurich provides a wide range of general insurance and life insurance products and services in more than 210 countries and territories. Zurich's customers include individuals, small businesses, mid-sized and large companies, including multinational corporations.

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:

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

If you do not tell us something

If *you* do not tell us anything *you* are required to, we may cancel *your* insurance contract or reduce the amount we will pay *you* if *you* make a claim, or both to the extent permitted by law, if we can show that we would not have issued the same policy for the same premium.

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

Our contract with you

This policy is a contract of insurance between the *insured* and Zurich and contains all the details of the cover that we provide.

This policy is made up of:

- the policy wording. It states what is covered, sets out the claims procedure, exclusions and other terms and conditions of cover;
- the proposal, which is the information *you* provide to us when applying for insurance cover;
- the most current policy *schedule* issued by us. The *schedule* is a separate document unique to the *insured*. It includes any changes, exclusions, terms and conditions made to suit the individual circumstances and may amend the policy; and
- any other written change otherwise advised by us in writing (such as an endorsement). These written changes vary or modify the above documents.

Please note, only covers shown in the *schedule* are insured. This document is used for any offer of renewal we may make, unless we tell *you* otherwise. Please keep *your* policy in a safe place. We reserve the right to change the terms of this product where permitted to do so by law.

Privacy

Zurich is bound by the Privacy Act 1988 (Cth). We collect, disclose and handle information, and in some cases personal or sensitive (e.g. health) information, about *you* ('*your* details') to assess applications, administer policies, contact *you*, enhance our products and services and manage claims ('Purposes'). If *you* do not provide *your* information, we may not be able to do those things. By providing us, our representatives or *your* intermediary with information, *you* consent to us using, disclosing to third parties and collecting from third parties *your* details for the Purposes.

We may disclose *your* details, including *your* sensitive information, to relevant third parties including *your* intermediary, affiliates of Zurich Insurance Group Ltd, other insurers and reinsurers, our banking gateway providers and credit card transactions processors, our service providers, our business partners, health practitioners, *your* employer, parties affected by claims, government bodies, regulators, law enforcement bodies and as required by law, within Australia and overseas.

We may obtain *your* details from relevant third parties, including those listed above. Before giving us information about another person, please give them a copy of this document. Laws authorising or requiring us to collect information include the Insurance Contracts Act 1984 (Cth), Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth), Corporations Act 2001 (Cth), Autonomous Sanctions Act 2011 (Cth), A New Tax System (Goods and Services Tax) Act 1999 (Cth) and other financial services, crime prevention, trade sanctions and tax laws.

Zurich's Privacy Policy, available at www.zurich.com.au or by telephoning us on 132 687, provides further information and lists service providers, business partners and countries in which recipients of *your* details are likely to be located. It also sets out how we handle complaints and how *you* can access or correct *your* details or make a complaint.

General Insurance Code of Practice

We are signatories to the General Insurance Code of Practice (the Code) and support the Code.

The objectives of the Code are:

- to commit us to high standards of service;
- to promote better, more informed relations between us and *you*;
- to maintain and promote trust and confidence in the general insurance industry;
- to provide fair and effective mechanisms for the resolution of complaints and disputes *you* make about us; and
- to promote continuous improvement of the general insurance industry through education and training.

The Code Governance Committee is an independent body that monitors and enforces insurers compliance with the Code.

Further information about the Code or the Code Governance Committee and *your* rights under it is available at <https://insurancecouncil.com.au/cop/> or by contacting us.

Complaints and Disputes Resolution process

If *you* have a complaint about an insurance product we have issued or the service *you* have received from us, please contact *your* intermediary to initiate *your* complaint with us. If *you* are unable to contact *your* intermediary, *you* can contact us directly on 132 687. We will acknowledge receipt of *your* complaint within 24 hours or as soon as practicable.

If *you* are not satisfied with our initial response, *you* may access our internal dispute resolution process. Please refer to the general insurance fact sheet available on our website for details of our internal dispute resolution process.

We expect that our internal dispute resolution process will deal fairly and promptly with *your* complaint, however, *you* may take *your* complaint to the Australian Financial Complaints Authority (AFCA) at any time.

AFCA is an independent external dispute resolution scheme. We are a member of this scheme and we agree to be bound by its determinations about a dispute. AFCA provides fair and independent financial services complaint resolution that is free to *you*.

Their contact details are:

Website: www.afca.org.au
Email: info@afca.org.au
Freecall: 1800 931 678

In writing to: The Australian Financial Complaints Authority, GPO Box 3, Melbourne, Victoria 3001.

If *your* complaint or dispute falls outside the AFCA Rules, *you* can seek independent legal advice or access any other external dispute resolution options that may be available to *you*.

