

## CUSTOMERS' GOODS IN TRANSIT AND STORAGE INSURANCE POLICY WORDING

This insurance will be arranged on your behalf by E Bertoncini & S.J Bertoncini trading as M.E.M. Removals & Storage as an authorised representative of insurance brokers, Cowden (VIC) Pty Ltd (AFSL 245658)

### DEFINITIONS

In this policy the following words have the meaning set out below:

#### **Removal Company – E Bertoncini & S.J Bertoncini trading as M.E.M. Removals & Storage**

**Customer** - Persons or entities who contract with the removal company to remove and/or store their goods.

**Customers' Goods** - Physical property which a customer has asked the removal company to move and/or store including household goods and personal effects of every description including antiques, works of art, jewellery, vehicles, caravans, boats, and trailers; and office and factory contents of every description including computers and all ancillary equipment, plant and machinery.

**Transit** - All conveyances by road and/or rail and/or air and/or vessel to and from ports and or places anywhere in Australia or the world. Transit commences when goods are first moved and/or uplifted within the house, office or factory by the removal company for the purpose of transit and ceases when the goods are last moved by the removal company after delivery to their final destination or such other place as the receiver may instruct. Transit includes packing/unpacking of goods by the removal company at uplift or delivery and any storage which is incidental to the transit.

**Storage** - Any storage of customers' goods at the customer's request in an authorized warehouse or compound by the removal company prior to, during or after transit.

### INSURERS

This insurance is provided by the following insurers:  
CGU Insurance Limited (ABN 27 004 478 371 AFSL 238291)- insures Australia wide perils storage of fire, lightning, aircraft, earthquake, storm and tempest, flood, water from fixed pipes or systems, riots, strikes and civil commotion, explosion and impact damage. Zurich Australian Insurance Limited (ABN 13 000 296 640 AFSL 232507) – insures all other transit and storage risks

### RISKS COVERED

Where the customer has requested the removal company to insure the customer's goods, depending on the risks and period of cover and basis of settlement selected by the customer and shown in the certificate of insurance, this policy insures the customer's goods as set out below:

**Full Cover** insures loss or damage to the insured goods during transit from any external cause including accidental damage during packing, loading and unloading by the removal company or its representatives. However, regardless of which cover the customer selects, goods packed by the customer are insured only for restricted cover.

**Restricted Cover** insures loss or damage to the customer's goods during transit resulting from:

- fire and explosion;
- lightning, flood;
- overturning and/or derailment of conveyance;
- collision of vessel, aircraft or conveyance;
- crashing or forced landing of aircraft; stranding, sinking, or contact of vessel with any external object other than water;
- entry of water into any vessel, hold, container liftvan or place of storage;

- discharge of goods at a port of distress;
- jettison of goods from a vessel;
- theft, pilferage or non delivery of an entire package or item.

**Storage Only Cover** insures loss or damage to the customer's goods during storage resulting from:

- Fire, lightning;
- Aircraft;
- Earthquake;
- Storm and tempest, flood, water from fixed pipes or systems;
- Riots, strikes and civil commotion;
- Explosion and impact damage.

### Additional Risks Covered

In addition to the risks set out above, this policy insures the customer's goods for loss or damage caused by or as a result of:

- war (sea and air transit risks) and strikes, riots and civil commotions in the terms of Institute of London Underwriters' Clauses current at the time of shipment; and
- General Average and Salvage Charges adjusted or determined according to the removal contract and/or the governing law and practice, which are incurred to avoid or in connection with the avoidance of loss from any cause other than those excluded elsewhere in the policy.

### BASIS OF SETTLEMENT

Depending on the Basis of Settlement selected by the customer and shown in the certificate of insurance, if loss or damage occurs as a result of an insured risk, the insurer will pay, up to the declared value of any item (and subject to the restrictions set out below):

#### **Replacement Cost**

In the event of damage, the reasonable cost of repairs or restoration. For any items totally lost or destroyed, full replacement cost provided that such items are no more than 10 years old or have been specifically declared and valued on the insurance declaration or removal contract. Regardless of which Basis of Settlement is selected, the insurer will only pay market value for the following items: goods more than 10 years old or which have not been declared; computers and computer accessories; clothing; motor vehicles, caravans, boats and trailers.

