



Marine

CARGO SINGLE TRANSIT

POLICY WORDING

Marine / CARGO SINGLE TRANSIT INSURANCE POLICY

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INSURANCE AGREEMENT

OUR AGREEMENT

You agree to pay **us** the premium. In exchange, **we** agree to insure **you** as set out in this policy document.

WHAT YOU ARE INSURED FOR

ACCIDENTAL LOSS

You are insured for **accidental loss** to **insured property** occurring during **transit** caused by an external and physical event.

ADDITIONAL EXTENSIONS

The cover under the following Additional Benefits is in addition to the Maximum Payable under the Basis of Settlement below.

Delayed Unpacking

You are allowed, in the case of imports into New Zealand, a period of up to 30 days to open packaging after delivery to examine the contents.
All packaging is to be inspected and any **loss** to be notified to **us** as soon as possible.
Any packaging showing signs of external damage, wetting and/or staining must be opened immediately and all possible steps must be taken to minimise damage.
In the event of damage all packaging material must be kept until such time **we** authorise disposal.

DESTRUCTION/ DISPOSAL/REMOVAL

You are insured for the reasonable costs **you** incur to destroy, dispose of or remove **insured property** damaged as a result of an event giving rise to a claim covered under this policy.
The most **we** will pay is NZ\$5,000.

You are not insured under this extension for:

1. any liability, or
2. any cost or expense arising in respect of pollution, contamination or pollution clean up, or
3. any fines or penalties.

EXPEDITING EXPENSES

You are insured for the airfreight and incidental costs of expediting the:

1. repair, and/or
2. replacement,

of damaged **insured property** covered under this policy.

The most **we** will pay is NZ\$5,000.

LIABILITY

You are insured for any payments **you** are legally liable to make in connection with **insured property** during the **transit**:

1. for general average and salvage charges where:
 - (a) the contract of carriage, or
 - (b) governing law and practice,
 make **you** liable for such payments, and
2. for **your** proportion of liability under the contract of carriage "Both to Blame Collision" Clause.
Where this applies **we** will also indemnify **you** for legal costs and expenses reasonably and properly incurred by **you** in defending the liability.

MACHINERY BED TO BED

If the **insured property** is machinery imported into, or transported within, New Zealand the transit cover commences from the time the machinery is lifted from its bed at premises at the point of origin of the transit. If the lifting movement is not continuous then the cover does not commence until the machinery is lifted for loading onto the land conveyance.

Cover continues during the ordinary course of transit and ceases:

1. upon the machinery being placed safely on its final bed at the place shown in the **schedule**.
If the machinery is not moved continuously from the land conveyance to its final bed, then cover ceases once the machinery is lifted from land conveyance and placed on the ground alongside the land conveyance, or
2. on expiry of 60 days after completion of discharge of the **insured property** from the overseas vessel or aircraft at the final port or place of discharge, or
3. when the **insured property** is placed in store for storage other than its ordinary course of transit, whichever occurs first.

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PROTECTION COSTS

You are insured for reasonable costs **you** incur for the defence, safeguarding and recovery of **insured property** where such expenses would prevent or minimise a claim that is or would be covered under this policy.

BASIS OF SETTLEMENT

MAXIMUM PAYABLE

The most **we** will pay is the sum insured listed in the **schedule**.

However **we** will not pay more than:

1. NZ\$250,000 for all **insured property**, or
2. NZ\$50,000 for any item or set of art work, picture(s) and/or antiques, for any one conveyance.

SETTLEMENT OF MACHINERY

In the event of **loss** to any machine, **we** will not pay more than:

1. in respect of new machinery, the cost of replacement or repair of the damaged parts, excluding duty unless the duty is included in the sum insured, and
2. in respect of used machinery, the proportion of the cost of replacement of the damaged parts as the sum insured bears to the value of a new machine.

We will also pay any reasonable additional charges for forwarding and refitting the replacement parts if incurred. **Our** liability shall not exceed the sum insured of the complete machine.

SETTLEMENT OF ANY CLAIM

All sums insured are in New Zealand dollars and are GST exclusive unless otherwise specified in the **schedule**.

