

AM&T

A Company of **Allianz** 



CARRIERS INSURANCE PACKAGE

POLICY DOCUMENT
NEW ZEALAND MARKET

REST EASY. OUR KNOWLEDGE RUNS DEEP.

AM&T is a leading specialist in marine and transit insurance.

The team at AM&T are the trusted experts in New Zealand and Australia when it comes to the sometimes complex world of marine and transit insurance.

At AM&T, we provide specialist knowledge, superior service and support, all with the security of knowing your policy is backed by the global strength of Allianz.



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Introduction and important notices

Welcome

Welcome and thank You for choosing Our Carriers Insurance Package Policy. It tells You:

1. what is covered;
2. the claims procedures; and
3. the conditions and exclusions that apply.

This is an important document. You should read it carefully before making a decision to purchase this insurance. It will help You to:

- decide whether this insurance will meet Your needs; and
- compare it with other products You may be considering.

Please note that any recommendation or opinion in this document is of a general nature only and does not take into account Your objectives, financial situation or needs.

When You buy insurance You enter into a legal contract in which You promise to meet certain obligations and conditions. When We agree to insure You, We do so based on the information provided by You or on Your behalf. In return for paying the premium to Us, We will give You the protection described in this Policy for events that occur during the Period of Insurance.

If You do not fully understand this Policy, please ask Your Insurance broker to explain it to You.

All claims and general enquiries should be directed through Your insurance broker.

Who is the Insurer?

Allianz Australia Insurance Limited ABN 15 000 122 850 (Incorporated in Australia) trading as Allianz New Zealand of Level 11, Tower 1, 205 Queen Street, Auckland, New Zealand 1010, is the insurer of this Policy and is one of Australia's largest general insurers.

AM&T NZ is a division of Allianz New Zealand specialising in Cargo, Commercial Hull and Marine Liability insurance.

We utilise years of local expertise, combined with global experience to offer a wide range of products and services to Our customers. As a member of the worldwide Allianz Group, We are committed to continuous improvement of Our products and services and strive to achieve this through knowledge transfer within the Group, dedicated technical research units, sharing globally new product developments and a wide range of risk management services.

In the Policy document We refer to Allianz Australia Insurance Limited as "We", "Us", "Our" and "Allianz".

Our contract with You

Where We agree to enter into a Policy with You it is a contract of insurance between Us and You (see the definition of "You" for details of who is covered by this term).

The Policy consists of:

- this document which sets out the standard terms of Your cover and its limitations,
- the relevant Schedule issued by Us to You. The Schedule is a separate document, which shows the insurance details relevant to You. It may include additional terms, conditions and exclusions that amend the standard terms of this document. Only those sections shown as covered in Your Schedule are insured; and
- any other change to the terms of the Policy otherwise advised by Us in writing (such as an Endorsement). These written changes may vary or modify the above documents.

These are all important documents and should be carefully read together and kept in a safe place for future reference. When You enter into the Policy You confirm and warrant that You have read or will read the Policy documents when provided to You. Any new or replacement Schedule We may send You, detailing changes to Your insurance or the Period of Insurance, will become the relevant Schedule, which You should carefully read and retain.

We reserve the right to change the terms of the Policy where permitted to do so by law.

We cover You in accordance with the insurance as described in this Policy, for the Period of Insurance shown on the Schedule and for any subsequent period where renewal may be agreed. The maximum amount We will pay under the Policy will not exceed the Sum Insured shown on the Schedule unless otherwise specified in the Policy.

You are required to comply with the Terms and Conditions of the Policy. Please remember that if You do not comply with any term or condition, We may (to the extent permitted by law) decline or reduce any claim payment and/or cancel Your Policy.

Parties entitled to cover

We only cover those parties shown in the Schedule unless otherwise stated in the Policy as being a person or entity entitled to cover. If more than one person is insured under the Policy, a failure or wrongful action by one of those persons may adversely affect the rights of any other person insured under the Policy.

This Policy is intended to indemnify You for Your legal liability for any covered loss or damage to Goods which You are transporting for Your Customers.

The Policy does not entitle You to provide any financial service (including insurance) for the benefit of any other party; or to represent to Your Customer that You are able to arrange insurance for their benefit.

Understanding Your Policy and its important terms and conditions

You need to decide if this insurance is right for You and to do that You need to carefully read:

- about each of the available types of cover and benefits and exclusions in the relevant Sections One, Two, Three and Four (the standard cover provided under each section can be affected by the following);
- the rest of this “Introduction and Important Notices” section – this sets out how You apply for cover, the basis on which We insure You, the duty of disclosure You need to meet before We insure You, Our privacy information, Our dispute resolution procedures and other important information;
- the “Words with special meaning” section – this sets out what We mean by certain words used in the Policy. These words begin with a capital letter throughout this document;
- the “General exclusions applicable to all sections” section – this sets out the general exclusions and limits that apply to all covers and benefits;
- the “General conditions applicable to all sections” and “Claims” sections – these set out certain general rights and obligations that You and We have;
- 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 – these contain specific details relevant to You and can affect the cover.

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

The Policy is made up of the four sections summarised below. Each of these sections provides a different type of cover. You select the sections that You require based on Your contract situations and business requirements in the Proposal You submit to Us. These are:

- **Section 1 – Carrier’s legal liability to cargo carried – Limited Carrier’s risk**
This section covers You for Your legal liability to pay compensation for loss of or damage to Goods during the Period of Insurance whilst in Your Conveying Vehicle or Your premises occurring during Transit where You have made no special arrangements with the consignor or a Principal Carrier and the Goods are carried at “Limited Carriers Risk” as defined in the Contract and Commercial Law Act 2017, Part 5. It also covers Your liability for certain Consequential Losses if they are incurred by the owner of the Goods and

caused solely by the covered loss or damage. It also provides some other Additional covers.

- **Section 2 – Carrier’s legal liability to cargo carried – Where You have issued a written Contract of Carriage**

This section covers You for Your legal liability to pay compensation for loss of or damage to Goods during the Period of Insurance whilst in Your Conveying Vehicle or Your premises occurring during Transit provided You have varied Your legal liability under the Contract and Commercial Law Act 2017, Part 5 by utilising an agreed Contract of Carriage with Your Customer, or Principal where You act as a Subcontractor. It also covers Your liability for certain Consequential Losses if they are incurred by the owner of the Goods caused solely by the covered loss or damage and provides some other Additional covers.

- **Section 3 – Cover regardless of liability – Accidental damage option**

This section covers You where You elect to pay compensation for Accidental loss of or damage to covered Goods whilst in Your Conveying Vehicle or Your premises occurring during Transit irrespective of Your legal liability or contract terms (subject to other relevant criteria).

- **Section 4 – Cover regardless of liability – Specified perils cover**

This section covers You where You elect to pay compensation for loss of or damage to covered Goods whilst in Your Conveying Vehicle or Your premises occurring during Transit caused by an Insured Event irrespective of Your legal liability or contract terms (subject to other relevant criteria).

A Liability Defence costs cover is provided under Sections 3 and 4 where You choose to decline liability under Your conditions of carriage in relation to a claim by a Customer for loss of or damage to Goods that would be covered by Section 3 or 4 (as applicable). Both sections also cover Your liability for certain Consequential Loss incurred by the owner of the Goods caused solely by the covered loss or damage and provides some other Additional covers.

Cover is only provided (under each Section) in relation to events occurring during the Period of Insurance and within the Geographical Limits.

You are not automatically insured under each section. You are only covered for the sections that You have requested and which We agree to and note as applicable in the Schedule.

We only cover the parties shown in the Schedule unless otherwise stated in the Policy as being a person or entity entitled to cover.

If You have cover for the same Goods under any two or more Sections of the Policy, You may elect which Section You wish to claim under but You cannot claim in relation

to the same loss or damage under more than one Policy section. We will not be liable for any one loss or damage, or series of losses or damage arising from the same event in excess of the Sum Insured for the section claimed against.

Please note that the above is a limited summary only and not a full description of the covers. You need to read the cover sections and the Policy in full to properly understand the cover. Each cover noted is subject to terms, conditions, exclusions and limitations (including the General Conditions and General Exclusions) not listed in this summary and which may be contained in the documents that make up the Policy.

Applying for cover

When You apply by completing Our application process You need to provide the information We require to determine whether to issue a Policy and if so, on what terms, including (to the extent they are optional):

- the covers and benefits You want (including the Goods You wish to cover);
- the limits You want;
- the period of cover You want;
- whether You want any third parties to be noted as having an interest;
- the Excesses that You agree to contribute for certain claims;
- whether any standard terms need to be varied (this may be by way of an Endorsement).

Where We agree to issue a Policy, cover is provided on the basis:

- that You have paid or agreed to pay Us the Premium for the cover provided;
- of the verbal and/or written information provided by You which must have given in accordance with Your Duty of Disclosure.

