

transit australia policy livestock extended conditions



Transit Australia Policy

Livestock Extended Conditions

Section 1 – Meanings of Special Words in this Policy

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

“you” or “your”	means the Insured named in the schedule.
“we” or “our” or “us”	means the insurer Vero Insurance Limited ABN 48 005 297 807. Vero National Marine is a division of the insurer.
“animal” or “livestock”	means the livestock specified in the schedule.
“excess”	means the amount you must pay towards a claim, as specified in the schedule.
“insured transit”	means the transits specified in Section 3 and within the geographic limits set out in the schedule.
“limit of liability”	means the limit of liability specified in the schedule.
“policy”	means this policy wording, the current schedule, and any endorsement, all of which are to be read together.
“premium”	means the premium specified in the current schedule, any endorsement premium and any adjustment in accordance with Section 8, and includes any Government charges specified in the schedule.

Section 2 – Agreement

We agree to provide you with the insurance as described in this policy, for the period of insurance shown in the schedule and for any subsequent period where renewal may be agreed, and in return you agree to pay us the premium by the dates advised to you.

Should there be any **change in circumstances** or any **change in the nature of the risks** which are the basis of the contract, you must advise us immediately and in writing. We will only be liable (to the extent of our legal entitlement) under this policy if we have agreed in writing to the change.

Section 3 – The Insured Transits

3. The insured transit shall mean, in respect of insured livestock:
- 3.1 that you purchase at auction, cover commences from the time you acquire ownership at the saleyard and terminates when each animal is discharged from the conveyance or its loading ramp at the destination,
 - 3.2 that you send to auction, cover commences when each animal enters the conveyance or its loading ramp and terminates when ownership ceases at the saleyard. If the livestock are not sold, cover continues during the return transit to your property and terminates when each animal is discharged from the conveyance or its loading ramp at the destination,
 - 3.3 that you sell privately, cover commences when each animal enters the conveyance or its loading ramp and terminates when each animal is discharged from the conveyance or its loading ramp at the destination,
 - 3.4 that you purchase privately, cover commences when each animal enters the conveyance or its loading ramp and terminates when each animal is discharged from the conveyance or its loading ramp at the destination,

- 3.5 that you move for agistment, cover commences when each animal enters the conveyance or its loading ramp and terminates when each animal is discharged from the conveyance or its loading ramp at the destination,
- 3.6 any period where the insured livestock are being **transhipped or are being spelled** for up to seven days during the ordinary course of transit,

provided always that the insured transits described above commence during the period of insurance and are within the geographical limits shown in the schedule.

Section 4 – The Insured Livestock

We insure the livestock (excluding stud stock) specified in the schedule.

Section 5 – The Insured Events

- 5.1 Subject always to the livestock being in sound condition at the commencement of the insured transit, and to the terms and exclusions of this policy, this insurance covers:
 - 5.1.1 **death, or slaughter for humane reasons**, of the insured livestock directly caused by **accidental or natural causes**, and
 - 5.1.2 **physical injury** to the livestock as a direct result of:
 - 5.1.2.1 **fire, explosion, lightning or flood**,
 - 5.1.2.2 **collision** of the conveying vehicle with any external object other than the road, gutter, or similar surrounding surfaces,
 - 5.1.2.3 **overturning, jackknifing or derailment** of the land conveyance,
 - 5.1.2.4 **impact** of the livestock with something that is not on or part of the conveying vehicle (but not impact of the livestock with the road or surrounding areas caused by the livestock dropping or falling from the conveying vehicle, unless caused by an insured event detailed above),
 - 5.1.2.5 **collision, crashing or forced landing** of the conveying aircraft,during the insured transit.
- 5.2 **If the insured transit is by sea or air**, this policy further covers where applicable:
 - 5.2.1 **General Average and or Salvage contribution** that you are required to pay under any Bill of Lading or similar document,
 - 5.2.2 death of or physical injury to livestock caused by **washing overboard; jettison; collision, grounding, sinking, capsizing of the vessel; or General Average Sacrifice**,
 - 5.2.3 death of or physical injury to livestock, caused by **war or warlike activities**, which means invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or civil strife following any of these whilst the livestock are on board the carrying vessel or aircraft.