Goods in Transit (Own Vehicles) Insurance Policy Wording

Subject to the prior payment of, or *your* agreement to pay, the premium set out in the *schedule*, we agree to provide insurance as set out in this policy.

In issuing this policy, we have relied on the information contained in the proposal form and/or any other information given by *you* or on *your* behalf.

1. The cover

We insure *you* against physical loss of or damage to *goods* or *death* of *livestock* specified in the *schedule* caused by certain events.

1.1 The insurance only applies:

- 1.1.1 to an insured transit that commences during the *period of insurance* specified in the *schedule*; and
- 1.1.2 to events that happen during an insured transit while the *goods* are in or on any registered *road vehicle* owned or operated by *you* within the radius of transit specified in the *schedule*.

1.2 Cover commences:

- 1.2.1 for *goods* other than *livestock*, when the *goods* are placed in a position adjacent to the *road vehicle* for the purpose of being conveyed to a destination outside the premises at which *loading* takes place and ends when the *goods* are last moved from the *road vehicle* in being delivered at the destination; or
- 1.2.2 for *livestock*, when each animal enters the *road vehicle* or its loading ramp and ends when the animal is discharged from the *road vehicle* or its loading ramp at the destination.

1.3 Defined events

The insurance is against the following events:

- 1.3.1 fire, explosion, lightning or flood;
- 1.3.2 collision of the *road vehicle* with an external object;
- 1.3.3 collision of the *goods* with something not on or part of the *road vehicle*;
- 1.3.4 overturning or jackknifing of the *road vehicle*;
- 1.3.5 theft while the *road vehicle* is attended; and
- 1.3.6 theft while the *road vehicle* is unattended but only if theft follows:
 - (a) forcible entry into the locked *road vehicle* or its carrying compartment;
 - (b) theft of the locked *road vehicle* itself; or
 - (c) any other insured event.

2. Conditions of cover

2.1 Conditions of insurance

The conditions of insurance are as specified in this policy, the schedule and any endorsements, all of which are to be read together.

2.2 Basis of valuation

The agreed value of the *goods* is their invoice cost or value. If there is no invoice value, their agreed value is their market value or the cost, at the time of the commencement of the insured transit, of replacing the *goods* with similar *goods* of the same age and condition.

2.3 Limits on cover

2.3.1 The insurance is limited to the sum insured stated in the *schedule* for any one loss or series of losses arising from the same event.

2.3.2 If an excess is specified in the policy wording, *schedule or any endorsements*, *you* must bear that amount first in respect of a claim or series of claims resulting from an event insured against.

2.3.3 Coinsurance

If the total value of the *goods* in or on the *road vehicle* at the time of an insured event taking place is greater than the sum insured in respect of that vehicle, *you* will only recover the proportion of the loss or damage that the sum insured of that vehicle bears to the total value of the *goods* in or on that *road vehicle*.

3. Extensions of cover

3.1 Brands

In the event of a claim, we will not sell or dispose of salvaged branded *goods* without *your* consent. If *you* decline to consent, *you* may retain the *goods*. The reasonable salvaged value of the branded *goods* will be deducted from the amount payable in respect of the claim.

3.2 Removal of debris

The insurance covers *removal of debris* if an insured event occurs up to a limit of \$50,000 in addition to the sum insured.

4. Definitions

When used in this policy wording, *schedule* or endorsements the following definitions will apply:

4.1 Communicable disease

communicable disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

4.1.1 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

4.1.2 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

4.1.3 the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder,

and includes, but is not limited to, a disease that is or becomes listed on the National Notifiable Disease List and/or is or becomes a temporary addition to the National Notifiable Disease List and/or has or could give rise to a public health event of national significance and/or is or becomes a listed human disease (where National Notifiable Disease List means the list established and in force from time to time under section 11 of the National Health Security Act 2007 (Cth) and listed human disease has the meaning given by section 42 of the Biosecurity Act 2015 (Cth), or in each case any subsequent amendment, replacement or successor legislation of the Commonwealth of Australia).

4.2 Consequential Loss

consequential loss means

(a) loss of profit incurred;

(b) special extra running costs incurred to avoid or minimise a loss of profit; or

(c) any other costs incurred to avoid or minimise a loss of profit, as the direct consequence of Cargo loss or damage during Transit.

4.3 Carrying vessel

carrying vessel means the vessel used to carry the *goods*.

4.4 Death

death means the expiration of livestock or their slaughter for humane reasons following injury.

4.5 Expropriation

expropriation means the lawful seizure, confiscation, nationalisation or requisition of the *goods*.

4.6 Goods

goods means the subject matter insured including *livestock*, shipping containers, flatracks and packaging.

4.7 Insured, You, Your,

insured, you, your, means the insured as named in the *schedule* or as otherwise defined in the policy.