Your duty of disclosure and the consequences of nondisclosure, are provided under the heading 'Your Duty of Disclosure' on page 4.

Renewal procedure

Before Your Policy expires, We will advise You whether We intend to offer renewal and if so on what terms. This also applies for any other renewal We make, unless We tell You otherwise.

It is important that You check the terms of any renewal before renewing to satisfy Yourself that the details are correct. In particular check the Sum Insured amounts to ensure the levels of cover are appropriate for You and that the covers selected suit Your needs, allowing for any changes in Your Customer base, types of Goods handled,

or contracts You have entered into since the Policy was originally taken out. You should also ensure that You communicate any changes to Contracts of Carriage to Us.

This document also applies for any offer of renewal We may make, unless We tell You otherwise.

Please note that You need to comply with Your Duty of Disclosure (see page 4) before each renewal. In particular, You must inform Us regarding any changes to the Goods being shipped, radius of Transit, contracts or clients, or Gross Freight Earnings.

Contact for assistance or confirmation of cover

If You need to confirm any Policy transaction or clarify any of the information contained in this Policy or, if You have any other queries, please contact Us via the details on the back cover.

Your Duty of Disclosure

Before entering into a contract of insurance, You have a duty, at law, to disclose to Us all material facts. This duty also applies when You renew, vary, extend or reinstate Your Policy. The same duty applies to any person making statements or providing information on Your behalf.

Information is material if it may influence a prudent Insurer in deciding whether or not to accept cover, renew or alter the Policy, the terms and conditions to operate, including the Premium payable.

Examples of information You may need to disclose include but are not limited to:

- anything that increases the risk of an insurance claim;
- subject to the Criminal Records (Clean Slate) Act 2004, any criminal conviction or offence;
- if another insurer has cancelled or refused to insure or renew insurance, has imposed special terms, or refused any claim;
- any insurance claim or loss made or suffered in the past five years.

These examples are a guide only. If there is any doubt as to whether a particular piece of information needs to be disclosed, this should be referred to Allianz Australia Insurance Limited.

Non-disclosure

If You fail to comply with Your Duty of Disclosure, it may result in:

- the Policy being void;
- the Policy being cancelled; or
- the amount We pay if You make a claim being reduced.

Alteration of risk

If You become aware of any changes to the facts or circumstances which existed when this insurance commenced that change the nature of the risk (for example, the nature of Your business operations, or other circumstances that affect the insured Goods carried) in a way that would increase the risk of loss or damage occurring You must notify Us immediately in writing. If We agree to the change We will do so in writing and You must pay Us any additional Premium We require.

Where the Marine Insurance Act 1908 applies

You must give Us immediate notice in writing if there is any material change in the circumstances or nature of the risks covered by this Policy, or no claim arising after the change shall be payable unless We have agreed to the change in writing.

Premium

Your Premium – the base Premium We charge is calculated based on a number of factors such as:

- type of Goods to be insured, where the Goods are to be transported to and from, the Gross Freight Earnings, the cover and Sum Insured required, Your insurance history etc;
- Our obligation to pay relevant government taxes and charges. For example, GST payable in relation to the Policy.

Minimum Premiums may apply. When You apply for this insurance, You will be advised of the total Premium amount payable, when it needs to be paid and how it can be paid.

This amount will be set out in the Schedule, which will be sent to You after commencement of cover under the Policy. If You fail to pay the Premium We may reduce any claim payment by the amount of Premium owing and/or cancel the Policy.

How to make a claim

If You need to make a claim under the Policy, please refer to the "Claims Procedures" section on page 21.

Cancellation

- a) You may cancel the Policy at any time by notifying Us in writing;
- b) We have the right to cancel the Policy where permitted by law.

We can cancel the Policy:

- if You failed to comply with Your Duty of Disclosure, or
- where You have made a misrepresentation to Us during negotiations prior to the issue of the Policy, or
- where You have failed to comply with a provision of the Policy, including payment of Premium, or

- where You have made a fraudulent claim under Your Policy or under some other contract of insurance that provides cover during the same period of time that Our Policy covers You;
- c) If We decide to cancel Your Policy We will give written notice to You personally or by post to Your last known address or Your intermediary. Such notice will be effective from the expiry of the stipulated period calculated from 4pm on the third business day after the day it is given to You, unless it specifies a later date but shall not apply to any Goods which have commenced Transit in accordance with the conditions of this Policy before cancellation becomes effective. A posted notice is deemed given to You at the time it would have been delivered in the normal course of the postal service.
 - d) In the event that You or We cancel the Policy, We may elect to apply the minimum premium provision set out in the Declaration of Gross Freight Earnings Clause (on page 19) or deduct a pro rata proportion of the premium for time on risk, reasonable administrative costs related to the arrangement of and termination of Your Policy and any government taxes or duties We cannot recover. In the event that You have made a claim under the Policy and We have agreed to pay the full Sum Insured, no return of premium will be made for any unused portion of the premium.
 - e) If the premium has been funded by a premium funding company which holds a legal right over the Policy by virtue of a notice of assignment and/or irrevocable power of attorney, a refund will be made to the premium funding company in accordance with the provisions set out above.

Privacy Act – Information

Pursuant to the Privacy Act 1993 the following information is provided for Your benefit:

- the Proposal collects personal information about You;
- the information is collected to evaluate the insurance being sought;
- the intended recipient of the information is Allianz Australia Insurance Limited;
- the information is being collected and held by Allianz Australia Insurance Limited of Level 11, Tower 1, 205 Queen Street, Auckland, NZ 1010;
- the collection of this information is required pursuant to the common law duty to disclose all the material facts relevant to the insurance sought and is mandatory;
- the failure to provide this information may result in Your application for insurance being declined, or the Policy being void from the beginning;
- You have the right of access to, and correction of, this information subject to the provisions of the Privacy Act 1993.

Fair Insurance Code

Allianz Australia Insurance Limited supports the principles of the Fair Insurance Code. The purpose of the Code is to increase the standards of practice and service within the insurance industry. To the extent the Code applies to this product, a copy of the Fair Insurance Code is available from the Insurance Council of New Zealand website (www.icnz.org.nz).

Complaints – Internal and external complaints procedure

If You are dissatisfied with Our service in any way contact Us and We will attempt to resolve the matter in accordance with Our Internal Dispute Resolution procedures. To obtain a copy of Our procedures contact Us.

A dispute can be referred to the Financial Services Complaints Limited (FSCL) subject to its terms of reference. It provides a free and independent dispute resolution service for consumers who have general insurance disputes falling within its terms.

To find out more about the role of FSCL and FSCL's Terms of Reference, refer to FSCL's website – <http://www.fscl.org.nz/> or You can contact them as follows:

Financial Services Complaints Limited
PO Box 5967
Lambton Quay
Wellington 6145
Freephone: 0800 347 257
Email: info@fscl.org.nz

If this insurance has been issued through an insurance intermediary

If the Policy has been issued through Our agent, or a broker who is acting under an agency arrangement such as a binder with Us, then they are acting as Our agent and not as Your agent.

If the Policy has been issued by a broker, other than a broker acting under such an agency arrangement with Us, then the broker is acting as Your agent.

Where the Policy has been arranged through an intermediary a commission is payable by Us to them for arranging the insurance. You can ask them or Us for more information.

Goods and Services Tax (GST)

Provided that GST is recoverable by Us, all Sums Insured, Limits of Indemnity and sub-limits specified in the Policy and Schedule are exclusive of GST. GST will be added, where applicable, to claim payments. If Your Sum Insured or Limit of Indemnity is not sufficient to cover Your loss, We will only pay the GST on the sum that relates to Our settlement of Your claim.

Words with special meaning

Accident and/or Accidental means an event or occurrence which results in loss or damage to the Goods that You did not intend or expect to happen or could not have been expected by a reasonable person with actual knowledge of the Goods and method of transport.

Approved Contract of Carriage means a Contract of Carriage which has been declared and approved by Us prior to commencement of Transit. This includes consignment notes, freight notes or conditions of contract issued by You to Your Customers (or a Principal Carrier).

Contract of Carriage means a written contract for the carriage of Goods agreed between You and Your Customer (or a Principal Carrier) varying Your responsibility for the Goods and which is one of the following contractual situations permitted under the Contract and Commercial Law Act 2017, Part 5:

- At Owner's Risk;
- At Declared Value Risk;
- On Declared Terms.

Consequential Loss one or more of the classes of such loss set out in section 259(3)(b) or (c) of the Contract and Commercial Law Act 2017, Part 5.

Conveying Vehicle means any mode of transport used by You to transport the Goods whether owned by You or a Subcontractor.

Customer means the entity for which You provide Your Services.

Deliberate Third Party Act means the deliberate act of any party other than You which was committed without Your knowledge or connivance.

