Deterioration of Stock

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Deterioration of Stock

SUN Insurance Company Limited (referred to as 'the Insurers') will indemnify or otherwise compensate the Insured named in the Schedule (referred to as 'the Insured') in accordance with and subject to the terms and conditions of this insurance in return for the Insured having paid or agreed to pay the Insurance Premium for the Period of Insurance.

The proposal made to the Insurers by or on behalf of the Insured whether in writing or otherwise shall form the basis of the contract.

The Schedule Exclusions Extensions and Conditions are all part of this Policy and shall be read together as one document.

Any word or expression to which a specific meaning has been given shall have the same meaning wherever it may appear in this Policy.

Please read all the pages of this Policy and Schedule carefully to ensure that your insurance requirements are met.

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Definitions

Territorial Limits

The republic of the Fiji Islands

Insured Property

Goods specified in the Schedule contained in a cold chamber at the time of an Accident or which are at the location and would have been placed in a cold chamber but for the happening of the Accident.

Accident

a A rise or fall in temperature in a cold chamber at any Location described in the Schedule as a result of :

- i Damage to or a fault in the refrigeration system
- ii Damage to the permanent structure of the cold chamber
- iii Failure of the public supply of electricity at the terminal ends of the electricity supply company's service feeders at the Location
- iv Failure of the electrical installation connecting the refrigerating machinery and controls to the electricity supply company's feeders.

b The action of refrigerant or refrigerant fumes which have escaped from the refrigerating system.

Replacement Value

The amount paid by the Insured for the purchase of raw materials or products plus the cost of any processing and packaging undertaken by the Insured.

Cover

Damage to the Insured Property at any Location shown in the Schedule within the Territorial Limits by deterioration putrefaction or contamination solely and directly due to an Accident.

Limit of Liability

The liability of the Insurers shall not exceed:

a The Limit of Liability shown in the Schedule or the Replacement Value of the damaged Insured Property at the time of the Accident whichever is less

and in addition

b The amounts shown in the Extensions

in respect of any one Accident or series of Accidents arising from one occurrence.

Extensions

This Policy is extended to cover

1 Disposal of Condemned Goods

The cost incurred for the disposal of Insured Property which has been condemned by a Public Health Authority as a result of an Accident for which the Insurers have admitted liability.

Provided that the liability of the Insurers under this Extension shall not exceed the lesser of 10% (ten percent) of the Limit of Liability stated in the Schedule or $5,000.00.

2 Decontamination of Cold Chamber

The cost incurred for the cleaning or decontamination of the cold chamber following an Accident for which the Insurers have admitted liability.

Provided that the liability of the Insurers under this Extension shall not exceed the lesser of 10% (ten percent) of the Limit of Liability stated in the Schedule or $5,000.00.

3 Payments on Account

Payments as agreed between the Insured and the Insurers in advance of final settlement of a claim under this Policy where the Insurers have admitted liability.

4 Avoidance of Impending Damage

The cost incurred by the Insured in taking exceptional measures that are reasonable to avoid or reduce impending loss or damage which would have resulted in a claim under this Policy.

Provided that:

a The impending damage did not arise from any defect in the refrigeration system cold chambers or electrical installation known prior to the occurrence of the Accident.

b The impending damage did not arise from a reasonably foreseeable cause

c The damage would have been the natural outcome to be expected in the absence of the measures taken

d The Insurers are satisfied that damage which would have been insured under this Policy has been avoided or reduced in consequence of the measures taken or would have been avoided or reduced had the measures taken been successful

e The liability of the Insurers shall not exceed 20% (twenty percent) of the Replacement Value of the goods.

Exclusions

This Policy does not cover

1 Excess

The amount stated in the Schedule as the Excess in respect of each and every occurrence for which the Insured is indemnified by this Policy.

2 Perils

Damage caused directly or indirectly by:

a Fire however caused

b Fire extinguishing fluid

c Explosion

d Lightning earthquake storm tempest flood inundation water aircraft or other aerial devices or articles dropped therefrom

e Subsidence or other ground movement or displacement.

f Theft or attempted theft

g Riot strike lockout and civil commotion.