4.8 Livestock

livestock means sheep, cattle, goats and pigs (herd animals) as specified in the *schedule* while in *your* care, custody or control. Livestock does not include birds and bloodstock, exotic, stud or prize animals or other animals.

4.9 Load/loading

load/loading means when livestock enters the *road vehicle's* loading ramp from the ground or loading dock until secured for transit in the *road vehicle*. For all other *goods* load/loading means when *goods* are first moved for the purpose of loading onto the *road vehicle* until placed on the *road vehicle*.

4.10 Nuclear or radioactive

nuclear or radioactive means the ionising radiations from or the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter or nuclear waste, weapon, device, fuel, installation, reactor or any component of these.

4.11 Period of insurance

period of insurance means the period of insurance stated in the *schedule*.

4.12 Removal of debris

removal of debris means the cost of removal and disposal of damaged *goods* or dead *livestock*, including the cost of cleaning the accident site, but does not mean any expense or liability of any kind incurred as a result of the actual or potential discharge, emission, spillage or leakage of any liquid or gas pollutant, beyond the road surface and the road verge at the accident site.

4.13 Road vehicle

road vehicle means any vehicle registered for use on public roads including any trailer when attached to the *road vehicle*.

4.14 Schedule

schedule means the schedule attaching to and forming part of the policy, including any *schedule* substituted for the original *schedule*.

4.15 Terrorism

terrorism means any act(s) of any person(s) or organisation(s) involving:

4.15.1 the causing, occasioning or threatening of harm of whatever nature and by whatever means; or

4.15.2 putting the public or any section of the public in fear,

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

4.16 Unload/unloading

unload/unloading means when *livestock* commences movement towards the *road vehicle's* unloading ramp until discharged onto the ground or unloading dock. For all other *goods* *unload/unloading* means when *goods* are first moved for the purpose of unloading from the *road vehicle* until last moved by *you* in being delivered at the destination.

4.17 War or warlike activities

war or 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. Exclusions

The insurance does not cover loss of or damage to *goods* or *death of livestock* or any related expense caused by any of the following:

- 5.1 delay, loss of market or *consequential loss* of any description;
- 5.2 mechanical, electrical or electronic breakdown or malfunction of *goods* where there is no external evidence that an event insured against has occurred;
- 5.3 *expropriation*;
- 5.4 anything *nuclear or radioactive*;
- 5.5 any chemical, biological, bio-chemical or electromagnetic weapon; or
- 5.6 *war or warlike activities*.
- 5.7 Notwithstanding anything contained anywhere in this policy to the contrary, *you* are not insured for any losses, damages or liabilities in accordance with the exclusion clauses below.
 - 5.7.1 Communicable disease

This policy excludes any actual or alleged loss, liability, damage, compensation, injury, sickness, disease, medical payment, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to occurring concurrently or in any sequence with a *communicable disease* or the fear or threat (whether actual or perceived) of a *communicable disease*.
 - 5.7.2 Cyber risk

This policy excludes any loss, damage, liability or expense directly or indirectly caused by, contributed to by or arising from:

 - (a) the failure, error or malfunction of any computer, computer system, computer software programme, code, or process or any other electronic system; or
 - (b) the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system..
 - 5.7.3 Information technology hazards exclusion

This insurance does not cover losses otherwise recoverable arising directly or indirectly out of loss of or damage to or a reduction or alteration in the functionality or operation, of a computer system, hardware, programme, software, data, information repository, microchip, integrated circuit or similar device in or connected with computer equipment or non computer equipment whether *your* property or not unless the losses are caused directly by one or more of the following perils:

 - a. theft of equipment;
 - b. collision;
 - c. sinking, grounding or stranding of the *carrying vessel*
 - d. overturning or derailment of land conveyance;

- e. jettison or washing overboard;
- f. fire, lightning, explosion;
- g. aircraft or vehicle impact;
- h. falling objects; or
- i. windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, flood, freeze or weight of snow.

6. Claims conditions

6.1 Claims procedure

When loss or damage happens which may give rise to a claim under this policy, *you* should take all reasonable measures to avert or minimise the loss and ensure that all rights against any third parties are properly preserved and exercised.

If the event involves theft, and theft is an insured event, or an accident has occurred involving a vehicle owned or operated by *you* and another vehicle, *you* must notify the police as soon as possible and, if we require it, obtain a written police report.

You must notify us of what has happened and send us full details as reasonably practicable within 30 days, including details of any other insurance over the *goods*.

You must not authorise any repairs to the *goods* without our written consent (not to be unreasonably withheld).

6.2 Claims settlement

In the event of a claim, we shall consult with *you* and take into account *your* interests regarding the options of settling the loss either by payment, repair, reinstatement or replacement.