Section 6 – Exclusions

- 6.1 **The Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause (Clause 6.2) and the Transit and Terrorism Clause (Clause 6.3) shall be paramount and shall override anything contained in this insurance inconsistent therewith. In the event of conflict between these two Clauses, the Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause (Clause 6.2) shall prevail.**
- 6.2 **Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause 10/11/03**

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

- 6.2.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- 6.2.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- 6.2.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 6.2.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.

The exclusion in this Sub-Clause 6.2.4 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.
- 6.2.5 any chemical, biological, bio-chemical, or electromagnetic weapon.

6.3 Transit and Terrorism Clause

Notwithstanding any provision to the contrary contained in this policy or the clauses referred to therein, it is agreed that in so far as this policy covers loss of or damage to the livestock caused by terrorism, such cover is conditional upon the livestock being in the ordinary course of transit and, in any event **shall terminate either:**

- 6.3.1 as per Clause 3, or
- 6.3.2 on delivery to any other warehouse or place of storage, which you elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, whichever shall first occur.

For the purposes of this insurance, "terrorism" means any act(s) of any person(s) or organisations(s) involving:

- ▼ the causing, occasioning or threatening of harm of whatever nature and by whatever means,
 - ▼ putting the public or any section of the public in fear,
- in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) concerned are wholly or partly of a political, religious, ideological or similar nature.

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

In addition, this insurance does not cover:

- 6.4 **failure to pass tests or examinations or inoculation and its after effects.**
- 6.5 **slaughter by or at the direction of government or other authorities on account of infectious diseases.**
- 6.6 **loss or damage as a result of an act of war, whether or not war has been declared, whilst your property is not on board a ship, vessel or aircraft.**
- 6.7 **loss of market, or consequential loss of any description, even if caused by any insured events.**

Section 7 – How Much We Will Pay

- 7.1 Claims under this policy **are not subject to the application of average or underinsurance.**
- 7.2 If, at the time of any loss of or damage to the livestock, there is **any other current insurance**, whether effected by you or by any other person or persons, covering the same livestock, we will not be liable (where legally entitled) for more than the rateable proportion (having regard to the other insurances, whether Marine or Fire, and whether or not such other insurances are exempted from contributing either by the existence of this policy or any other policy) of such loss, damage, liability or expense.
- 7.3 Subject to the terms, conditions, limitations and the maximum limit of liability shown in the policy schedule, plus the additional benefits detailed below, at our option we will pay you, or other parties agreed with you, the lesser of:

