

1907.

(SECOND SESSION.)

THE PARLIAMENT OF THE COMMONWEALTH.

HOUSE OF REPRESENTATIVES.

Read 1° 25 July, 1907.

(Brought in by Mr. Hrazer.)

A BILL

FOR

AN ACT

Relating to Fire Insurance.

BE it enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows:—

1. This Act may be cited as the *Fire Insurance Act 1907*. Short title.
- 5 2. This Act shall commence on the first day of January One thousand nine hundred and eight. Commencement.
3. This Act shall apply to all policies issued made or renewed after the commencement of this Act. Application of Act.
- 10 4. In this Act, unless the contrary intention appears— Definitions.

“The company” means the company or person insuring any property against loss or damage by fire ;

“The insured” means the person entitled to the benefit of a policy ;

15 “Policy” means a policy of insurance against loss or damage to property by fire or a contract of insurance against such loss or damage, but does not include a policy of marine insurance ; or any policy of insurance so far as it insures against loss or damage to goods, wares or merchandise, owned or held for the purpose of Trade or

20 Commerce ;

“Stipulation” includes any agreement or condition.
5. (1) In

Rights of the insured to sue on his policy.

5. (1) In the event of total loss covered by a policy, the insured shall, notwithstanding any stipulations contained in the policy, be entitled to recover from the company the amount insured by the policy, and upon which the premiums have been paid ; or

(2) In the event of partial loss covered by a policy, the insured shall, notwithstanding any stipulations contained in the policy, be entitled to recover from the company compensation equal to the amount of the loss sustained but not exceeding the amount insured by the policy. Such loss shall be ascertained by mutual agreement or by the sale of the salvage and a deduction of the amount received therefrom from the amount of the policy. 10

(3) The above provisions shall not apply where misrepresentation, fraud, or any act of the insured in failing to comply with any reasonable requirement of the policy is proved against the insured.

(4) It shall be competent for the insured to bring an action in any Court of competent jurisdiction under this section at the expiration of one month from the happening of the event or contingency insured against. 15

Certain stipulations to be reasonable.

6. Every stipulation in a policy whereby the insured is required at his own expense to furnish to the company any plan, specification, measurement, quantity, or particular, shall be null and void unless such plan, specification, measurement, quantity, or particular is reasonably necessary to substantiate any claim made under the policy by the insured against the company. 20

Insured not to be deprived of benefit of Act.

7. No bond, covenant, instrument, or agreement, shall operate so as to deprive the insured of the benefit of this Act. 25