This includes deliberate damage by Government or local authorities exercising their rights under current legislation in order to prevent or minimise an environmental hazard/pollution resulting from an Insured Event and provided this has not resulted from Your lack of due diligence.

Due Care means the exercising by You of appropriate levels of prudence and caution in:

- the selection of, and provision of handling instructions to, third party transport service providers/contractors;
- the selection of packaging appropriate to protect the Goods where this is organised by You;
- the handling, storage and movement of Goods by You including:
 - (i) security measures to protect the Goods against theft where appropriate based on the nature of the Goods whilst either in Your Conveying

Vehicle or whilst temporarily removed from the Conveying Vehicle;

- (ii) the maintenance of Your Conveying Vehicles (including refrigeration machinery and security devices) in proper repair and sound working conditions;
- (iii) the employment of competent drivers and other employees involved in transport or handling of Goods; and
- (iv) the compliance with all statutory obligations, by-laws, regulations and standards imposed by public authorities.

Endorsement means documentary evidence of an alteration to the Policy or the details in the Schedule which forms part of the Policy.

Excess means the amount payable by You for each and every loss recoverable under the Policy as specified in the Schedule, this Policy or any Endorsement to this Policy. Where a claim is made in respect of more than one occurrence, the Excess will apply as though a claim was made for each separate occurrence.

Flood means the inundation of normally dry land by water overflowing from the normal confines of any natural watercourse or lake, whether or not altered or modified, or of any reservoir, canal or dam.

General Average The maritime legal principle by which, should the shipowner, one or more cargo owners, or other parties with an interest in property on board a sea going vessel, make an extraordinary sacrifice or expenditure for the purposes of preserving all property at risk at a time of peril, all parties with property that has been preserved by such sacrifice or expenditure can be called upon to contribute a proportion of loss incurred.

Geographical Limits means the geographical area of operation specified in the Schedule, but always limited to Transits starting and terminating within New Zealand including, where applicable, sea voyages within New Zealand Territorial waters between New Zealand ports or places.

Gross Freight Earnings means the total income derived by You (including fees, charges and commissions) from the carrying of Goods, whether as a Principal, Subcontractor or through or by the use of Subcontractors without any deduction for any cost of operation, fixed recurring or isolated overhead, or any other expenses of any kind.

Goods or Insured Goods Customer property specified in the Schedule while in Your care custody or control. Unless otherwise agreed by Us, We will not cover the types of Goods listed under the Property (Goods) exclusions listed on page 16 of this Policy.

Goods does not, under any circumstances, include letters or postal articles being transported subject to the provisions of the Postal Services Act 1998. However, this limitation does not apply in relation to packages sent by Courier Post.

Livestock means sheep, cattle, goats and pigs (and/or other herd animals) as identified in the Policy. Livestock does not include horses, birds and bloodstock, stud or prize animals or other animals.

Loading and Unloading means loading or unloading of the Goods as specified below.

- a) **In relation to the loading or unloading of Goods which do not fall under any of the types or circumstances mentioned in b) to d) below):**

Loading commences when the Goods are first picked up inside the warehouse/premises or place of storage for the purposes of Loading onto Your Conveying Vehicle and terminates when the Goods have been placed on Your Conveying Vehicle.

Unloading commences when the Goods are picked up from Your Conveying Vehicle for the purposes of delivery to the receiver and terminates when the Goods are placed by You at the designated delivery point at the receiver's warehouse/premises or place of storage.

- b) **where the Goods are loaded or unloaded by crane:**

Loading commences when the Goods are attached to and picked up by Your crane hook, or one which is controlled by You or Your employees or subcontractors for the purposes of Loading the consignment onto the Conveying Vehicle at the consignor's warehouse/premises or place of storage and terminates when the Goods have been positioned on the Conveying Vehicle.

Unloading commences when the Goods are picked up by Your crane hook or one which is controlled by You or Your employees or subcontractors for the purposes of Unloading the Goods from the Conveying Vehicle and terminates when the Goods are placed by You or Your employees or subcontractors at the designated delivery point at the receiver's warehouse/premises or place of storage.

- c) **where the Goods being loaded or unloaded are Livestock:**

Loading commences when the Livestock proceed on to the loading ramp of the Conveying Vehicle from the ground or loading dock adjacent to the Conveying Vehicle and terminates when the Livestock have been positioned on the Conveying Vehicle.

Unloading commences when the Livestock proceed on to the loading ramp and terminates when the Livestock are positioned on the ground or loading dock adjacent to the Conveying Vehicle.

d) **where the Goods being loaded or unloaded are motor vehicles:**

Loading commences when the wheels or tracks of the motor vehicle(s) being transported by You first move for the purposes of being driven onto the loading ramps of Your Conveying Vehicle from the ground or loading dock adjacent to the Conveying Vehicle or from the point where the vehicle is currently parked provided that the distance driven to the Conveying vehicle does not exceed 100 metres and terminates when the motor vehicle(s) being transported have been positioned on Your Conveying Vehicle.

Unloading commences when the wheels or tracks of the motor vehicle(s) being transported by You first move for the purpose of delivery (or for the purposes of being placed into storage at the election of Your Customer) and terminates when the vehicle being carried is parked by You in the receiver's premises or in the loading dock, provided this is within 100 metres of Your Conveying Vehicle, or alternatively, once the motor vehicle's wheels or tracks are driven off the Conveying Vehicle and are on the road or loading dock immediately adjacent to the Conveying Vehicle.

Note: where a tilt tray vehicle is used to transport the Goods the above motor vehicle Loading/Unloading definition will also apply.

Overturning means inversion, laying at rest upon the side (which shall not include partial tipping causing discharging, dispersal, release, escape, spillage or falling off of the load, other than through collision of the Conveying Vehicle).

Period of Insurance means the period commencing on the effective date and ending at 4pm New Zealand Standard time on the expiry date as shown in the Schedule.

Personal Property means bedding; CB/UHF and scanner radios, food and drink and its containers (including thermos-flasks, eskies and mobile fridge), clothing and personal accessories and hygiene items, footwear and personal entertainment equipment (e.g. DVD/CD players, iPods or MP3 players).

Personal Property excludes: money or any negotiable documents/documents that represent money, credit cards, watches and jewellery, mobile phones, pagers, laptop computers or PDAs/tablets, mobile GPRS units, precious metals or stones.

Policy means this document and any Endorsement, specification, attachment or memoranda affixed to it, the Schedule and the Proposal.

Principal/Principal Carrier means another carrier with whom You have entered an agreement to act as Subcontractor in respect of a particular shipment, contract, or multiple consignments. Where You are acting as a Principal it means the situation where You have sub-contracted actual carriage of the Goods to another Carrier.

Proposal means the application form completed by You or on Your behalf in which You provided the information upon which We relied to enter into the Policy.

Salvage has two meanings subject to context, being either:

- what is left of the Goods or Property after it has suffered loss or Damage; or
- the physical act of recovering Goods or Property which has been lost or Damaged, but which has residual commercial value.

Schedule means the most recently dated Schedule We have provided to You which specifies important information such as the Policy number, Geographical Limits, those Sections that are in force, the details of the Goods, the Sums Insured and any Excess payable.

Subcontractor means a party with whom a Principal Carrier (including You) contracts to carry Goods and includes Subcontractors of Subcontractors.

Unless otherwise specified in the Policy Schedule, We cover You in accordance with Policy conditions for loss or damage to Goods:

- entrusted to You as a Subcontractor and where You are undertaking the transport of the Goods on behalf of the Principal Carrier, to the extent of Your legal liability
- entrusted by You to a Subcontractor undertaking the transport of the Goods on Your behalf and under Your instructions

Sum Insured means the relevant amount(s) to which Our liability is limited stated in the Policy or the Schedule for any one loss or series of losses arising out of the same event, any one Accident, vehicle or location at the one time (referred to in the Schedule as either Sum Insured or Limit of Liability).

In some cases a sub limit may be applicable to a particular Good or contract.

Terrorism means any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

- a) involves violence against one or more persons; or
- b) involves damage to property; or
- c) endangers life other than that of the person committing the action; or
- d) creates a risk to health or safety of the public or a section of the public; or

e) is designed to interfere with or to disrupt an electronic system.

Transit means the period of time from the point where You first take possession of the Goods at the consignor's (or Principal Contractor's) warehouse or premises for the purpose of Loading onto Your vehicle for transportation to the consignee at another destination outside the warehouse or premises. The Conveying Vehicle must leave the consignor's warehouse or premises within 72 hours of You taking possession of the Goods for the purposes of transportation.

Transit continues until either:

- completion of Unloading and final delivery to the consignee at their warehouse or premises; or
- interruption of the normal course of transport at the election of Your Customer for the purposes of storage, allocation or distribution; or
- delivery of the Goods to the receiver or another responsible party as agreed with the consignor or consignee.