EXCLUSIONS

LOSSES NOT INSURED

You are not insured for any of the following:

1. **loss**, protection costs or liability arising from **your** willful misconduct,
2. **loss**, protection costs arising from:
 - 2.1 delay, confiscation or detention by Customs or other officials or authorities, or
 - 2.2 moths, rats, vermin, inherent vice or nature of the subject-matter insured, or gradual deterioration or wear and tear,
 - 2.3 climatic and/or atmospheric changes,
 - 2.4 insufficient or unsuitable packing, protection or preparation. Packing includes stowage in a container or liftvan when such stowage is carried out prior to commencement of this insurance or by **you** or anyone at **your** instruction,
 - 2.5 dismantling, erecting, installing and/or testing of the **insured property**,
 - 2.6 cancellation or frustration of the journey,
 - 2.7 insolvency or financial default of the owners, managers, charterers or operators of the vessel where, at the time of loading the **insured property** on board the vessel **you** are aware that any such insolvency or financial default could prevent the normal prosecution of the voyage. This exclusion is not applicable where the claiming party is the assignee of this insurance,
 - 2.8 mechanical and /or electrical derangement to the **insured property** unless caused by a risk covered by this policy resulting in visible **loss** to the **insured property** and/or packaging.
3. **loss**, protection costs arising from the:
 - 3.1 unseaworthiness of the vessel or craft or unfitness of the vessel or craft for the safe carriage of the **insured property**, where **you** are privy to such unseaworthiness or unfitness at the time the **insured property** is loaded therein, or
 - 3.2 unfitness of the container liftvan or land conveyance for the safe carriage of the **insured property**, where the loading therein is carried out prior to the attachment of this insurance or by **you** or **your** servants.

We waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the **insured property** to destination.
4. **loss** to, protection costs or liability in respect of vehicles while they are being driven under their own power or while they are under tow except for the purpose of loading and/or unloading from the conveyance, or while the vehicle is parked or manoeuvred within the port, storage or warehouse area. **You** are not insured for any third party liability,

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5. in relation to motor vehicle, motor cycles, caravans, boats and boat trailers **loss** to audio equipment, telecommunications equipment, tools, spare tyres and/or similar items and/or parts and/or accessories, and/or marine electrical accessories unless such property is conveyed in an ISO fully enclosed solid roof and wall container or such property is lost together with the entire shipment.

NUCLEAR, WAR RISKS AND TERRORISM

You are not insured for **loss** to, protection costs or liability in respect of the **insured property** in connection with:

1. war, civil war, revolution, rebellion, insurrection, or civil strife arising there from or any hostile act by or against a belligerent power, capture, seizure, arrest, restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat, derelict mines, torpedoes, bombs or other derelict weapons of war (while the **insured property** is on the land),
2. an **act of terrorism** or person acting on political motive (while the **insured property** is not in the ordinary course of transit),
3.
 - 3.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel,
 - 3.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof,
 - 3.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter,
 - 3.4 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,
 - 3.5 any chemical, biological, bio-chemical, or electromagnetic weapon.

SANCTION LIMITATION AND EXCLUSION CLAUSE – THIS CLAUSE SHALL BE PARAMOUNT

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

EXCESS

For each event, the excess amount in the **schedule** will be deducted from the amount of **your** claim.

MANAGING YOUR CLAIM

NOTIFICATION OF CLAIM

As soon as **you** are aware of any **loss** or liability that is likely to result in a claim under any section of this policy **you** must:

- (a) notify **us** immediately or give notice of the **loss** to, and obtain a Survey Report from, **our** survey representative at the port of discharge or destination or, if **we** do not have a representative, to the nearest Lloyd's Agent.
- (b) take prompt steps to minimise and avoid any further **loss** or liability,
- (c) take reasonable steps to obtain details of any other person, property or vehicle involved, and any witnesses.

WHAT YOU MUST NOT DO

You must not:

- (a) dispose of any property that **you** intend to make a claim on under this policy,
- (b) start any repairs without **our** permission unless it is necessary to prevent further **loss** or liability,
- (c) admit responsibility for any liability,
- (d) say or do anything that may prejudice **our** ability to defend any claim made against **you** or make recovery for the **loss** from any other person who may be responsible for it.

GOVERNING LAW AND JURISDICTION

The law of New Zealand applies to this policy and the New Zealand Courts have exclusive jurisdiction.

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GENERAL CONDITIONS

COMPLIANCE

You must comply with all the terms of this policy before **we** will pay any claim.

VESSEL STOWAGE

Unless shipped in an ISO fully enclosed solid roof and wall container all vessels shipped on deck must be contained in a purpose built cradle attached to a flat-rack.

Vessels must be shipped in protected stowage. Therefore the insured craft is to be shipped at least one container row inside the extremities of the carrying ship and it is to be placed in a fore and aft orientation in relation to the carrying ship. If cargo does not meet these conditions, the excess will double.

