

1976; 26

IN THE PRIVY COUNCIL

20

15 OF 1976

ON APPEAL FROM THE SUPREME COURT OF NEW SOUTH WALES

IN TERM NO. 8276 of 1974

BETWEEN:

MARENE KNITTING MILLS PTY. LIMITED

Appellant (Plaintiff)

AND:

GREATER PACIFIC GENERAL INSURANCE LIMITED

Respondent (Defendant)

## TRANSCRIPT RECORD OF PROCEEDINGS

-----  
VOLUME II

SOLICITORS FOR THE APPELLANT

Reid & Vesely,  
85 Bondi Road,  
BONDI

By their City Agents:

Greaves, Wannan & Williams,  
109 Pitt Street,  
SYDNEY

SOLICITORS FOR THE RESPONDENT

Dawson Waldron,  
60 Martin Place,  
SYDNEY

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VOLUME II

LIST OF EXHIBITS

"A" Cover Note 6056 issued by Greater Pacific General Insurance Limited dated the 14 August, 1973 together with letter dated 6 February, 1974 from the Firstnamed Defendant to the Secondnamed Defendant together with annexed copy letter dated 6 February, 1974 from the Firstnamed Defendant to the Plaintiff.

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28 Building application dated the 15 March, 1966 to Hornsby Shire Council by L. and F. Herszberg	219

State whether any second-hand materials will be used in construction..... No  
 Estimated Value of proposed Building \$27,860.00

Applicant must supply the following information when submitting Building Applications for Council's approval:

- (a) Is Kerbing and Guttering constructed fronting your property..... Yes
- (b) Is Path Paving constructed fronting your property.....

I undertake to comply with the provisions of Local Government Act 1919 and Ordinances Nos. 71, 30, 39, 44 and 105, and all amendments thereto, and all special Conditions of the Council of the Shire of Hornsby.

Date 15TH MARCH, 1966

Signature of Applicant *Robert T. Hooper*  
 Owner

State whether applicant is owner, builder or architect.....

**OFFICE USE ONLY**

**TOWN PLANNER'S REPORT**

*C.P.S.*  
*Check in*  
*BL the*  
*same*

*18.3.66*

**Plans and Specifications to be returned to:—**  
Higgins, de Greenlaw & Sisley,  
107-109 Elizabeth Street,  
Sydney.  
28-1988 ( Mr. O.D. Sperling)