- 7.3.1 the net invoice value covering the livestock whilst in transit (including freight if separately invoiced to the receiver), or
- 7.3.2 if there is no invoice value, the cost of replacing the livestock, with similar livestock of the same age and condition or as near as possible to that age and condition.
- 7.4 If we agree to pay a claim under Section 7.3, we will also pay you the following **additional benefits** (if you are required to pay these costs):
 - 7.4.1 In the case of injury to livestock as detailed in Clauses 5.1 and 5.2, at our option we will pay the cost of agisting the livestock to bring them back to their condition prior to the loss or the agreed depreciation in value if they are sold as injured livestock,
 - 7.4.2 the cost of mustering animals following a loss as detailed in Clause 5.1, up to a limit of 25% of the insured value of the livestock involved, (calculated according to Clause 7.3),
 - 7.4.3 **clean up and disposal costs at any accident site**, where you are legally or contractually obliged to pay those costs, up to a limit of \$50,000 any one accident or series of accidents arising from any one insured event,
 - 7.4.4 any **additional freight or salvage charges** that you are required to pay to remove your livestock from any accident site, including the cost of transport to forward the livestock to their intended destination or to return the livestock to the place from which they were despatched, and
 - 7.4.5 the reasonable costs paid by you to **avoid or minimise any further death or injury to the livestock**.
- 7.5 Where the insured transit is interrupted or terminated due to the **insolvency or financial default of the carrier**, we will pay the extra costs of freight to forward the livestock to their intended destination, or to return same to the place from which they were despatched, up to a maximum of 10% of the insured value of the livestock (calculated according to Clause 7.3).
- 7.6 Where a loss is payable under this policy, we will apply the following **restrictions to payments**:
 - 7.6.1 Where any livestock has a special value as part of a unit (eg cow and calf), the special value will be taken into account in the claims settlement, but shall not exceed the value of the unit determined in accordance with Clause 7.3.
- 7.7 All claims we pay under this policy will have any **excess deducted** prior to settlement.
- 7.8 The limit of liability shown in the schedule and the additional benefit limits shown in Section 7.4 and 7.5 apply to any one claim or series of claims arising from any one insured event. **The limit(s) is automatically reinstated without additional premium** following payment of a claim.
- 7.9 **Notwithstanding the payment provisions contained in this policy, we will pay the claimant or payee:**
 - 7.9.1 where the claimant or payee **cannot** claim an input tax credit in respect of the cost to make good the loss, the amount(s) payable as detailed in the policy, including the amount of any Goods and Services Tax (GST) due in respect of the payment, or
 - 7.9.2 where the claimant or payee **can** claim an input tax credit in respect of the cost to make good the loss, the amount(s) payable as detailed in this policy, less any input tax credits available to the claimant or payee in respect of the payment.
 - 7.9.3 The terms "GST" and "input tax credits" have the meaning given to them in A New Tax System (Goods and Services Tax) Act 1999.

Section 8 – Premiums and Declarations

- 8. The premium payable under this policy is based on the estimated figures provided by you for the period of insurance. Unless otherwise agreed,
 - 8.1 **if the deposit premium is \$2,000 or less**, the deposit premium shall be regarded as the minimum premium for the period of insurance shown in the current schedule, and **no adjustment or declaration of actual figures is required**.

8.2 if the **deposit premium is more than \$2,000**, you must supply a **declaration of actual figures** within three months of the expiry of the period of insurance. An adjustment will be made to the deposit premium, based on rates agreed at the beginning of the policy period. If the adjusted premium exceeds the deposit premium, you agree to pay the difference to us by the date advised to you.

If the adjusted premium is lower, we will pay the difference to you. However, we reserve the right to limit any such **return premium** to 25% of the original estimated annual premium, the balance being regarded as the **minimum annual premium**.

You agree that your declaration of actual figures will be the total value of livestock insured by this policy, calculated in accordance with the basis of valuation contained in the schedule.

Section 9 – Cancellation

You may cancel the policy at any time by giving us written notification.

We may only cancel this policy when permitted to do so by the Insurance Contracts Act 1984.

Upon cancellation we will calculate and pay you any return premium due, after deduction of any minimum premium. However if the cancellation is due to insolvency or takeover of your company, consideration will be given to reducing the minimum premium depending on the circumstances, claims and our exposure during the policy period. Any additional premium payable by you on cancellation of the policy is payable to us by the date advised to you.

Section 10 – Claims

10.1 When an event occurs which may give rise to a claim under this policy, there are certain procedures you must follow to tell us about your claim and to protect the livestock and your potential recovery action against any third parties. You must:

10.1.1 immediately **take all reasonable measures** to avoid or minimise any further death or injury to the livestock. The reasonable cost in doing this will be reimbursed by us under Section 7.4.5. Any measures you or we take to save, protect or recover the livestock shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

10.1.2 **tell us** as soon as possible all of the details known to you including the time and location of the loss, and any circumstances that will assist us to investigate that loss. This information should be provided to us in writing, including all supporting documentation such as invoices, consignment notes or letters that you have received from your customer,

10.1.3 **not dispose** of any livestock without giving us the opportunity to examine same,

10.1.4 **note the extent and type of loss** on the consignment note or similar document,

10.1.5 **within three days, lodge a written claim on the carrier**. If you are unable to fully quantify the extent of your loss, still write to the carrier within three days, advising them that further details will be forwarded once the claim is quantified.