Extension of Transit Transit continues during incidental storage at Your depots or premises which has not been requested by Your Customer but is necessary solely for the purposes of normal transshipment, handling, agistment (of Livestock) or load consolidation/deconsolidation. In the case of Livestock during long haul movements, Transit continues for up to 7 days during necessary temporary resting/spelling.

The Goods are covered whilst they remain on the Conveying Vehicle for up to 48 hours after arrival at the destination in the event that the Goods cannot be immediately unloaded and delivered to the consignee.

Provided that the Goods remain within the Geographical Limits and within Your (or Your Subcontractor's) care, cover continues:

- where the Goods are over-carried to an incorrect destination, until they are returned to the original consignor or delivered to the correct destination;
- where reconsigned or reshipped direct from a wharf or airport at the intended destination to another destination within the Geographical limits until arrival at the final destination;
- where shut out from a Conveying vehicle at an intermediate place during the course of Transit and whilst awaiting an alternative Conveying Vehicle, provided they are stored in a secure area.

Unit of Goods where used within this Policy Wording, this has the same meaning as that expressed in the Contract and Commercial Law Act 2017, Part 5.

We, Us or Our, or the Insurer means Allianz Australia Insurance Limited ABN 15 000 122 850 (Incorporated in Australia) trading as Allianz New Zealand of Level 11, Tower 1, 205 Queen Street, Auckland, New Zealand 1010. AM&T NZ is a division of Allianz New Zealand.

You, Your, Insured means You, any party specified in the Policy Schedule including any specified Subcontractors.

Where You are comprised of more than one entity, the term "You" will be considered as applying to each entity in the same manner as though a separate Policy had been issued to each entity, however, Our limit of liability shall not exceed the Sum Insured specified in the Schedule and Our liability to make supplementary payments will apply as though there were not separate policies issued to each entity.

Cover

Section 1 – Carrier’s legal liability to cargo carried – Limited carrier’s risk

This Section applies:

- where You have made no special arrangements with the consignor or a Principal Carrier and the Goods are carried at “Limited Carrier’s Risk” as defined in the Contract and Commercial Law Act 2017, Part 5;
- where You have made special arrangements with the consignor or a Principal Carrier through a written contract, but where the contract terms are found not to apply/be effective and You are held at law to be carrying at “Limited Carrier’s Risk” as defined in the Contract and Commercial Law Act 2017, Part 5.

You are automatically covered under this section when You have taken one or more of Sections 3 or 4 but You are not entitled to claim under more than 1 Section in respect of the loss.

Subject to the terms, conditions and exceptions of this Policy We will indemnify You under this Section for all sums that You become legally liable as a carrier to pay under the Contract and Commercial Law Act 2017, Part 5 for:

- loss of or damage to Goods of the type specified in the Schedule occurring during the Period of Insurance up to a maximum of NZ\$2,000 for each Unit Of Goods lost or damaged in accordance with Section 259 of the Contract and Commercial Law Act 2017, Part 5; and
- all legal costs and legal expenses incurred by You with Our prior consent in contesting or defending the claim, or recoverable from You in connection with the same,

but not exceeding the Sum Insured shown in the Schedule.

We will also pay sums that You become legally liable as a carrier to pay under the Contract and Commercial Law Act 2017, Part 5 for Consequential Loss, where the same falls within one or more of the classes of such loss set out in section 259(3)(b) or (c) of the Contract and Commercial Law Act 2017, Part 5, up to up to the limit applicable for this section, less any amounts settled in respect of loss or damage to the Goods.

Section 2 – Carrier’s legal liability to cargo carried – Where You have issued an Approved Contract Of Carriage

This section applies where You have varied Your statutory legal liability under the Contract and Commercial Law Act 2017, Part 5 for loss of or damage to Goods carried by way of a written Contract Of Carriage in one of the following forms specified in the Contract and Commercial Law Act 2017, Part 5, section 248:

- At Owner’s Risk;
- At Declared Value Risk;
- On Declared Terms.

Where You have selected this Section and it is shown on Your Schedule, subject to the terms, conditions and exceptions of this Policy, We will indemnify You for all sums that You become legally liable as a carrier to pay under the Contract and Commercial Law Act 2017, Part 5 for:

- loss of or damage to Goods occurring during the Period of Insurance; and
- all legal costs and legal expenses incurred by You with Our prior consent in contesting or defending the claim, or recoverable from You in connection with the same.

The extent of Your legal liability (and the extent of Our obligation to indemnify under this Section) will be determined strictly in accordance with the requirements of the Contract and Commercial Law Act 2017, Part 5 and the express terms of the applicable contract, but always subject to the Sum Insured shown in the Schedule for this Section.

We will also pay sums that You become legally liable as a carrier to pay under the Contract and Commercial Law Act 2017, Part 5 for Consequential Loss, where the same falls within one or more of the classes of such loss set out in section 259(3)(b) or (c) of the Contract and Commercial Law Act 2017, Part 5, up to up to the limit applicable for this section, less any amounts settled in respect of loss or damage to the Goods.

It is a condition precedent to Our obligation to indemnify You under this Section Two that:

- a) You have first provided Us with a sample copy of the applicable Contract Of Carriage entered into with Your Customer or a Principal Carrier; and
- b) We have agreed in writing to indemnify You for Your liability for loss of or damage to Goods or for Consequential Loss arising under such contract; and
- c) You have utilised the Approved Contract Of Carriage with the Customer or a Principal Carrier and both You and the Customer have agreed on the kind of contract to be made and You have obtained their written agreement to the terms.

In the event that You have not met these conditions, We will only cover You for sums that You become legally liable as a carrier to pay under the Contract and Commercial Law Act 2017, Part 5 in accordance with Section 1.

Section 3 and 4 covers

Cover is only provided under Section 3 Accidental Damage Cover or Section 4 Defined Perils Cover if the Section is specified as applicable in the Schedule. The relevant cover is provided subject to the other terms and conditions of the Policy.

Loss of or damage to Goods cover under Sections 3 and 4

We will indemnify You where You elect to pay compensation to the party You contracted with to carry the Goods for in respect of loss of or damage to the Goods of the type specified, or under the contracts listed, in the Schedule whilst within:

- the Conveying Vehicle or in Your premises; and
- either Your or Your Subcontractor's care, custody or control; and
- the Geographical Limits,

where You are the contracting carrier, caused by a Section 3 or Section 4 Insured Event (as applicable), which occurs both during Transit and the Period of Insurance up to the relevant Sum Insured for the applicable Section 3 or 4.

For covered Livestock We also cover You where You elect to pay compensation to the party You contracted to carry Livestock for under the above insuring clause for their death and/or destruction, including slaughter for humane reasons, where necessary due to an Insured Event. Where the Goods are temperature controlled, chilled, perishable or refrigerated Goods We cover consequential deterioration of the Goods following one of the Insured Events to the extent specified.

Note: The above cover applies irrespective of whether You are legally liable to the Customer for the loss or damage to the covered Goods. If You choose to decline liability to a Customer the Liability defence costs cover below can apply).

Liability Defence costs cover

Should You decide to decline liability under Your conditions of carriage for any claim in relation to loss of or damage to Goods that would otherwise be covered by Section 3 and/or 4 (as applicable), We will defend any claim made against You and pay:

- all legal costs and legal expenses incurred by You with Our prior consent; and
- any amounts awarded against You in favour of the party with whom You have contracted for the carriage of Goods including a Principal Carrier (or, where applicable, the consignee), including interest;

up to but not exceeding the Sum Insured for the relevant Section.

Consequential Loss of owner of Goods cover

We will also pay, where You are legally liable to pay compensation for Consequential Loss incurred by the owner of the Goods caused solely by loss of or damage to the Goods covered under the relevant Policy Section 3 or 4, up to a limit of \$100,000 which arises from one Insured Event but not exceeding \$200,000 in the aggregate during the Period of Insurance) in addition to the Sum Insured.

Additional benefits cover

We will pay the Additional Benefits listed on pages 13 to 15 (where applicable).

Section 3 Insured Events

The Insured Events applicable to this Section are:

- Accident; or
- a Deliberate Third Party Act,

but excluding for Refrigerated, temperature controlled, chilled, or perishable Goods, any deterioration of such Goods which is not specifically covered below.

We only cover deterioration of temperature controlled, chilled, perishable or refrigerated Goods due to variation in temperature below or above the documented required range for transportation of the Goods for a period in excess of 4 hours or that stated in the Schedule, where different, caused by:

- Accidental failure, breakdown, stoppage or malfunction of the refrigerating machinery which results in:
 - (i) its failure to deliver air at the preset temperature; or
 - (ii) it being unable to perform its normal refrigeration cycle;
- mismanagement of the refrigerating machinery by You or Your Subcontractors, including selection of incorrect temperature or failure to turn on power; or
- disruption of the airflow within the Conveying Vehicle or container caused by mismanagement of the interior bulkheads by You or Your Subcontractors;

We will not cover You where the loss is caused by Your failure to properly maintain Your refrigeration machinery. If required by Us You will need to provide evidence that the refrigeration machinery has been properly maintained.