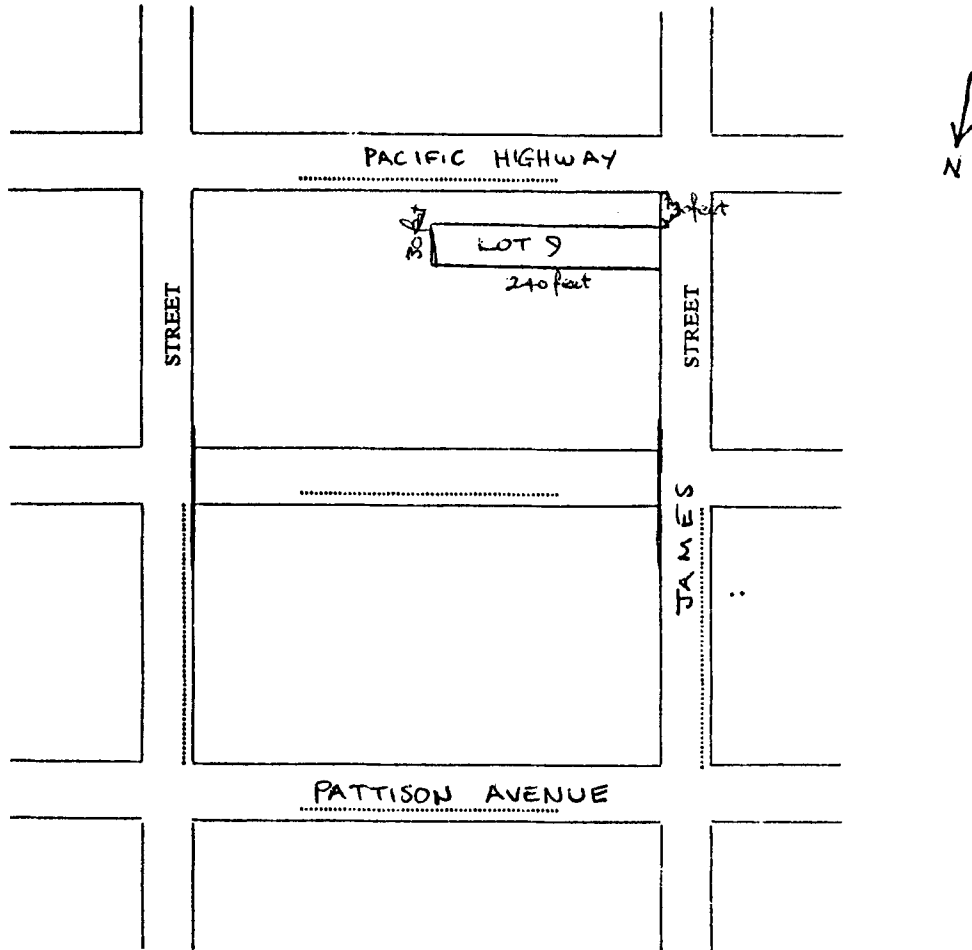
**REMARKS**

*LSP*

OFFICE USE ONLY				Receipt No.
	£	s.	d.	
Building Fee	\$61.	75		8890 16/3/66
Builder's Sanitary Service				
Deposit Covering likely damage to paving, kerb and guttering, etc.				
<b>TOTAL</b>				Date <b>17 MAR 1966</b>

SKETCH PLAN OF LOCALITY

- (1) Street boundaries, situation of property, dimensions and distance of the land from the nearest cross street must be clearly shown on sketch plan.
- (2) The names of at least two cross streets must be entered on the Locality Sketch below.
- (3) Name and Lot Number MUST BE displayed on the site for identification by Council's Inspector.
- (4) Please indicate NORTH point.





THIS AGREEMENT made this 15th day of November One thousand nine hundred and sixty-one BETWEEN LAIB HERSZBERG of Number 2 James Street, Hornsby, in the State of New South Wales, Knitting Mill Proprietor, of the one part AND FELA HERSZBERG his Wife, of the other part WHEREAS (a) the parties hereto have for many years carried on business in partnership under the registered business name of HORNSBY KNITTING CO. at Number 2 James Street, Hornsby, without any written instrument of partnership having been executed between them, (b) the parties desire to record the relations existing between them in regard to such partnership NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:-

1. The partnership hitherto existing between the partners shall continue until determined by three months written notice given by one party to the other.

2. That the partnership business shall continue to be carried on at Number 2 James Street, Hornsby, or at such other place or places as the partners may from time to time agree upon.

3. The parties hereto having contributed to the capital of the partnership business in equal shares hitherto, shall contribute such further capital as is required in the partnership business in like proportion.

4. The nett profits of the partnership business shall be divided and any losses born equally between the parties.

5. LAIB HERSZBERG shall continue as Managing Partner and shall retain the sole and exclusive management of the partnership business and shall devote his whole time and attention thereto and carry on the same for the common benefit of the partners.

6. Each partner shall be entitled to draw from the partnership business from time to time such amount by way of salary as may be agreed upon by the parties and the amount of such drawings by way of salary shall be taken into account in the records of the partnership prior to any division of profits. 10

7. Either partner, as heretofore, shall be entitled to operate solely any bank account of the partnership without any countersignature of the other partner.

8. The usual books of account shall be kept properly posted

-2-

20

up and shall not be removed from the place of business without the consent of both partners. Each partner shall have free access to them at all times and shall be at liberty to make such extracts therefrom as he or she may think fit by his or her self or his or her agent.

9. On the 15th day of November in each successive year during the continuance of the partnership, an account should be taken of all the assets and

liabilities of the partnership for the time being and a balance sheet and profit and loss account, making due allowance for depreciation and for recouping any lost capital, shall be prepared and a copy thereof furnished to each of the partners who shall be bound thereby unless some manifest error shall be discovered within three months, in which case such error shall be rectified immediately. 10

10. Each partner may during the continuance of the partnership draw out of the partnership account on account of his or her share of the profits such amount as may be mutually agreed between the parties, but if when the annual account is taken at the end of each year, it shall appear that either party has drawn any sum in excess of his or her share of the profits he or she shall forthwith repay such excess to the partnership account. 20

11. If either partner shall (a) commit any act of bankruptcy or make any assignment for the benefit of his or her creditors, (b) become physically or mentally unfit or unable to attend to the partnership business, or (c) do or suffer any act which would be ground for dissolution of the partnership by the Court, then and in any such case the other partner may within three months after becoming aware thereof determine the partnership by notice in writing and in that case he

or she shall have the option (to be exercised at the time of making such notice) of purchasing the share of the other partner in the capital and assets of the business in like terms as are set forth in the next clause hereof in relation to the purchase by the surviving partner of the share of the deceased partner.