10.2 We may wish to appoint a surveyor to report to us on aspects of the loss. **You should co-operate** with the surveyor as this will assist swift consideration of your claim.

10.3 When we settle the claim, we may endeavour to **pursue recovery rights** against the carrier or any other third party who caused the loss. **You authorise us to act in your name** in such recovery action, and undertake to give us reasonable assistance in such actions.

Section 11 – Law & Practice

This policy is subject to Australian law, including the Insurance Contracts Act 1984. It is also subject to Australian jurisdiction.

Section 12 – Your Duty of Disclosure

You have a legal duty of disclosure to us whenever you apply for, change or renew an insurance policy.

What you must tell us

You have a general duty to disclose to us everything that you know, or could reasonably be expected to know, is relevant to our decision whether to insure you, and, if we do, on what terms.

However, your duty does not require you to disclose anything:

- ▼ that reduces the risk to be undertaken by us,
- ▼ that is generally well known,
- ▼ that we know or, in the ordinary course of our business, ought to know, or
- ▼ in respect of which we have waived your duty.

Your general duty applies to renewals and changes

Your general duty applies in full when you renew an insurance policy or change an existing policy (including when you extend or reinstate it).

Your general duty is limited for new policies

When you apply for a new policy your duty of disclosure applies, but you do not need to disclose something to us unless we specifically ask you about it. However, you must be honest in answering any questions we ask you. You have a legal duty to tell us anything you know, and which a reasonable person in your circumstances would include in answering the questions. We will use the answers in deciding whether to insure you and anyone else to be insured under the policy, and on what terms.

Who needs to tell us

It is important that you understand you are disclosing to us and answering our questions for yourself and anyone else you want to be covered by the policy.

If you do not tell us

If you do not answer our questions honestly or do not properly disclose to us, we may reduce or refuse to pay a claim or may cancel the policy. If you act fraudulently in answering our questions or not disclosing to us, we may refuse to pay a claim or treat the policy as never having existed.

Section 13 – Privacy

We respect your Privacy

Privacy Statement

The Privacy Act 1988 (as amended) now applies and requires us to inform you that:

Purpose of collection

We collect personal information (this is information or an opinion about an individual whose identity is apparent or can reasonably be ascertained and which relates to a natural living person) for the purposes of providing insurance services to you, including:

- ▼ evaluating your application,
- ▼ evaluating any request for a change to any insurance provided,
- ▼ providing, administering, and managing the insurance services following acceptance of an application and
- ▼ investigating and, if covered, managing claims made in relation to any insurance you have with us or other members of the group of companies to which we belong.

The personal information collected can be used or disclosed by us for a secondary purpose related to those purposes listed above, but only if you would reasonably expect us to use or disclose the information for this secondary purpose. However for sensitive information, the secondary purpose must be directly related to the purposes listed above.

Disclosure

We may disclose your personal information (and receive personal information from), when necessary and in connection with the purposes listed above, to other members of the group of companies to which we belong, your insurance broker or our agent, Government bodies, loss assessors, claim investigators, reinsurers, other insurance companies, mailing houses, claims reference providers, other service providers, hospitals, medical and health professionals, legal and other professional advisers.

Consequences if information is not provided

If you do not provide us with the information we need we will be unable to consider your application for insurance cover, administer your policy or manage any claim under your policy.

Access

You can request access to the personal information by contacting Vero Insurance Limited.

Privacy Statement issued

Vero Insurance Limited, 465 Victoria Avenue, Chatswood, NSW 2067.

Notes & Endorsements

Insured by:
Vero Insurance Limited ABN 48 005 297 807
Vero National Marine is a division of Vero Insurance Limited