Section 4 Insured Events

Standard

The Insured Events applicable to this Section are:

- fire, lightning, hail, windstorm, tornado or cyclone, or explosion;
- Flood;
- collision of the Conveying Vehicle with any external object other than the road, gutter, curb or road surface;
- collision, crashing or forced landing of aircraft (including an aircraft used to transport the Goods);
- collapse of bridges or culverts causing damage to the Goods on the Conveying Vehicle;
- jack-knifing, Overturning and/or derailment of the Conveying Vehicle;

- impact of the load with any object which is not on or part of the Conveying Vehicle with the Goods ;
- damage caused by strikers, locked out workers or persons taking part in labour disturbances, riots or civil commotions;
- Deliberate Third Party Act committed without the knowledge or connivance of Yourself or the owner of the Goods including malicious damage to the Goods on Your Conveying Vehicle;
- where the Goods are transported by sea, the stranding, sinking, burning, grounding, jettison, washing overboard or collision of the vessel with any object other than water.

Unless You have requested that the following events be deleted and We have shown this in the Schedule, the Insured Events applicable to this Section also include:

- any theft of the Goods from the Conveying Vehicle or place of temporary storage, hijack or armed hold up of the Conveying Vehicle, pilferage or non-delivery of the Goods; and
- Accidental damage to the Goods during Loading and Unloading.

Optional

The following Insured Events only apply to Section 4 where specified as applicable to Section 4 in the Schedule.

Deterioration of temperature controlled, chilled, perishable or Refrigerated Goods

The Insured Event is deterioration of the Goods due to variation in temperature below or above the documented required range for transportation of the Goods for a period in excess of 4 hours or that stated in the Schedule, where different, caused by:

- Accidental failure, breakdown, stoppage or malfunction of the refrigerating machinery which results in:
 - (i) its failure to deliver air at the preset temperature; or
 - (ii) it being unable to perform its normal refrigeration cycle;
- mismanagement of the refrigerating machinery by You or Your Subcontractors, including selection of incorrect temperature or failure to turn on power; or
- disruption of the airflow within the carrying vehicles or container caused by mismanagement of the interior bulkheads by You or Your Subcontractors.

We will not cover You where the loss is caused by Your failure to properly maintain Your refrigeration machinery. If required by Us You will need to provide evidence that the refrigeration machinery has been properly maintained.

Shedding of Load

The Insured Event is an Accidental fall of the Goods from the Conveying Vehicle due to an Accidental breakage of restraining chains or cables, where:

- the Conveying Vehicle used to carry the load was suitable for the dimensions and mass of the Goods being carried; and
- all reasonable precautions had been taken by You and/ or Your Subcontractors or workers to ensure the Goods have been securely and adequately stowed on the vehicle (including the performance of regular checks on the restraining cables or chains to confirm their condition) and in compliance with the relevant code or regulation.

Basis of Settlement under Sections 3 and 4

Subject to the exceptions below and the terms and condition of the Policy, the amount We will pay for loss of or damage to the Goods claimable under either Section 3 or 4 will be the least of:

- the invoice value covering the Goods;
- the actual market value of the Goods where there is no invoice value;
- the cost of repairing or replacing the Goods with items of similar age and condition or as near as possible to that age or condition (However, under no circumstances do We cover You for any reduction in the value of Goods because of repairs); or
- the amounts We negotiate as settlement for the loss on Your behalf.

The following exceptions apply:

- **Livestock:** the invoice value covering the Livestock whilst in Transit, or, if there is no invoice value, the cost of replacing the Livestock with similar Livestock of the same age, breed and condition or as close as possible to the age, breed and condition of the original Livestock, not exceeding the relevant Sum Insured;
- where the Goods carried are **artwork or antiques**, the market value of the Goods as assessed with reference to an independent and qualified valuer;
- for **new machinery** which has been damaged, We will pay for the cost of replacement or repair of the part or parts plus any additional charges for forwarding and refitting;
- for **used machinery**, the amount payable will not exceed the cost of repairing and reinstating the item to a condition equal to but not better or more extensive than its pre-loss condition, and in any event not exceeding:
 - (i) the purchase or sale price; or

- (ii) In the case of a movement not associated with a sale or purchase, the written down book value or current market value (whichever lower);
- **Packaging/shipping containers:** the cost of repair or replacement (as required by the hand over agreement or similar document) but not exceeding the insured sub-limit expressed in this Policy or the Policy Schedule where different;
- in the event of loss affecting **labels** only, the amount recoverable is limited to the cost of new labels, reconditioning and relabelling the Goods;
- Pairs and Sets Clause: see page 20.

Additional benefits

(Applicable to all Sections unless otherwise noted)

Accumulation

In the event of the accumulation of Goods in excess of the Sum Insured arising from circumstances beyond Your control, and providing You give Us immediate notice as soon as the circumstances become known to You, We will provide cover for the accumulated Goods up to double the Sum Insured specified in the Schedule each and every loss or occurrence or series of losses or occurrences arising out of the same Insured Event.

Acquired Companies Clause

We will provide cover under this Policy for any company, subsidiary company or firm that is formed, purchased or otherwise acquired by You during the Period of Insurance, provided always that You:

- a) hold a controlling interest in the company, subsidiary company or firm or have agreed to accept responsibility for insurance of such company, subsidiary company or firm; and
- b) advise Us of Your interest in the company, subsidiary company or firm within sixty (60) days from the date of signing of the instrument by which You acquired such company, subsidiary company or firm, or from the date of formation of such company, subsidiary company or firm, whichever the case may be; and
- c) declare to Us the Gross Freight Earnings, type of Goods to be insured, past losses and then agree to any additional conditions required by Us and pay any additional premiums required by Us to be paid.

For purposes of this clause, where cover under Section 2 is specified in the Schedule, We must approve the Contracts of Carriage of such company, subsidiary company or firm within the said 60 days following acquisition or formation of such company, subsidiary company or firm for cover under this clause to commence.

Automatic reinstatement

When We indemnify a claim under this Policy, the Sum Insured stated in the Schedule will be automatically reinstated without additional premium

Brands Clause

In the event of loss or damage to Goods bearing embossed or indented brands or labels or other permanent markings identifying Your Customer as the manufacturer or supplier, or exclusive and/or secret formula that may be involved, the Goods may be retained by Your Customer to be disposed of as they see fit provided a reasonable allowance is agreed for the value of the damaged and undamaged Goods.

Business and driver Property

Your cover is extended to cover loss of or damage to Your Business Property or Your employee driver's Personal Property which is in the Conveying Vehicle and during Transit, caused by one of the Section 3 Insured Events (see page 11) or theft following forcible and/or violent entry into the securely locked Conveying Vehicle occurring during Transit but excluding any loss or damage occurring during Loading and Unloading.

In no case shall Our aggregate liability under the Policy for loss or damage to Your Business or Driver Personal Property exceed \$2,000 any one loss or series of losses arising out of the one event, or as specified in the Schedule, where different. This benefit is in addition to any other Sum Insured shown on the Schedule.

Container demurrage charges

We will cover demurrage charges and/or late penalties assessed against You up to a maximum of \$50,000 (or as specified in the Schedule, where different) in addition to the Sum Insured where these are incurred during the Period of Insurance due to the container(s) being retained by You on Our instruction for the purposes of inspection following a claim. The demurrage period for which We will be liable begins at the time We instruct You to retain the containers and finishes at the time Our surveyor instructs You to return the containers.

Debris Removal/Clean up Costs Clause

Where We have accepted liability for loss or damage to Goods, We will also pay up to \$100,000 (or as specified in the Schedule, where different) any one loss or series of losses caused by the one Event in addition to the Sum Insured shown in the Schedule for such loss or damage, for:

- the cost of removal and/or disposal of the damaged, deteriorated or contaminated Goods; plus
- the cost of cleaning up the accident site, premises, location or Conveying Vehicle;

provided:

- these costs relate to the Insured Goods;
- You are legally or contractually obliged to pay those costs; and
- such costs are not recoverable under any other Policy of insurance.

This benefit does not apply to commercial bulk consignments of dangerous Goods that are defined by any government agency or authority as being dangerous Goods.

Fumigation and decontamination

This clause does not apply to claims arising under Sections 1 or 2 of this Policy.

We will cover the reasonable costs, charges and expenses of fumigation, decontamination or quarantine (including additional freight charges incurred) on arrival at destination or intermediate port or place where the Goods are:

- suspected of being infested, or actually infested; and
- ordered by the appropriate authorities to be fumigated or decontaminated; and
- You are legally responsible for such costs.

The benefit is subject to a limit of \$25,000 any one loss or series of losses caused by the one event or as specified in the Schedule, where different, in addition to addition to the Sum Insured shown in the Schedule.