-3-

10

12. If the partnership shall be determined by notice pursuant to Clause 11 hereof, or dissolved by the death of either partner, the partner by whom such notice is given or the surviving partner, as the case may be, may by notice in writing to the other partner or his or her legal representative have the partnership wound up pursuant to the Statutory Provisions therefor or may purchase the share of the other partner at the nett value thereof as shall be determined by a balance sheet of the partnership drawn up as at the date of such determination and shall have the option to pay to the other partner or his or her legal representative the amount of his or her interest in the partnership at the date of such determination either in cash or by six successive equal half-yearly instalments, free of interest, over the period of three years from the date of such determination.

20

13. All notices required to be served under this

agreement may be served in any manner prescribed by  
Section 170 of the Conveyancing Act 1919-1956, as  
amended.

SIGNED by the said LAIB  
HERSZBERG in the presence  
of:

E. Farrow

L. Herszberg

10

SIGNED by the said FELA  
HERSZBERG in the presence  
of:

E. Farrow

F. Herszberg

GENERAL NOTES BY H.W.S. AT SCENE OF FIRE - HORNSBY  
KNITTING COMPANY - 3RD SEPTEMBER 1965

I am standing at the moment at rear of dwelling section. The whole of the factory is a complete burn out. It is divided into three sections the dwelling in the front which is used for office purposes and also James Knitwear which is a disposal bargain centre for reject garments and the like. Immediately behind the dwelling was the main store room and then behind that again was the two storeyed factory with all of the circular knitting machines on the ground floor and all of the sewing machines on the top floor. It seems quite apparent that the fire has originated somewhere in the centre of the premises in fact in the same area as the fire which occurred on the 1st occasion (Thursday 2nd August?) but seat of the fire was definitely in the central section which was the storage section. The dwelling purposes have been described, converted old dwelling used now as office and James Knitwear bargain centre. The middle section was used for storage. The two storyed factory at the rear had large circular knitting machines on the ground floor and sewing machines on the top floor. The dwelling section in the front has a stairway going up into the gable roof which was used for storage purposes. There is a hot water tank up there but it is quite apparent that the fire did not originate as far down as this. It is all heavily damaged and the roof will have to be completely

10

20

replaced. In the two front rooms of the dwelling each side of the passage there is a lot of stock stored which is in moderately salvageable condition and I think ~~have~~ all of this would be James Knitwear stock and will have to go to salvage but will need to be kept separate because I think Helvetia has all of this line whereas the Hornsby Knitting line is half between each company. 10

A moderate amount of yarn is stored in this dwelling section also office cabinets and a safe all of which appear intact. At the rear of the dwelling section there are two offices which have suffered fair damage but nevertheless I would anticipate that records would be quite recoverable. Right at the rear of the dwelling section is a kitchen area including a couple of refrigerators. This is heavily burnt out but furthermore this has only been an extension of the fire and the fire did not originate in this area. In this 20

rear section also there are toilets, lockers and this would appear to be the staff amenities section. It is completely burnt out very little if anything recoverable and from that point going towards the rear there is evidence of heavy storage. There are numerous banks of metal shelves and at the base of each a considerable amount of knitted garments which have all collapsed into the basin and are totally destroyed. Further into the storage area there are very large

rolls of knitted material from which garments are made. Incidentally right at the back of the premises there is a nicely built brick incinerator just at the foot of the stairways coming from the top storey of the two storeyed section but that does not appear as though it has had anything to do with the fire. It would appear as though the rear wall of the upper storey of the rear two storeyed building was only in

10

2.

cont'd .....

fibro to permit an extension. Ground floor wall is of brick but upstairs it looks as though the wall has completely disappeared. The roof is of fibro cement and the roof trusses are all of steel. As you know this storeyed section has only been erected for about five years.



NOTES OF DISCUSSIONS BETWEEN H.W.S. LAIB HERSZBERG AND  
MYER HERSZBERG ON TUESDAY 7/9/65

re JAMES KNITWEAR PTY. LTD. Used to have shop in Pitt Street. However about Dec.1964 they moved to Hornsby and operated in the front of the dwelling section, selling etc. from there. However stock is stored upstairs in main central section as well, which is occupied as a store for finished goods. There was a certain amount of yarn in the store room. Stock in which the two front rooms of the dwelling section/was used for retail selling and portion would belong to James Knitwear and portion to Hornsby Knitting, possibly 50/50. James Knitwear stock comprises coats, suits, swimming costumes and only small proportion of knitted stock (which is sold to them by Hornsby Knitting). James Knitwear purely buying and selling of general stocks.