This Exclusion shall not apply to failure of the public supply of electricity.

3 Electricity Supply

Damage in consequence of a failure or fluctuation of the supply of electricity directly or indirectly due to:

a A deliberate act unless performed for the sole purpose of safeguarding life or protecting a part of the supply system.

b A scheme of rationing unless necessitated solely by damage to the generating or supply distribution equipment.

c Drought

d The inability of the supplier to maintain the supply due to industrial action.

4 Wilful Act or Wilful Negligence

Damage caused by the wilful act or wilful neglect of the Insured.

5 Faulty Packing or Storage

Damage caused by faulty packing or storage.

6 Trade Loss

Any form of trade loss.

Exclusions *continued*

This Policy does not cover

7 Unidentifiable Occurrence

Damage to the Insured Property unless identifiable by the Insured with a specific Accident which has been the subject of notification under the terms of Claims Condition 1.

8 Other Consequential Loss

Liquidated damages penalties for delay or detention or in connection with guarantees of performance or efficiency or loss of use or any other form of consequential loss not specifically insured by this Policy.

9 Transit or While Situated in Refrigerated Vehicle

Damage occurring while Insured Property is in transit or is situated in a refrigerated vehicle.

General Exclusions

This Policy does not cover

1 War and Kindred Risks

a Damage or cost directly or indirectly caused by war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection military or usurped power confiscation nationalization requisition or destruction of or damage to property by order of the Government or any Public Municipal or Local Authority.

b In the case of Insured Property outside The Republic of the Fiji Islands loss or damage directly or indirectly caused by warlike operations mutiny conspiracy martial law state of siege or any events or causes which determine the proclamation or maintenance of martial law or state of siege riot civil commotion strike lock-out persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation.

2 Radioactive Contamination

Damage or cost directly or indirectly caused by or contributed to by or arising from

a Ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.

b The radioactive toxic explosive or other hazardous or contaminating properties of any nuclear installation reactor or other nuclear assembly or nuclear component thereof

c Any weapon or other device utilizing radioactive material and/or matter and/or ionizing radiation and/or atomic or nuclear fission and/or fusion or other like reaction.

3 Terrorism

Damage or cost directly or indirectly caused by resulting from or in connection with

i Any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

ii Any action taken in controlling preventing or suppressing or in any way relating to any act of Terrorism.

In respect of the above an act of Terrorism means:

Any act including but not limited to the use of force or violence and/or the threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political religious ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

In any action suit or other proceedings where the Insurers allege that by reason of this Exclusion any loss damage or liability is not covered by this Policy (or is covered only up to a specified Limit of Liability) the burden of proving the contrary shall be on the Insured. In the event any part of this Exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect

General Exclusions *continued*

This Policy does not cover

4 E Risks

An Accident caused directly or indirectly by damage to

a Any computer or other equipment or component or system or item which processes stores transmits or retrieves data or

b Any part of a computer or other equipment or component or system or item which processes stores transmits or retrieves data

whether tangible or intangible (including but without limitation any data information or programs or software) and whether part of the refrigeration system or not caused directly or indirectly by:

i Virus or Similar Mechanism

Program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self replication or not. This includes but is not limited to viruses trojan horses worms and logic bombs.

ii Hacking

Unauthorized access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data

but this Exclusion shall not apply to subsequent loss or damage arising from or caused by fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked out workers persons taking part in labour disturbances earthquake storm flood escape of water from any tank or apparatus or pipe or impact by any road vehicle or animal which would but for the application of this Exclusion be insured by this Policy.

5 Pollution or Contamination

Damage or cost directly or indirectly caused by or contributed to by or arising from pollution or contamination.

This Exclusion shall not apply to cost arising from pollution or contamination of Insured Property or cold chambers caused directly by an Accident which is insured by this Policy.

6 Computer Date Recognition

An Accident directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing storing or retrieving data whether the property of the Insured or not

a Correctly to recognise any date as its true calendar date

b To capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date

c To capture save retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or the inability to capture save retain or correctly to process such data on or after any date

but this Exclusion shall not apply to subsequent loss or damage arising from or caused by fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked out workers persons taking part in labour disturbances malicious persons other than thieves earthquake storm flood escape of water from any tank apparatus or pipe or impact by any oad vehicle or animal which would but for the application of this Exclusion be insured by this Policy.