We will also cover any loss or damage to the Goods proximately caused during the process of decontamination or fumigation including fire resulting from the application of heat during these processes.

Under no circumstances will We be liable under this additional benefit clause for the costs of customary or mandatory fumigation, decontamination or quarantine costs and expenses (per Government Quarantine Regulations or similar statutory requirements).

General Average and Salvage Clause

We will pay General Average and Salvage Charges incurred during the relevant Transit in full irrespective of the amount insured being less than the contributory value.

Livestock – Agistment expenses

This clause does not apply to claims arising under Sections 1 or 2 of this Policy.

This Policy covers all reasonable costs and expenses necessarily incurred in maintaining the Livestock at agistment following an Insured Event whilst awaiting an alternative Conveying Vehicle. The maximum amount We will pay is limited to \$1,000 per animal and \$25,000 in the aggregate for any one loss or series of losses caused by the one event or as specified in the Policy Schedule, where different.

Where agistment is necessary as a result of injury to the Livestock We will pay the costs of agisting the animals to bring them back to a pre-loss condition but not exceeding:

- the loss due to agreed depreciation had the animals been sold as injured Livestock; or
- or the Sum Insured for the affected animals;

whichever less.

Livestock – mustering costs

This clause does not apply to claims arising under Sections 1 or 2 of this Policy.

This Policy covers all reasonable costs and expenses necessarily incurred for mustering of the Livestock at the scene of the accident when caused by an Insured Event. The maximum amount We will pay is limited to \$1000 per animal and \$25,000 in the aggregate for any one loss or series of losses caused by the one Event, or as specified in the Policy Schedule, where different.

Livestock – “Wandering off”

This clause does not apply to claims arising under Sections 1 or 2 of this Policy.

This Policy covers loss of Livestock due to wandering from the scene of the accident caused by an Insured Event. The maximum amount We will pay is limited to \$1000 per animal and \$25,000 in the aggregate for any one loss or series of losses caused by the one Event, or as specified in the Policy Schedule, where different.

Measures to avert or minimise loss

In the event of loss of or damage to Goods covered by the Policy, You can take reasonable measures to avert or minimise such loss or damage and We will, in addition to any loss recoverable under the Policy, reimburse You for any costs properly and reasonably incurred in this regard. Measures taken by You or Us with the object of saving, protecting or recovering the Goods shall not be deemed to be acceptance of liability nor will they prejudice either Your or Our rights under the Policy.

On Forwarding Clause

This clause does not apply to claims arising under Sections 1 or 2 of this Policy.

We will pay all reasonable costs necessarily incurred in Unloading, storing and forwarding the Goods to the original destination in New Zealand or place from which they were dispatched following an Insured Event.

The maximum amount We will pay for any one loss or series of losses caused by the one Event is \$25,000, or as specified in the Policy Schedule, where different.

Packaging and equipment

This clause does not apply to claims arising under Sections 1 or 2 of this Policy.

We will cover loss of or damage to:

- packaging materials, crates, pallets, shipping containers, flatracks, tanktainers, demountable bodies, flat or similar unit (including ancillary equipment whilst attaching to such unit), or similar items owned by You or for which You have legal responsibility; and

- equipment used by You in cargo handling including tarpaulins, ropes, chains, webbing straps, restraints, dogs, gates, trolleys and containers;

providing they are not otherwise insured under any other Policy, whilst carried on Your Conveying Vehicle, during an insured Transit, caused by one of the Insured Events listed under Section 3 (see page 11, subject to a limit of \$50,000 any one loss or series of losses arising out of the one Event, or as specified in the Policy Schedule, where different in addition to addition to the Sum Insured shown in the Schedule.

Resecuring costs

We will cover You for all reasonable costs and expenses up to a maximum of \$10,000 (unless otherwise specified in the Schedule and provided they are not recoverable under any other Policy of insurance) incurred in resecuring the Goods where there has been movement of the Goods in Transit which makes resecuring necessary, even though there may be no claim resulting from the incident, providing these circumstances were outside Your control and You could not reasonably be expected to know of them during the normal course of Your business.

Transport outside Geographical Limits

We will automatically hold You covered for increased Geographical Limits where You commence a new contract where You are required to transport Goods outside the current Geographical Limits stated in the Schedule provided:

- the transport is within New Zealand;
- You declare the circumstances to Us as soon as possible including the likely frequency of such trips and any changes to Your annual Gross Freight Earnings arising from Your changed business circumstances.

We reserve the right to charge an additional premium and apply a higher Excess for loss or damage arising during such longer haul work.

We will also automatically hold You covered in the event of a one-off transport outside Your normal radius of operations that is not part of Your normal operations provided that:

- the transport is within New Zealand; and
- You declare the circumstances to Us as soon as possible.

The basic Policy Excess will automatically be doubled.

In either case, We reserve the right to request Your records of all Transits for the Policy period to establish the frequency of any out-of-radius transport work.

Our rights in relation to settlement under Sections 1, 2, 3 and 4

In some cases, We may elect to negotiate a settlement with the party claiming against You.

Despite having instructed Us to defend any claim, You may subsequently instruct Us to pay the claim, provided that the total amount paid to the claimant by Us and the Excess does not exceed the Sum Insured.

In addition, We will pay:

- legal costs and legal expenses incurred by You in defending the claim with Our prior consent; and
- interest awarded against You;

up to, but not exceeding, the Sum Insured for the relevant Section.

We will also pay the Additional benefits listed on pages 13 to 15 of this document (where applicable).

If You have elected to defend the claim, We retain the right at any time during proceedings to decide to settle the claim by paying out the Sum Insured for the relevant Section, net of any costs incurred and already paid by Us.

If, in Our opinion, sufficient grounds do not exist to defend Your liability, We will indemnify You for Your customer's claim(s) against You to the extent of the cover provided, but excluding legal costs, expenses and interest, except to the extent such costs, expenses and interest have been incurred with Our prior consent up to the date of Our decision.

General exclusions applicable to all Sections

Property (Goods) exclusions

We do not insure You for loss or damage to Property other than Goods/freight of the types noted in the Schedule. **The following types of Goods are excluded unless specifically agreed to by Us and noted on the Schedule or within the Additional benefits:**

1. Livestock;
2. bloodstock or stud or prize animals;
3. live plants and trees;
4. temperature controlled or perishable Goods;
5. works of art or antiques;
6. home contents and personal effects (domestic removals);
7. property owned by You including tools of trade, electrical and electronic equipment (except as provided in this Policy wording);
8. motor vehicles; and
9. Dangerous Goods as defined by the current Dangerous Goods Code, Land Transport Rule: Dangerous Goods 2005 (or any current amendment or replacement code) or any government agency or authority which by their nature require special licencing of the driver or vehicle. This exclusion does not apply to small consignments, limited quantities or retail distribution loads of dangerous Goods where concession is provided under the current Dangerous Goods Code or Land Transport Rule: Dangerous Goods 2005 (or any current amendment or replacement code);

Under **no circumstances** do We insure under this Policy:

10. precious metals and stones, or jewellery;
11. money (which means any coin or banknote), bullion, cheques, credit or other card sales vouchers, securities or shares, bonds, deeds, bills of exchange or any document that represents or is exchangeable for money;
12. the specialised transport of cigarettes, tobacco/tobacco products. This exclusion does not apply to small consignments or limited quantities of product (under \$20,000 in value, or as otherwise agreed by Us) carried as part of a mixed load;
13. radioactive Goods or explosive Goods;

14. vehicles and machines that You have been contracted to move whilst driven under their own power or whilst being towed other than during Loading and Unloading operations.

Perils exclusions

Except as provided in the Policy, the Policy does not cover the following.