10

re PHOTOS A small fibro building at eastern end of factory known as Wool Shed and contained quantities of yarn.

20

500 gallon drum which appears in the photo at the eastern end of the 3 storeyed section contained deiseleum for the boiler which has a line running to the boiler with a pump.

Eastern end of two storeyed section had unfinished brickwork and fibro wall on the top storey to permit subsequent extension.

re STOCK Yarn purchased from Vicars at approx.

£1500 was in the central section also some of Vicars  
yarn stored in rear portion of the dwelling section.  
The main yarn storage area was around the stairs be-  
tween the store and the factory.

re BUSINESS GENERALLY Insured state they lost money  
first year after last fire which was in 1961 and then  
have been gradually picking up since. 10

re CAUSE OF FIRE. A couple of months ago at the  
weekend lightning affected some wiring from junction  
~~box~~ of the main back to the main switch box. The  
Brigade were not called Insured simply contacted the  
Council and obtained permission to rewire. This damage  
did not get into the premises only on the main.

re REWIRING There used to be wiring on top of  
the ceiling but as the factory extended they had diff-  
erent electricians (Les Hughes) to put in a new sec-  
tion. Mr. Hughes recommended to cut out all the wiring 20  
in the building as it was dangerous and put in 1½"  
square outside the building. Each machine with separate  
switches and each section with separate fuses and  
switches.

re IRONING & PRESSING FACILITIES 3 Steam Presses  
at eastern end of store.  
NO electric irons  
NO hand steam irons. (Cut out to  
avoid fire risk)

SMOKING is strictly prohibited in factory although some girls go into the toilet and smoke. Ladies toilet is on the dwelling side of the store room. Once a waste bin caught on fire in toilet.

OXY-ACETYLENE UNIT not used very much only for some machine parts they cannot buy and have to make e.g. Sometimes for instance a cam in a machine has to be changed around and to buy it would be say £15-£20 so they make it for much less. Cam comprises thick steel. 10

This unit was used in workshop, comprising lathe, drilling machines etc. Was last used on Monday or Tuesday but definitely not Thursday. It is switched off at the main both oxygen and acetylene being turned off every time after use.

Mr. Herszberg suggests the fire may have been caused by smoking in toilets or smoking in factory. Metal bins for normal stock and waste are used in factory with flat lids. Waste is cleared out every morning and burned nearly every morning 20

2.

in incinerator at back. Is stored near incinerator in bins until burning takes place. Garage man takes three bins twice a week to save burning which is only done in the morning and never in the afternoon,

General

Robert Gray, Assistant does cleaning up, packaging and looks after incinerator.

Mr. Herszberg does not think there is any hospitality as all knitted trade is doing well, the trade never having been better than in the last few years. He has received no threats of any kind. Everything is 10  
harmonious concerning staff. Most employees have been at the factory a long while, and there are no communists on the staff. Mr. Gee -(a previous employee) was put off as he became too much of a "boss" apparently.

re SPONTANEOUS COMBUSTION Yarn purchased from Vicars Auction sale in 3/- 5/- 6/- cones was weighted up and quite a lot sold. Some of it was wet and mouldy. Seven machines were used on this yarn, which when dried out worked out to practically more than half of it being used for garments and fabrics. Some was stor- 20  
ed away on shelves and some cotton packed in boxes but Insured is not sure whether this was wet or dry. Comprised a lot of cotton, woollen nylon and woollen terylene about 50/50 cotton-terylene. There was quite a lot of cotton waste upstairs waiting to be taken away and sold.

Garments have inside of cotton and outside of wool. There is a big winter trade but also a good round the year trade. e.g. Insured are working now for November delivery.

30

GENERAL FACTS OF OCCURRENCE Factory was operating all

day Thursday - no trouble with machines - Boiler

Inspector came out on Tuesday. When he came they had

to switch off boiler the night before so there is no

pressure - the boiler is then cleaned and taken to

pieces and it is inspected and then put back together

again. This works on an automatic switch which is a

10

clock. It is switched on at a certain time as it

takes about an hour to get steam. When boiler was

taken to pieces clock was running late. On Thursday

night when Insured left the boiler was 75lb pressure  
which

and Mr. Herszberg noticed was too much. (It is supposed

to switch off before 4 p.m. as they leave at

4.20 p.m.) Myer Herszberg checked that he had switched

it off and apparently the clock was running late how-

ever he did not like to change anything without Mr.