VEHICLE PRE-SHIPMENT

In the event of **loss** to a vehicle **you** must make available a pre-shipment report or photos showing the condition of the vehicle prior to **transit**. If no photos or reports are available the excess will double.

AVOIDANCE OF DELAY

You must act with reasonable despatch in all circumstances within **your** control. **You** must examine the **insured property** for any **loss** as soon as possible after completion of the **transit**.

LABELS

In the event of damage to labels, capsules or wrappers **we** shall not be liable for more than the amount sufficient to pay the cost of new labels, capsules or wrappers, plus the cost of reconditioning the goods.

UNDER INSURANCE

Your insurance policy contains a provision making it 'subject to average'.

This provision will have effect only if the **insured property** is underinsured at the time of **loss**.

If the **insured property** is underinsured at the time of **loss**, the following rules apply:

- (a) If **you** suffer a total **loss**, the provision will have no effect.
- (b) If **you** suffer a partial **loss**, the maximum amount **you** can recover will bear the same proportion to **your** actual **loss** as the amount for which the property is insured bears to the full value of the property.
- (c) Whatever **your loss**, in no case will **you** be entitled to recover more than the amount for which the property is insured.

*"Example: **Your** property is worth \$20,000. **You** insure it for \$10,000. **You** suffer a **loss** of \$5,000. If **your** policy is 'subject to average' the maximum amount that **you** may recover will be \$2,500."*

BENEFITS OF INSURANCE

This insurance shall not apply for the benefit of the carrier or other bailee.

CONSTRUCTIVE TOTAL LOSS

No claim for constructive total **loss** shall be recoverable unless the **insured property** is reasonably abandoned either on account of their actual total **loss** appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding them to the intended destination would exceed their value on arrival.

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DEFINITIONS

The definitions apply to the plural and any derivatives of the words.

For example, the definition of 'accident' also applies to the words 'accidentally', 'accidental' and 'accidents'.

accident	An event that is sudden, unintended and unexpected by you .
act of terrorism	<p>Includes any unlawful act, or preparation in respect of action, or threat of action designed to influence or coerce the government de jure or de facto of any nation or any political division therefore, 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 persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and that:</p> <ul style="list-style-type: none">(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 public or section of the public, or(e) is designed to interfere with or disrupt an electronic system.
insured property	<p>All general cargo, but excluding:</p> <ul style="list-style-type: none">1. household goods and personal effects,2. cash, notes, bonds and securities of any kind,3. watches, jewellery and the like,4. livestock and bloodstock,5. live fish, birds, animals and plants,6. perishable and temperature sensitive cargo,7. aircraft and helicopters,8. property shipped on deck, other than vessels or property shipped in ISO fully enclosed solid roof and wall containers,9. stamp, coin, medal and other collections,10. precious metals.
loss	Physical loss or physical damage.
schedule	The Schedule we issued for this policy.
transit	<p>Cover commences from the time the insured property is uplifted from the ground or loading dock alongside the conveyance at the place named in the schedule.</p> <p>Cover continues during the ordinary course of transit and ceases:</p> <ul style="list-style-type: none">1. on delivery at the place shown in the schedule once the insured property has been lifted from the conveyance and placed on the ground alongside the conveyance, or2. on the expiry of 60 days after completion of discharge of the insured property from overseas vessel or aircraft at the final port or place of discharge, or3. when the insured property is placed in store for storage other than in the ordinary course of transit, <p>whichever occurs first.</p> <p>In the event the insured property is not promptly removed from the conveyance at the final destination, cover ceases upon arrival of the conveyance at the final destination.</p>
we	NZI, a business division of IAG New Zealand Limited. <i>We may also use the words 'us', 'our' or 'company' to describe NZI.</i>
you	The person(s) shown as the Insured in the schedule . <i>We may also use the word 'insured' to describe you.</i>



NZI is a business division of IAG New Zealand Limited, a wholly owned subsidiary of Insurance Australia Group, Australasia's largest general insurer. Established in 1859, it is today one of the country's largest and longest-serving fire and general insurance brands, protecting tens of thousands of New Zealanders every year.

Through our broad range of commercial, personal, marine, professional risks and rural insurance products, we pride ourselves on helping people to achieve the best protection for their assets.

We partner with a network of skilled and experienced brokers and other insurance intermediaries who distribute our products. We pay remuneration to our brokers and intermediaries when they issue our policies, and when these policies are renewed or varied.

To find out more about the advantages of choosing NZI, talk to your broker or visit nzi.co.nz.

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