



PROTEUS INLAND OPEN COVER (within New Zealand)

Marine Insurance Policy

Contents

Welcome to Proteus Marine Insurance

About Proteus Marine Insurance	2
About Zurich	2
Duty of disclosure	2
Non-disclosure or Misrepresentation	2
Our contract with you	2

Inland Open Cover (within New Zealand) – Policy Wording

Definitions	3
Inland Open Cover	3
1. The Cover	3
2. Declarations	3
3. Insured transit	3
4. Events insured against – Cover A	4
5. Events insured against – Cover B	4
6. Additional cover	4
7. Extensions to cover	4
8. Limits on cover	5
9. Exclusions from cover	5
10. Reasonable care	6
11. Premium	6
12. Basis of valuation	6
13. Notification of material change	6
14. Settlement of claims	6
15. Duties in relation to an event which may give rise to a claim	6
16. Conduct of claims	6
17. Cancellation	7
18. Other insurance	7
19. Law and jurisdiction	7
20. Sanction regulation	7

Welcome to Proteus Marine Insurance

About Proteus Marine Insurance

Nautilus Marine Underwriting Agency Ltd, trading as Proteus Marine Insurance NZBN: 9429031454261, FSP: 388326, is an insurance underwriting agency and has a binding authority from ZAIL which allows it to enter into policies of insurance. Proteus Marine Insurance acts on behalf of ZAIL and not *you* when providing these services. Always consider the relevant policy wording before purchasing an insurance policy.

ZAIL is a signatory to the Fair Insurance Code. This aims to raise standards of practice and service in the insurance industry. Proteus Marine Insurance supports and adheres to the Code.

About Zurich

The insurer of this product is Zurich Australian Insurance Limited (ACN 000 296 640, an overseas registered company incorporated in Australia) (ZAIL), trading as Zurich New Zealand. In this policy wording, ZAIL may also be expressed as 'Zurich'.

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

Duty of disclosure

Before *you* enter into a contract of general insurance with *us*, *you* have a duty at common law to disclose to *us* every matter *you* know, or could reasonably be expected to know, that a prudent insurer would want to take into account in deciding whether to insure *you* and, if so, on what terms. This applies to all persons to be covered under this contract of insurance.

You have the same duty to disclose those matters to *us* before *you* renew, extend, vary or reinstate a contract of general insurance. *Your* duty however, does not require disclosure of a matter:

- that diminishes the risk to be insured;
- that is of common knowledge;
- that *we* know or in the ordinary course of *our* business *we* ought to know;
- that *we* state *we* do not want to know.

Non-disclosure or Misrepresentation

If *you* make a material misrepresentation to *us*, or if *you* do not comply with *your* duty of disclosure *we* may treat *your* policy as if it never existed.

Our contract with you

Your policy is a contract of insurance between *you* and *us* and contains all the details of the cover that *we* provide.

Your policy is made up of:

- the policy wording. It tells *you* what is covered, sets out the claims procedure, exclusions and other terms and conditions of cover;
- the proposal, which is the information *you* provide to *us* when applying for insurance cover;
- *your* most current policy *schedule* issued by *us*. The policy *schedule* is a separate document unique to *you*, which shows the insurance details relevant to *you*. It includes any changes, exclusions, terms and conditions made to suit *your* individual circumstances and may amend the policy; and
- any other written change otherwise advised by *us* in writing (such as an endorsement). These written changes vary or modify the above documents.
- This document is used for any offer of renewal *we* may make, unless *we* tell *you* otherwise. Please keep *your* policy in a safe place. *We* reserve the right to change the terms of this product where permitted to do so by law.

Inland Open Cover (within New Zealand) Policy Wording

In return for paying the premium to *us*, we will give *you* the cover described in this policy for events which occur during the *period of insurance* shown in *your schedule*.

Definitions

Where the following words appear in this policy, this is what they mean:

Excess

excess means the proportion of the risk *you* retain for each claim (the amount shown in the *schedule*) and *you* will pay the *excess* before we pay the remainder of the claim.

Period of insurance

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

Schedule

schedule means the most recent document we give *you* setting out details of *your* insurance cover. We give *you* a *schedule* when *you*:

- (a) first buy the policy from *us*; or
- (b) change any part of the policy or any personal details relevant to it.

We, Us, Our

we, us, our means Proteus Marine Insurance NZBN: 9429031454261, FSP: 388326 acting as agent of ZAIL trading as Zurich New Zealand.