Losses not arising from transport services

Claims for loss or damage:

1. which has not occurred during the Transit, for example, pre-existing damage or damage occurring after the Goods have been unpacked at destination;
2. as a result of Rejection;
3. arising from Unexplained loss, mysterious disappearance and/ or shortage deduced solely from an inventory computation;
4. resulting from Insolvency or financial default of any agent or Subcontractor;
5. delay, loss of market, or Consequential loss of any description except as otherwise provided for in the Policy Sections applicable;

Failure to take Due Care and/or deliberate damage

Loss or damage to Goods caused by:

6. Your misconduct or intentionally caused by You or any person acting with Your express or implied consent;
7. failure to exercise Due Care in the safe handling, storage, protection and security of the Goods;
8. cartage in an unsafe or unroadworthy vehicle unless the condition of the vehicle did not contribute to the loss and/or the condition was not reasonably detectable or known by You;
9. cartage of Goods in excess of the weight, mass or dimensions permitted for the Conveying Vehicle design or License or where greater than permitted by law, regulation, permit or advisory sign unless You can prove that the excess dimension or excess configuration was Accidental and could not be reasonably known, detected and prevented by You;
10. cartage by an unlicensed driver or one whose faculties were impaired by drugs or alcohol in excess of that permitted by law, unless You did not know, or could not reasonably have known about the circumstances or condition of the driver. This exclusion will not apply to the extent that there are any statutory provisions to the contrary;
11. cartage of dangerous Goods which are not carried in accordance with the provisions of the current

Dangerous Goods Code, regardless of package size or quantity, and whether or not Dangerous Goods have been specified in the Schedule;

Packaging, stowage and restraint of the Goods

Loss or damage to Goods caused by:

12. insufficiency of unsuitability of packaging or preparation of the Goods other than the cover provided for Refrigerated Goods in respect of variation in temperature detailed in Sections 3 and 4 (where cover taken);
13. vibration of the load during Transit except due to an Insured Event under Section 3 (where taken) or as may be recoverable under Section 1 or 2;
14. scratching, denting, chipping of items carried without suitable protection against possible impact from stones, gravel or other road surface materials except as may be recoverable under Section 1 or 2;
15. shifting of the Goods or improper stowage and/ or restraint of the Goods on the Conveying Vehicle, unless You can demonstrate that You complied with all statutory requirements in respect of the load;
16. other items left inside a vehicle or machine which has not been suitably secured to prevent movement;

Normal Losses etc

Loss or damage to Goods due to:

17. inherent vice (except for refrigerated, temperature controlled or perishable Goods due to variation in temperature as provided in Sections 3 and 4 (where cover taken));
18. moths, mould, mildew, insects, rats or other vermin, ordinary leakage, loss in weight or volume or wear and tear of the Goods;
19. rust, oxidation or discolouration, unless caused by an Insured Event under Section 3 or 4 (as applicable) or as may be recoverable under Section 1 or 2;

Livestock

Loss or damage to Livestock:

20. caused by inoculation or its after effects, infectious diseases, abortion or loss or death of foetus;
21. which are not in good health prior to Loading and fit for travel;

Refrigerated Goods

Loss or damage to temperature controlled Goods caused by:

22. failure of Your refrigeration equipment where it has not been regularly serviced and maintained;
23. the absence, shortage or withholding of power or fuel (except as may be recoverable under Section 1 or 2);

24. failure of You or Your servants, agents or Subcontractors to (except as may be recoverable under Section 1 or 2):

- take all reasonable precautions to keep the Goods in a refrigerated, properly insulated or cooled space;
- ensure the Goods are carried at the correct operating temperature, unless caused by a Insured Event as may be recoverable under Section 3, or Section 4;

Machinery, equipment, data etc

Loss or damage to Goods caused by the following (except as may be recoverable under Section 1 or 2):

25. electronic, electrical or mechanical failure of the Goods unless there is visible external physical damage to the Goods which occurred during Transit caused by an Insured Event;
26. loss of data from any computer hardware or software unless there is visible external physical damage to the Goods which occurred during Transit caused by an Insured Event;
27. damage to Goods which are vehicles and machines whilst being towed or whilst being driven under their own power except during Loading and Unloading operations as specified in this Policy;
28. arising from the dismantling, assembly, testing or fabrication of machinery, plant, equipment or structure;

Liability for third party losses

29. damage to third party property other than the Goods;
30. loss, damage, liability, destruction, cost or expense of any nature whatsoever that is directly or indirectly caused by or contributed to by or arising from Asbestos, or any materials containing asbestos in whatever form or quantity;
31. the infection of property, humans, animals or other living creatures by infectious matter, or the spreading or releasing thereof, by You, whether accidentally, knowingly, wilfully, maliciously or otherwise;

War, strikes, legal seizure, nuclear

Loss, damage, liability, destruction, cost or expense of any nature whatsoever that is directly or indirectly caused by or contributed to by or arising from any of the following:

32. legal seizure, confiscation, nationalisation or requisition of the Goods, nationalisation, requisition, destruction or damage by the order of any Government, Public Authority or Local Authority, and any fines, penalties, aggravated, exemplary, liquidated or punitive damages;

33. war or warlike activities, which means invasion, act or foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or civil strife following any of these;

34. the absence, shortage or withholding of labour of any description resulting from strike, lockout, labour disturbance, riot or civil commotion;

35. any chemical, biological, bio-chemical, or electromagnetic weapon or any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;

36. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof, ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;

37. 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;

Terrorism

38. death, injury, illness, loss, damage, cost or expense directly or indirectly caused by, contributed to by, resulting from or arising out of 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. This Policy also excludes death, injury, illness, loss, damage, cost or expense directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with any action in controlling, preventing, suppressing, retaliating against, or responding to any act of Terrorism.

Offer of Insurance

Where You:

- issue Terms and Conditions of cartage which incorporate an offer to arrange insurance (or any other financial service) for the benefit of Your Customer; or
- represent to Your Customer that You are able to arrange insurance for their benefit.

This Policy will not indemnify You in respect of Your liability for failure to arrange insurance to the benefit of the Customer, or for any claims arising from Your Professional Negligence and Errors or Omissions associated with the offer of insurance. This Policy will respond only to the extent that it would do so in the absence of such an offer or representation and, in the case of Section 2 claims, as if You had issued the unmodified Approved Contract of Carriage.

General conditions applicable to all Sections

Alteration of risk

If You become aware of any changes to the facts or circumstances which existed when this insurance commenced that change the nature of the risk (for example, the nature of Your business operations, or other circumstances that affect the Goods carried) in a way that would increase the risk of Accident occurring You must notify Us in writing. If We agree to the change We will do so in writing and You must pay Us any additional premium We require.

Applicable law

The law of New Zealand shall apply to, and the Courts of New Zealand will have exclusive jurisdiction in respect of, any litigation arising out of this Policy. Any compensation awarded, or costs or expenses of litigation incurred, outside New Zealand, are not covered.

Authority

We may give to and obtain from any other insurers, insurance reference bureaus and credit reporting agencies any information relating to Your credit or insurance history as well as insurance claims information.

Breach of Condition

The law gives Us a number of rights if You do not comply with the conditions of this Policy. In particular cases We may be able to:

- cancel the Policy;
- avoid the Policy from the commencement date of the Period of Insurance;
- refuse to pay a claim;
- reduce the amount to be paid out on a claim.

Where the Marine Insurance Act 1908 applies

Warranties are conditions which must be exactly complied with, whether material to the risk or not. Under the Marine Insurance Act 1908, where applicable, if they are not complied with, then, subject to any express provisions in the Policy, We are discharged from liability as from the date of the breach of the Warranty, but without prejudice to any liability incurred by Us before that date.

Cross liability

Where You are comprised of more than one entity, the term "You" will be considered as applying to each entity in the same manner as though a separate Policy had been issued to each entity, provided that Our Limit of Indemnity and liability to make supplementary payments will apply as though there were not separate policies issued to each entity.

Declaration of Gross Freight Earnings

The deposit premium advised at the inception of each Period of Insurance is provisional and based on the estimated Gross Freight Earnings during the Period of Insurance (in some cases split between contracts/cover options taken). On expiry of the Period of Insurance the Policy will be adjusted by applying the agreed rate percent to the actual Gross Freight Earnings for that period. For the purpose of ascertaining any adjustment to this premium You must provide, within ninety (90) days from the expiry of each Period of Insurance, the actual Gross Freight Earnings (where applicable, split between contracts/cover options taken as advised by Us).

The difference between the premium based on the actual figures at the end of the period and the premium calculated at inception will be paid by or allowed to You, as the case may be, but in any event a minimum retained premium equivalent to 75% of the full premium based on the initial estimates will be retained by Us. We agree to waive any adjustment of premium (other than the difference between the deposit and full premium calculated on the estimated Gross Freight Earnings) where the difference between the actual Gross Freight Earnings and the estimated Gross Freight Earnings is less than 10%.

You are required and agree to keep accurate records of all such figures and, on request, to provide Us with an audited copy of these records.

Due Care

It is a condition of this Policy that at all stages You must take Due Care in:

- the handling, storage and movement of Goods in Your care, custody and control;
- issuing the Approved Conditions of Cartage (Section 2 cover option);
- declaring to Us Your Conditions of Cartage, including any changes to the same (Section 2 cover option).

Interests of other parties

Where the protection provided by the Policy covers the interest of more than one party, any act or omission of an individual party will not prejudice the rights of the remaining parties, subject to:

- the loss, damage, liability, cost or expense not being directly or indirectly caused by or contributed to by or arising from any of the remaining parties' misconduct or intentionally caused by one of the remaining parties or any person acting with their express or implied consent; and
- provided the remaining parties must, immediately on becoming aware of any act or omission that increases the risk of loss or damage give notice in writing to Us and on demand pay such reasonable additional premium as We may require.

Non payment of Premium by instalments – Right to refuse a claim

Where You pay the premium by instalments, You must ensure that they are paid on time because if an instalment has remained unpaid for a period of at least 14 days, We may refuse to pay a claim.