Special Conditions

1 Temperature Readings

a A log book will be maintained showing readings of the temperature in each cold chamber. The readings will be taken no less frequently than

i Every morning and afternoon on all working days and

ii Once during every non-working day.

Provided that the interval between readings is no more than 24 hours.

b Where continuous temperature monitoring and recording equipment is in use

i Evidence shall be provided that temperatures are manually read at the same frequency as above or

ii The monitoring system shall include an alarm which will be activated should the recorded temperature be outside acceptable parameters and which is connected to an alarm receiving centre when the location is unattended.

2 Maintenance

A contract will be kept in force providing for competent specialists to attend no less frequently than every six months to maintain the refrigerating machinery and controls.

General Conditions

1 Survey and Risk Improvement – Subjectivity Condition

It is a Condition of this Policy that

a The Insurers have the right to carry out a survey of the risks insured at any time mutually agreed with the Insured

b The Insured shall comply with all survey risk requirements stipulated by the Insurers within the completion time scales specified by the Insurers.

In the event that a risk requirement is not completed or risk requirement procedures are not introduced within the completion time scales specified by the Insurers then the Insurers reserve the right to either continue cover subject to alteration of the terms and Conditions of such cover or to suspend cover effective from the expiry of any time period specified by the Insurers for completion/introduction of the required survey risk improvements until such risk requirement is completed or risk requirement procedures introduced.

If the terms or Conditions of cover are amended by the Insurers then the Insured will have fourteen (14) days to accept or reject the revised basis of cover.

If the Insured elect to reject the revised basis of cover then the Insured will be entitled to a refund of premium (subject to an administration charge) provided that no claim has been made during the current Period of Insurance.

If the Insurers exercise the right to suspend cover then the Insured will be entitled to a refund of premium in respect of such period that cover is suspended provided that no claim has been made during the current Period of Insurance.

All other terms and Conditions of this Policy shall apply to the extent that they are not in conflict with this Condition.

2 Observance of Policy Terms

The liability of the Insurers will be conditional on the insured complying and as appropriate any other person entitled to indemnity complying as though they were the Insured with the terms of this Policy.

3 Policy Voidable

This Policy shall be voidable in the event of misrepresentation misdescription or non-disclosure in any material particular.

4 Alteration in Risk

The insurance provided by this Policy shall be avoided where there is any alteration after the commencement of this insurance which increases the risk of damage unless continued cover is agreed by the Insurers in writing.

5 Reasonable Precautions

The Insured shall take all reasonable precautions to safeguard the Insured Property against damage. The Insured shall also maintain the refrigerating system and cold chambers in an efficient condition and take all reasonable steps to ensure that all Government and other regulations relating to the operation and use of the refrigerating systems cold chambers and electrical installation are observed.

General Conditions *continued*

6 Cancellation

The Insurers may cancel this Policy by giving the Insured thirty (30) calendar days notice in writing at their last known address. Provided the premium has been paid in full and no claim has been made during the Period of Insurance the Insured shall be entitled to a proportionate rebate of premium in respect of the unexpired period of the insurance. If the premium for this Policy is paid by instalments and in the event that the Insured fail to pay one or more instalments whether in full or in part the Insurer may cancel the Policy by giving the Insured seven (7) working days notice in writing at their last known address.

7 Declarations

Where the premium is a deposit and has been calculated on estimates of Replacement Values supplied by the Insured they shall keep an accurate record of the Replacement Values for which estimates have been given. The record shall be supplied to the Insurers within one month following expiry of the Period of Insurance to enable the adjustment of premium to be calculated.

8 Adjustment of Premium

If the premium calculated on the basis agreed between the Insurers and the Insured on the declarations made for the Period of Insurance exceeds or falls short of the deposit then the Insured shall pay or the Insurers shall refund the difference as the case may be subject to a minimum retention by the Insurers of 75% (seventy five percent) of the deposit or the minimum annual premium retention shown in the Schedule whichever is the greater.