You, Your or Named Insured

you, your or named insured means the person or persons/company named in the *schedule*.

Inland Open Cover

This open cover will remain permanently in force until cancelled and is for an open amount up to the limit of indemnity specified in the *schedule* and subject to regular declarations provided by *you* to *us*.

1. The Cover

We will insure *you* for consignments of interest insured (referred to elsewhere in this open cover as goods and/or livestock) which commence on or after the effective date within the radius of transit on conditions of insurance, each as specified in the *schedule*.

2. Declarations

- 2.1 *You* must declare promptly every consignment to which this open cover applies and we will accept declarations up to, but not exceeding, the limit of indemnity stated in the *schedule*.
- 2.2 If an unintentional mistake causes an incorrect declaration or a failure to declare a consignment, the mistake must be corrected as soon as *you* are aware of it, in which event the cover will apply to that declaration.

3. Insured transit

Under this open cover insurance for declared consignments commence:

- 3.1 in relation to each item of goods, when the item is first moved for the purpose of being conveyed to a destination outside the premises at which loading takes place and ends when the item is last moved in being delivered at the destination;
- 3.2 in relation to livestock, when each animal enters the conveyance or its loading ramp and ends when the animal is discharged from the conveyance or its loading ramp at the destination.

However, insured transit of goods or livestock ends at any earlier point where the ordinary course of transit is interrupted by *you*.

4. Events insured against – Cover A

If the *schedule* indicates that Cover A applies, the insurance is against each of the following:

- 4.1 loss of or damage to goods caused by accident or by the deliberate act of a third party;
- 4.2 death of livestock caused by accident, natural causes or slaughter for humane reasons.

5. Events insured against – Cover B

If the *schedule* indicates that Cover B applies, the insurance is against loss of or damage to goods, death (or slaughter for humane reasons following injury) of livestock caused by any one of the following events:

- 5.1 fire, explosion, lightning or flood;
- 5.2 collision of the conveyance carrying the goods or livestock with an external object, or of the goods while on a land conveyance carrying them with something not on or part of that conveyance;
- 5.3 overturning, jackknifing or derailment of the land conveyance carrying the goods or livestock;
- 5.4 grounding, sinking or capsizing of the vessel carrying the goods or livestock;
- 5.5 crashing or forced landing of the aircraft carrying the goods or livestock;
- 5.6 discharge at a port of distress.

6. Additional cover

In relation to transit by sea, the insurance is also against each of the following:

- 6.1 loss of or damage to goods or livestock caused by jettison;
- 6.2 loss incurred as a result of general average sacrifice;
- 6.3 general average and salvage charges, in accordance with the contract of affreightment and the governing law and practice, incurred in connection with avoiding a loss covered by this open cover.

7. Extensions to cover

If an event insured against has occurred, the insurance is extended in each of the following ways:

7.1 Debris

The insurance covers the cost of removal and disposal of damaged, deteriorated or contaminated goods or dead livestock and of cleaning and decontamination. *Our* liability is limited to a maximum of \$50,000. It is in addition to *our* liability for the primary loss.

7.2 Delayed unpacking

In the case of a delay in opening cases or packages (except those showing signs of damage, wetting or staining), loss or damage discovered when they are opened within 90 days of delivery will be treated as having happened during insured transit unless there is conclusive proof to the contrary.

7.3 Brands

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

The insurance is also extended in the following ways:

7.4 Acquired companies

The insurance will cover any company or entity formed or acquired by *you* during the *period of insurance*. However, *you* must hold a controlling interest in the company or entity, or must accept responsibility for its insurance. In addition, *you* must inform *us* of the formation or acquisition within 30 days, must provide *us* with the same information in relation to the company or entity that *you* provided to *us* in relation to this insurance, must agree to any additional conditions relating to the insurance in respect of the company or entity and must pay any additional premium we charge.

7.5 Packers

The insurance applies while goods are in insured transit to or from packers premises and while they are there for packing for a maximum of one month.

8. Limits on cover

Further to any limitations to the cover set out in the applicable conditions of insurance:

- 8.1 in the event of a claim, *you* must bear first the amount of any excess specified in the *schedule*;
- 8.2 if a loss or series of losses arise from the same event, we will not be liable for more than the limit of indemnity stated in the *schedule*.