#### **Market Value**

In the event of damage, the reasonable cost of repairs or restoration. For any items totally lost or destroyed, their replacement cost less a reasonable allowance for age, condition, wear and tear and depreciation.

#### **Office or Factory Goods, including Plant and Machinery**

For office and factory goods, including plant and machinery, the insurers will only pay: the lesser of the market value and the declared value of the goods at the time of loss; and agreed charges for insurance, packing and freight.

#### **Pairs and Sets**

Where one or more articles in a pair or set (including lounge suites) are lost or damaged, the policy only covers the lost or damaged part or parts. The insurers will not pay more than a proportionate part of the insured value of the pair or set without reference to any special value which they may have as a pair or set or depreciation or loss of value.

#### **Antique(s) – Works of Art**

For antique(s) and works of art, the insurers will only pay the reasonable costs of repair/restoration and will not pay any depreciation or loss of value caused by the loss or damage.

#### **Co-insurance**

If the declared value of the goods is less than 80% of their actual value at the time of the loss or damage, the amount of

the claim will be adjusted in the same proportion as the declared value bears to 80% of the actual value.

### **Excess**

The removal company must pay the first **\$2,000** in respect of any one claim under this policy. The customer must contribute the Customer Excess shown in the removal contract/certificate or Product Disclosure Statement.

### **EXCLUSIONS FROM AND LIMITATIONS ON COVER**

#### **Motor Vehicles**

This policy does not cover motor vehicles while they are being driven under their own power unless they are being driven by an authorised representative of the removal company for the purpose of loading or unloading.

#### **Valuables**

In the event of loss or damage, this policy does not cover any value in excess of \$1,000 for each item or collection of items for any antique, curio, jewellery, plate, precious object, work of art, medal, money, coin, stamp, collection of items, fur, piece of precision equipment or professionally packed carton by the removal company unless specifically declared and valued on the list of items to be insured on the insurance declaration or removal contract.

#### **Owner Packed Cartons**

Non-delivery of an owner packed carton is limited to \$500 unless an itemized valued list of contents is supplied prior to the commencement of the transit.

#### **Other Excluded Risks**

This policy does not cover loss or damage or expense caused by:

- delay, loss of use of property or any other form of consequential loss of any description;
- loss of data of any description from computer hardware or software;
- confiscation or detention by customs or other official or authorities;
- wear and tear, moths, vermin, infestation, normal atmospheric or climatic conditions, corrosion, contamination or deterioration;
- inherent vice or nature of the subject matter or vibration;
- mechanical, electrical or electronic breakdown or derangement of goods where there is no external evidence that an insured event has occurred;
- nuclear risks which means the use, existence or escape of nuclear weapons materials or ionizing radiation from or contamination by radioactivity from any nuclear fuel or nuclear waste from the combustion of nuclear fuel.

#### **Terrorism Exclusion**

This policy excludes any loss, damage, liability or expense arising from terrorism and/or steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, anticipated, threatened, suspected or perceived terrorism. For the purposes of this clause, terrorism means any act(s) of any person(s) or organization(s) involving the causing, occasioning or threatening of harm of whatever nature and by whatever means or 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 organization(s) concerned are wholly or partly of a political, religious, ideological or similar nature.

Notwithstanding any provision to the contrary contained in this policy, it is agreed that this policy covers loss or damage to the subject matter insured caused by any terrorist or any person acting from a political motive, from when the subject matter insured is first moved for the purpose of being conveyed to a destination outside the premises at which loading takes place and ends when the interest insured is last moved in being delivered at the destination, or at any earlier point where the ordinary course of transit is interrupted by the insured.

### **CLAIMS PROCEDURES**

As soon as possible after the happening of any event which may give rise to a claim under the policy, the customer(s) must:

- Take all reasonable steps to prevent any further loss or damage;
- Note details of any loss or damage on the removal company's inventory and/or condition report;
- Contact **M.E.M. Removals & Storage Tel 1800 003838**
- Within 3 days of receipt of the goods, lodge a written claim with the removal company (using any form provided by the removal company).

The customer must not authorise the repair or replacement of the lost or damaged goods without the consent of the removal company or the insurer.

The removal company or the insurer, at their expense, may appoint a loss assessor to inspect damaged goods.