6.2.1 Goods and Services Tax

If *you* are liable for Goods and Services Tax (GST) in respect of any *goods*, services or other supply which are the subject of a claim under this policy we will pay *you* for that GST liability. However:

- (a) where we make a payment under this policy for the acquisition of *goods*, services or other supply, we will reduce the payment by the amount of any input tax credit *you* are, or will be, or would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 (Cth) in relation to that acquisition whether or not the acquisition is actually made; or
- (b) where we make a payment under this policy as compensation for the acquisition of *goods*, services or other supply, we will reduce the payment by the amount of any input tax credit *you* would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 (Cth) had the payment been applied to acquire such *goods*, services or supply.

6.2.2 Foreign currency invoice

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.

6.3 Excess

In the event of a claim *you* must bear first the amount of any excess specified in the *schedule* or elsewhere in the policy wording.

6.4 Other insurance

When making a claim on this policy *you* must also supply us with written details of all policies that may pay or partially pay that claim.

6.5 Rights of subrogation

We are entitled to exercise any rights *you* may have against anyone else in relation to the *goods* for which we have settled a claim under this policy. *You* must cooperate fully with us in exercising those rights and must give us any information or assistance we may reasonably require.

7. General conditions

7.1 Applicable legislation

To the extent that this policy covers risks governed by the Insurance Contracts Act 1984 (Cth), nothing in it intends to reduce or waive either *your* or our privileges, rights or remedies available under that legislation.

If *you* fail to comply with a provision of this policy requiring compliance including the claims conditions under clause 7 and general conditions under clause 8, we may be able to:

- (a) refuse a claim;
- (b) reduce our liability to pay a claim by an amount that fairly represents the extent to which our interests are prejudiced by the failure to comply; or
- (c) cancel the policy.

7.2 Cancellation

You may cancel this policy at any time by notifying us in writing.

We may cancel this policy by giving *you* 30 days notice in writing. However, we may only do so in the circumstances set out in section 60 of the Insurance Contracts Act 1984 (Cth).

7.3 Conduct of claims

We are entitled to:

- 7.3.1 conduct on *your* behalf any legal proceedings or negotiations relating to claims made against *you*. *In doing so, we shall consult with you and take into account your interests regarding the conduct of any legal proceedings or negotiations relating to claims made against you;*
- 7.3.2 authorise *you* to defend any legal proceedings brought against *you* on the understanding that we will be kept fully informed and will be consulted and will participate in decision-making regarding liability or any negotiations with other parties; and
- 7.3.3 exercise any rights *you* may have against anyone else in relation to *goods* for which we have paid any amount under this policy.

You, and anyone else entitled to claim under this policy, must cooperate fully with us in exercising these rights and must give us any information or assistance we may reasonably require.

7.4 Change in risk

You must notify us as soon as reasonably possible of any change which materially increases the risk covered by this policy, including:

- (a) activities that are materially different from those declared to us at inception of the policy;
- (b) activities outside the normal activities of the business; or
- (c) any loss of or condition imposed upon any licence or other authority required by *you* to conduct the business.

We reserve the right to assess any such change, and may accept or deny coverage and/or vary the terms of coverage for any increased risk the change poses. If We and *You* agree to accept or vary the terms of coverage, *You* must pay such reasonable additional premium as We may require for any such coverage.

7.5 Plurals and titles

The proposal, this policy, the *schedule* and any endorsements are one contract in which, unless the context otherwise requires:

7.5.1 headings are descriptive only, not an aid to interpretation;

7.5.2 singular includes the plural, and vice versa; and

7.5.3 the male includes the female and neuter.

7.6 Proper law and jurisdiction

The construction, interpretation and meaning of the provisions of this policy shall be determined in accordance with Australian law.

In the event of any dispute arising under this policy including, but not limited to, its construction and/or validity and/or performance and/or interpretation, *you* will submit to the exclusive jurisdiction of any competent State, Territory or Federal court in the Commonwealth of Australia.

A reference to any statute, regulation or subordinate legislation includes any amendment, replacement, successor or equivalent to or of that statute, regulation or subordinate legislation.

7.7 Reasonable care

You must take reasonable care to prevent loss, destruction, damage or *death* covered by this policy.

7.8 Third parties

If anyone else is entitled to make a claim under this policy, that person and/or entity must also comply with its terms.

7.9 Trade and Economic Sanctions

Notwithstanding any other terms or conditions under this policy, Zurich shall not be deemed to provide coverage and will not make any payments nor provide any service or benefit to any *insured* or any other party to the extent that such cover, payment, service, benefit and/or any business or activity of the *insured* would violate any applicable trade or economic sanctions, law or regulation.

7.10 Transfer

You may only transfer a right under this policy with our written consent.

Zurich Australian Insurance Limited

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Client enquiries

Telephone: 132 687

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