20

Cuvins being there. It was switched off between

4-4.20 p.m. manually both inside (not outside because

the outside switch switches off the pump) which would

then evaporate the water in the boiler.

ELECTRICAL ASPECTS There are several sub-boards

e.g.

Knitting machine - operator switches off and every light  
before he goes.

Sewing machine - operator switches off.

i.e. everyone who works the section switches off

necessary switches. However the main switch is always left on, but a number of intermediate switches are turned off relating to circuits which are not likely to be used during non business hours. However certain other circuits as those which operate:

- (a) bundy clock
- (b) pump to maintain water level in the boiler 10
- (c) house lights (dwelling section in front)

Therefore there would be some wiring in the store room that would be alive. Mr. Herszberg states the lights are put off but he is not sure about the main. There was a long lead light on a cable which was used in between the shelves to examine

3.

the colours and textures of garments. It looks as though if that had been left on its own switch it would not have been affected by the switchboard switches which were operated. This has been left on accidentally on a couple of occasions. 20

**INFLAMMABLE LIQUIDS** Industrial cleaning fluids are used, only a gallon can kept at a time, used in spray gun for spotting on garments, used in store room. Some hydraulic oils marked "inflammable" are kept, about 6 in gallon tins.

Oil for lubricating machinery is kept about 6 in 4

Exhibit 16 - Notes of  
Discussions -  
7 September, 1965

gallon drums. A very fine lubricating oil is used upstairs for cleaning sewing machines. Kerosene is used for cleaning new needles - a five gallon drum usually kept but at date of fire there was only a small bottle left. Petrol NOT ALLOWED into factory. Most of the oils are stored outside the building at the back.

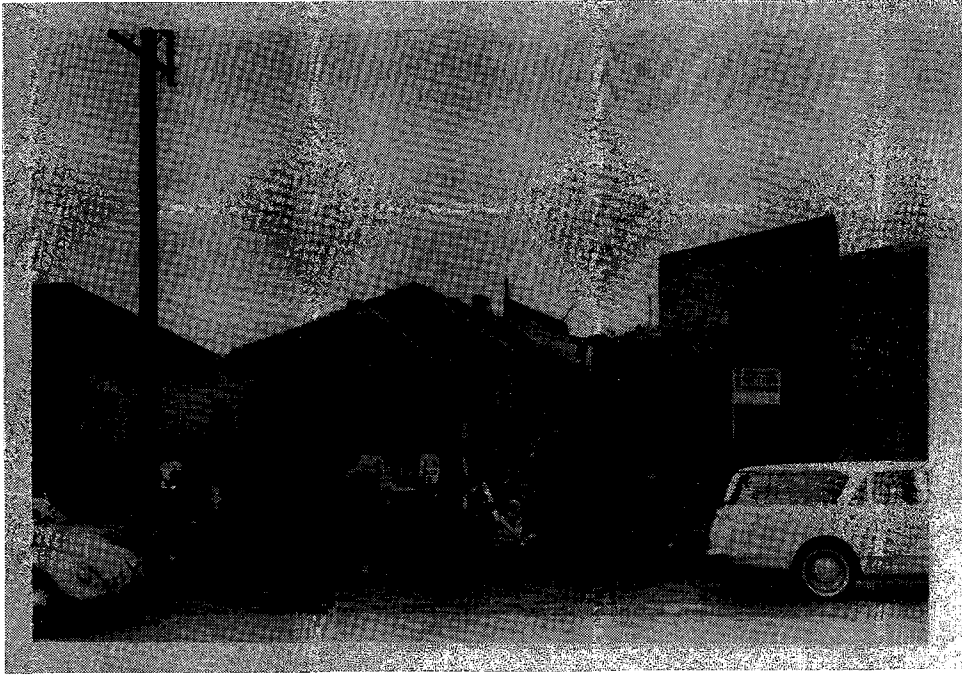
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FRONT DWELLING SECTION WALL of fibrowalls stated in Policy to be Brick. Mr. Herszbert emphatically states that he told the Inspector FIBRO WALLS and the Inspector even measured just how far fibro went etc. LOSS OF PROFITS Mr. Herszberg would like to get going immediately somewhere else in a smaller way. Mr. Herszberg's eldest son is on a Scholarship/Cadetship £20 per week for Aeronautical Engineer and is 19 years of age.