9. Exclusions from cover

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

- 9.1 ordinary leakage, ordinary loss in weight or volume or inherent vice of the goods;
- 9.2 delay, loss of market or consequential loss of any description;
- 9.3 mechanical, electrical or electronic breakdown or malfunction of the goods where there is no external evidence that an insured event has occurred;
- 9.4 the absence, shortage or withholding of labour of any description resulting from any strike, lockout, labour disturbance, riot or civil commotion;
- 9.5 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;
- 9.6 expropriation which means the lawful seizure, confiscation, nationalisation or requisition of goods or livestock;
- 9.7 anything nuclear or radioactive, meaning the ionising radiations from or the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter or nuclear waste, weapon, device, fuel, installation, reactor or any component of these. However, this exclusion does not apply to radioactive isotopes carried for agricultural, commercial, medical or scientific purposes;
- 9.8 any chemical, biological, bio-chemical or electromagnetic weapon;
- 9.9 terrorism, unless caused by a terrorist or any person acting from a political motive while the goods or livestock are in transit as defined in clause 3 (Insured transit), and steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, anticipated, threatened, suspected or perceived terrorism. Terrorism means any act which may, or may not, involve the use of, or threat of, force or violence where the purpose of the act is to further a political, religious, ideological or similar aim or to intimidate or influence a government (whether lawfully constituted or not) or any section of the public; or
- 9.10 liability, damage or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

10. Reasonable care

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

11. Premium

Premium will be charged on each declared consignment at the rate specified in the *schedule*.

12. Basis of valuation

The agreed value of declared consignments for the purpose of calculating premiums and claims will be as specified under 'Basis of Valuation' in the *schedule*.

13. Notification of material change

You must notify *us*, as soon as possible, of any material change in the risk covered by this policy.

14. Settlement of claims

In the event of a claim, *we* have the option of settling *your* loss by either payment, repair, reinstatement or replacement.

All sums insured in this policy (except for the excess) exclude Goods and Services Tax (GST) where that GST is recoverable by *us* under the Goods and Services Tax Act 1985. *We* add GST, where applicable, to claim payments. However, this does not apply to the excess where GST is inclusive.

15. Duties in relation to an event which may give rise to a claim

When an event happens which may give rise to a claim under this open cover the following rules apply:

- 15.1 *You* must do everything reasonable to prevent anything else happening which may give rise to or increase the amount of the claim.
- 15.2 *You* must do everything reasonable to make sure that any rights against anyone else in respect to the event are maintained.
- 15.3 If the event involves a vehicle owned or operated by *you*, and either a theft has occurred and the policy covers *you* against theft, or an accident has occurred involving another vehicle, *you* must notify the police as soon as possible and, if *we* require it, obtain a written police report.
- 15.4 *You* must notify *us* immediately of what has happened and send *us* full details of what has happened and of any other insurance over the goods or livestock within 30 days.
- 15.5 *You* must not authorise any repairs to the goods without *our* consent.

We will reimburse *you* for charges reasonably incurred to prevent or minimise a loss or to protect rights in relation to the event.

16. Conduct of claims

We are entitled to:

- 16.1 conduct any legal proceedings or negotiation relating to claims made against *you* on *your* behalf;
- 16.2 authorise *you* to defend any legal proceedings brought against *you* on the understanding that *we* will be kept fully informed and will be consulted and able to participate in any decision making regardless of liability or any negotiations with other parties; and
- 16.3 exercise any rights *you* or any assignee may have against anyone else in relation to the goods or livestock for which *we* have settled a claim under this policy. *You*, and anyone else entitled to claim under this policy, must cooperate fully with *us* in exercising those rights and must give *us* any information or assistance *we* may require.

17. Cancellation

17.1 *You* may cancel this open cover at any time by giving *us* notice in writing.

17.2 *We* may cancel this open cover by giving *you* 30 days notice in writing.

17.3 Cancellation will not apply to consignments of insured goods on insured transits which commence before the effective date of cancellation.

17.4 Notice of cancellation will apply from midnight on the day notice is given.

17.5 *You* must provide *us* with all outstanding declarations within one month of the cancellation becoming effective.

18. Other insurance

If *you* make a claim for an occurrence which is, or may be, covered in whole or in part by any other insurance, then when making the claim *you* must give *us* full details of the other insurance.

This policy does not cover any claim to the extent that *you* are entitled to indemnity in respect of that claim under any other insurance policy specified in the *schedule*.

19. Law and jurisdiction

This policy is subject to New Zealand law and jurisdiction.

20. Sanctions regulation

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

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