9 Applicable Law

Fijian Law will apply to this contract of insurance unless the Insured and the Insurers agree otherwise.

Claims Conditions

1 Claims Procedures

In the event of any occurrence giving rise or likely to give rise to a claim under this Policy the Insured shall:

a Notify the Insurers as soon as practicably possible by telephone and in writing

b Keep any damaged Insured Property for inspection by the representatives of the Insurers or until a condemnation certificate has been issued by a Public Health Authority.

c In the case of Insured Property lost stolen or wilfully damaged take all steps (including immediate notice to the Police) to discover any guilty person and recover the property

d Carry out and permit to be taken reasonable action to prevent further damage

e In the case of any claim made against the Insured by any third party forward every claim writ or other document immediately and unacknowledged to the Insurers

f Not pay or offer or agree to pay any money or make any admission of liability without the prior consent of the Insurers

g Furnish at their own expense all particulars and information as the Insurers require including a condemnation certificate

h Allow the Insurers in the name of and on behalf of the Insured to take over and during such periods as they think proper to have the absolute conduct and control of all negotiations and proceedings which may arise in respect of any claim and its settlement and the Insured shall give the Insurers all necessary assistance for that purpose.

2 Options for Claims Settlement

a The Insurers may at their option replace what is damaged or pay for the damage in money.

If any Insured Property is to be replaced by the Insurers the Insured shall at their own expense provide all documents books and information as may reasonably be required.

The Insurers shall not be bound to replace exactly but only as circumstances permit and in a reasonably sufficient manner.

b The Insured shall not be entitled to abandon any property to the Insurers whether taken into the possession of the Insurers or not.

3 Fraud or Wilful Act

If a claim is fraudulent in any respect or if fraudulent means are used by the Insured or by anyone acting on their behalf to obtain any benefit under this Policy or if any loss or damage is caused by the wilful act or willful neglect of the Insured all benefit under this Policy shall be forfeited.

4 Average

If the Insured Property shall at the time of any damage be of greater Replacement Value than 133 1/3% (one hundred and thirty three and a third percent) of the Limit of Liability then the Insured shall be considered as being his own insurer for the difference between the Limit of Liability and the Replacement Value and shall bear a rateable share of the amount of the damage.

Claims Conditions *continued*

5 Subrogation

Any claimant under this Policy shall at the request and expense of the Insurers take or permit to be taken all necessary steps for enforcing rights against any other party in the name of the Insured before or after any payment is made by the Insurers.

6 Other Insurances

The Insurers will not indemnify the Insured in respect of damage or cost which is insured by or would but for the existence of this Policy be insured by any other policy except in respect of any excess beyond the amount payable under such other policy or which would have been payable under such other policy had this insurance not been effected.

7 Arbitration

If any difference arises as to the amount to be paid under this Policy the difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this Condition to be referred to arbitration the making of the award shall be a condition precedent to any right of action against the Insurers.

Complaints Procedure

SUN Insurance Company Ltd aims to get it right, first time, every time. If we (the Insurers) make a mistake we will try to put it right promptly. We will always confirm to you (the Insured) the receipt of your complaint within five working days and do our best to resolve the problem within four weeks. If we cannot we will let you know when an answer may be expected. If we have not resolved the situation within eight weeks we will provide you with information about the organizations in which you could further refer your complaints to. Should you wish to make a complaint then it should be directed to the General Manager at the SUN Insurance location shown below:

SUN Insurance Company Limited
1st Floor Harbour Front Building
Rodwell Road
Suva

P.O Box 16976
Suva

Tel: (679) 3313822
Fax: (679) 3313882
Email: complaints@suninsurance.com.fj

Using our complaints procedure or referrals to other organizations does not affect your legal rights.

Notifying a Claim

Claims under this Policy should be notified to the Insurers in accordance with the Claims Conditions of the Policy at the following SUN Insurance office. Please provide your Policy number and as much information as possible about the claim:

SUN Insurance Company Limited
Claims Department

P.O Box 16976
Suva

Tel: (679) 3313822
Fax: (679) 3313882
Email: claims@suninsurance.com.fj