Other insurance

If at the time of any loss, damage or Accident that may give rise to claim under the Policy, there is any other insurance Policy covering the Goods whilst in the ordinary course of Transit effected by any other party, We reserve the right to seek contribution from any other insurer(s). You must provide Us with full information and all reasonable assistance in the recovery of Our rateable proportion of such loss or damage.

Pairs and Sets Clause

In the event of loss of or damage to an article forming part of a pair or set (caused by an Insured Event) no regard shall be made to the value such article(s) may have to the pair or set and the amount recoverable under this Policy shall be calculated as a proportionate part of Your liability in relation to the value of the pair or set.

Prohibited Cover or Payments Clause

Irrespective of any other provision of the Policy, We shall not be deemed to provide cover or be liable to pay any claim or provide any benefit (including a refund a premium) hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would contravene or otherwise expose Us to any penalty, sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, New Zealand, the European Union, United Kingdom or United States of America.

Subrogation/Rights of recovery

We have the right to take action or institute legal proceedings, in Your name, for the recovery of payments made and expenses incurred in relation to any claim covered by this Policy, against any person, company or entity legally liable to You in respect of that claim. You must provide Us with full information and all reasonable assistance in the recovery of those payments or expenses.

In particular, We reserve the right of subrogation against any of Your Subcontractors which have in place their own insurance arrangements covering their liability for loss or damage to Goods they carry.

Waiver of subrogation rights

Other than variations to Your liability for loss or damage to Goods in terms of the four contract types listed in Section 248 of the Contract and Commercial Law Act 2017, Part 5 which You have declared to Us, We may not be liable to pay any benefits under this Policy for damage to Goods or other liability if You agree or have agreed to limit or exclude any right of recovery against any third party who would be liable to compensate You with respect to that damage to Goods or other liability.

Claims procedures

A As soon as You become aware of any, or any potential, Occurrence, claim, writ, summons, proceeding or request in writing for damages which may result in a claim under Your Policy You must, at Your own expense:

- (i) take such measures as may be reasonable for the purpose of averting or minimising such loss or damage. We will, in addition to any claim recoverable hereunder, reimburse You for any charges properly and reasonably incurred in pursuance of these duties.

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 of abandonment or otherwise prejudice the rights of either party;
- (ii) immediately inform the police of any malicious damage to or theft, of property in Your physical or legal control belonging to others;
- (iii) advise Us as soon as possible by telephone or facsimile telling Us how the loss of or damage to Goods or liability occurred;
- (iv) take all reasonable action to recover lost or stolen property that was in Your physical or legal control belonging to others and minimise the claim;
- (v) as far as possible preserve any Goods or Conveying Vehicle or other items which might prove necessary or useful as evidence until We have had an opportunity of inspection;
- (vi) give Us all the information, proof and assistance We may require to prosecute, defend or settle Your claim including details of any other insurance effected by You or on Your behalf;
- (vii) as soon as reasonably practicable after the loss of or damage to Goods or liability occurred (or any further time which We may allow in writing) deliver to Us a written claim containing as detailed an account as is reasonably practicable of the circumstances surrounding the Property Damage or liability. If We ask You to provide Us with a Statutory Declaration You must provide it;
- (viii) immediately send Us any claim, writ, summons, or full details of other relevant legal or other proceedings such as an impending prosecution or inquest You receive or become aware of; and
- (ix) at all times give Us all the information and assistance We may reasonably require;
- (x) Give immediate written notice of loss or damage to any other carrier who may have been in possession of, or who may be legally liable for, the

Goods at the time the loss or damage occurred.

B You MUST NOT:

- (i) admit liability for, or offer, or agree to settle any claim without Our written consent; and/or
- (ii) authorise the repair or replacement of anything without Our agreement.

C After You have advised Us of any loss of or damage to Goods or liability:

- (i) You must comply with all the terms of the conditions before We will meet any claim under the Policy;
- (ii) We have the right to recover from any person against whom You may be able to claim any money paid by Us and We will have full discretion in the conduct, settlement or defence of any claim in Your name;
- (iii) We may take over and conduct, in Your name, the defence or settlement of any claim and We will have full discretion in the conduct of any proceedings in connection with the claim;
- (iv) We may pay You the Sum Insured under the Policy or any lesser amount for which a claim or claims may reasonably be settled. After We have paid You, We will no longer be liable for the claim(s) (or future conduct of the claim(s)) except for costs and expenses incurred up until the time We pay You that We previously agreed to pay.

D Diagnosis:

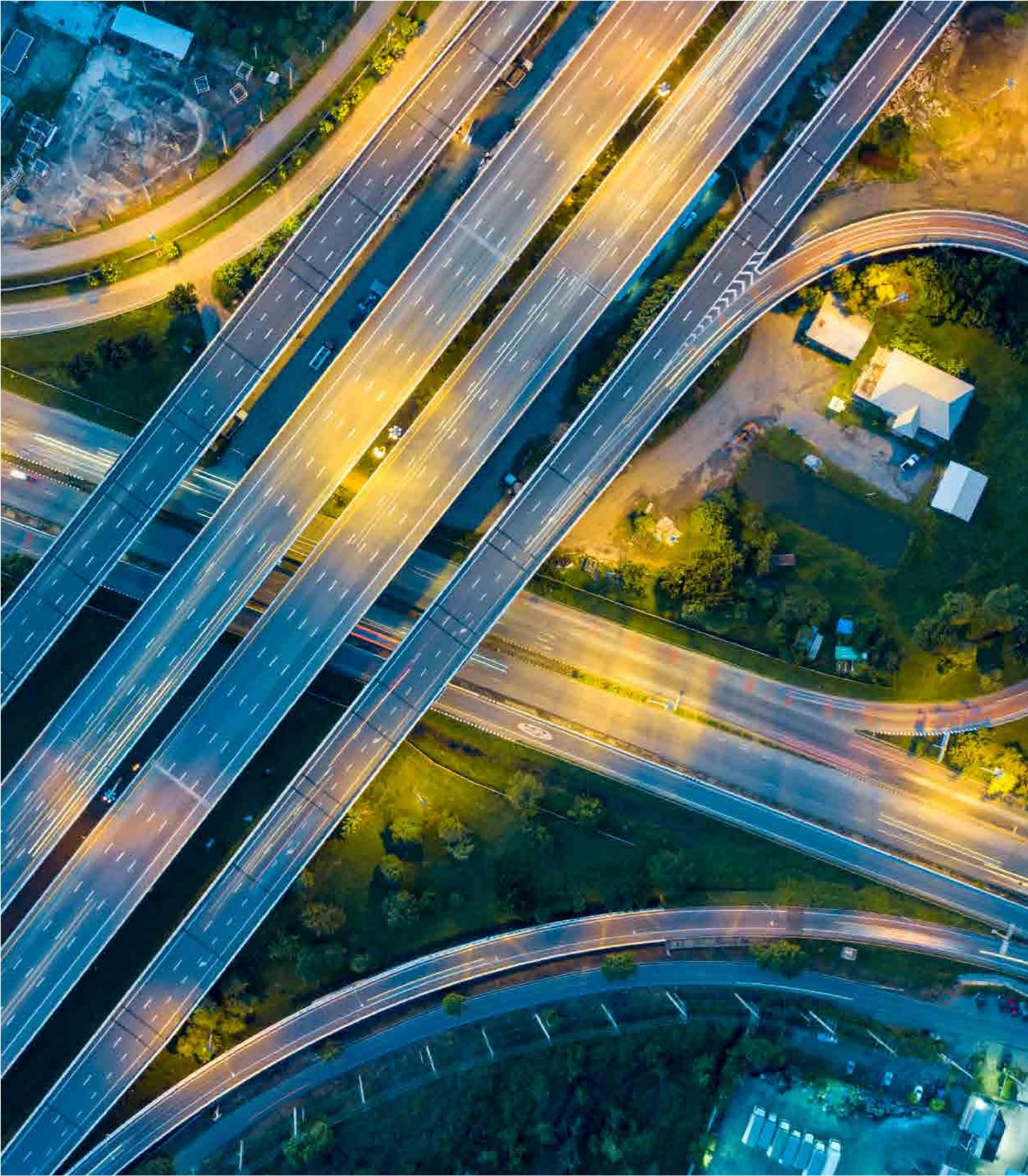
Where diagnosis is required to determine if there has been loss or damage covered by the Policy, if You or We incur costs for such diagnosis and reassembly and:

- (i) the claim is subsequently accepted as valid by Us, We will bear these costs subject to Sum Insured; and
- (ii) if the claim is not lodged or the claim is not subsequently accepted by Us, You agree to pay for the diagnosis and reassembly costs.

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For all enquiries please call your insurance intermediary

amandtnewzealand.co.nz

Allianz Australia Insurance Limited ABN 15 000 122 850
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