The removal company may settle claims under this policy under instructions from the insurer. If the claim is for more than the amount detailed in the excess, the removal company must send to the insurer the inventory and/or condition report, removal contract and full details of the items lost or damaged.

### **REASONABLE CARE**

The insured must take all reasonable care to prevent or minimize any loss or damage covered under the policy.

### **SUBROGATION**

The insurer is entitled to exercise any rights the insured may have against anyone else in relation to goods in respect of which the insurer has paid any amount under the policy. The insured and anyone else entitled to claim under the policy must cooperate fully with the insurer in exercising those rights and must give the insurer any information or assistance it may require.

### **SALVAGE IN THE EVENT OF A CONSTRUCTIVE OR TOTAL LOSS**

Where the insurer or the removal company pay a claim in full for an item under this policy as a constructive or total loss for either its declared or market value, the insurer or removal company is entitled to take possession of the item and retain any salvage value. In the event that this clause is exercised it is agreed that the customer will have automatic first choice to purchase the salvaged item.

### **SPECIAL CONDITIONS**

#### **Premium**

The amount payable by the customer for this insurance may be varied provided the customer receives one month's prior notice of any change.

#### **Duty of Disclosure**

Before entering into a contract of general insurance with an insurer, the insured has a duty, under the Insurance Contracts Act 1984, to disclose to the insurer every matter that the insured knows, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

The insured has the same duty to disclose those matters to the insurer before any renewal, extension, variation or reinstatement of a contract of general insurance.

The duty however does not require disclosure of matters:

- That diminish the risk to be undertaken by the insurer;
- That are common knowledge;
- That the insurer knows or, in the ordinary course of his business ought to know;
- As to which compliance with the duty is waived by the insurer.

## **Non Disclosure**

If the insured fails to comply with the duty of disclosure, the insurer may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract. If the non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

## **Goods and Services Tax**

If the insured is liable to pay goods and services tax (GST) in respect of any goods, services or other supply which are the subject of a claim under the policy the insurers will pay the insured for that GST liability. However

Where the insurers make a payment under this policy for the acquisition of goods, services or other supply the insurers will reduce the amount of the payment by the amount of any input tax credit the insured is or will be or would have been entitled under the Goods and Services Tax Act 1999 in relation to that acquisition whether or not the acquisition is actually made.

Where the insurers make a payment under this policy as compensation for the acquisition of goods, services or other supply the insurers will reduce the amount of the payment by the amount of any input tax credit the insured would have been entitled to under the Goods and Services tax Act 1999 had the payment been applied to acquire such goods, services or supply.

## **Privacy**

CGU Insurance Limited and Zurich Australian Insurance Limited are bound by the Privacy Act 1988 (Cth). Before providing us with any Personal or Sensitive Information ('Information') you should know that:

We collect, use, process and store Personal Information and, in some cases, Sensitive Information about you in order to comply with our legal obligations, assess your application and, if your application is successful, to administer the products or services provided to you, to enhance customer service and/or product options or manage a claim ('purposes').

If you do not agree to provide us with the Information, we may not be able to process your application, administer your policy or assess your claims.

By providing us or your intermediary with your information, you consent to our use of this information which includes us disclosing your information where relevant for the purposes, to your intermediary, affiliates of CGU Insurance Limited and Zurich Australian Insurance Limited, other insurers and reinsurers, our services providers, our business partners or as required by law within Australia or overseas. CGU Insurance Limited and Zurich Australian Insurance Limited may obtain information from Government offices, and third parties to assess a claim in the event of loss or damage.

For further information about the CGU Insurance Limited or Zurich Australian Insurance Limited Privacy Policies, a list of service providers and business partners that we may disclose your information to, a list of countries in which recipients of your information are likely to be located, details of how you can access or correct the information we hold about you or make a complaint or concerns about our privacy policies please refer to the privacy links on our web site.

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## **Financial claims scheme**

You may be entitled to payment under the financial claims scheme in the event that CGU Insurance Limited or Zurich Australian Insurance Limited becomes insolvent. Access to the scheme is subject to eligibility criteria. Information about the scheme can be obtained from the Australian Prudential Regulation Authority (APRA) website at [www.apra.gov.au](http://www.apra.gov.au) and the APRA hotline on 1300 13 10 60.

This Policy Wording was prepared 01/12/14