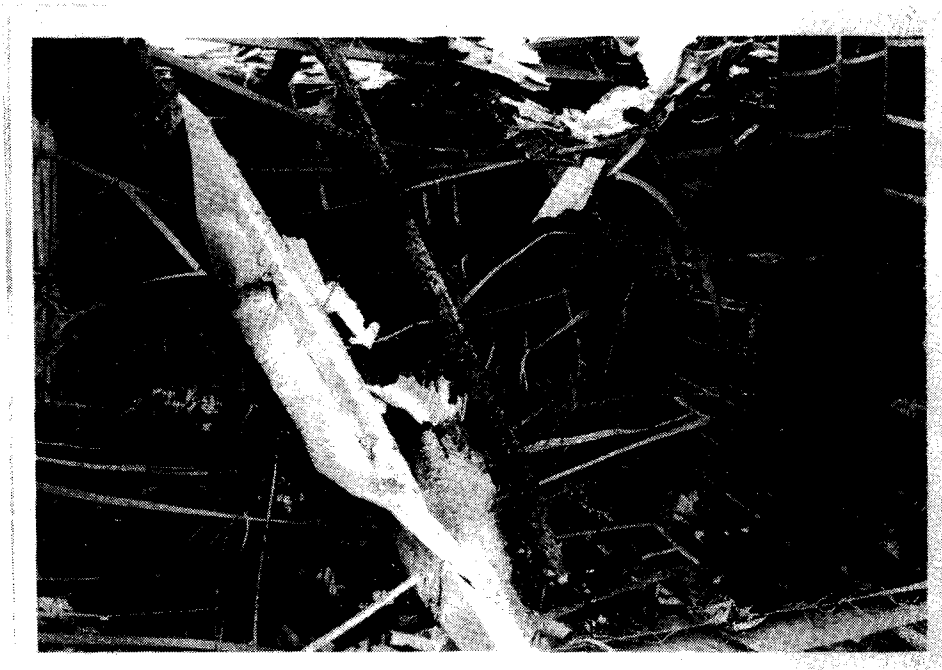
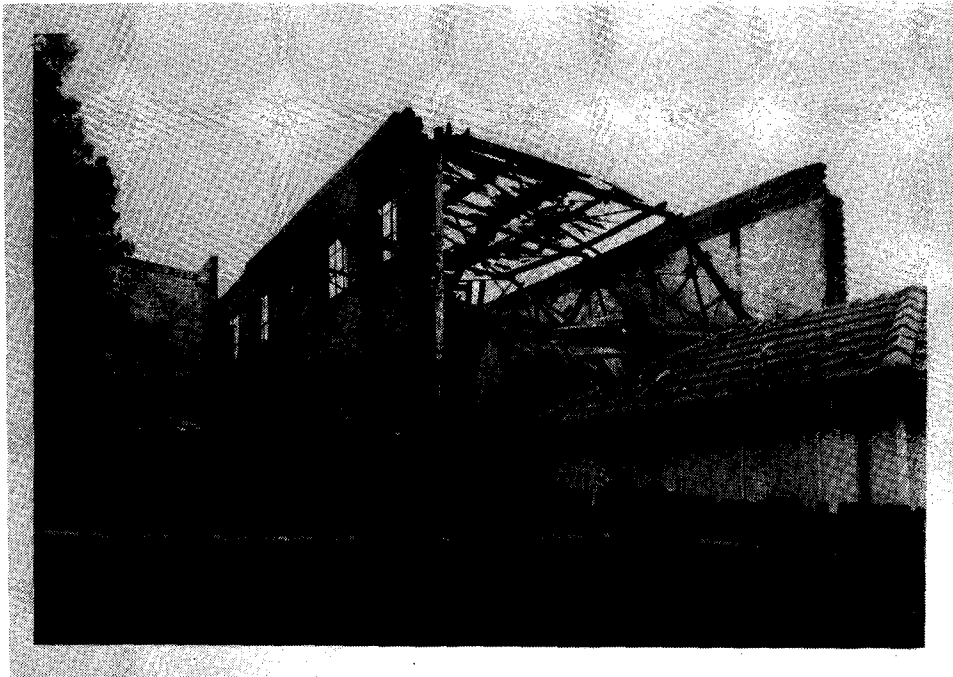


236. Exhibit 9 - Photographs  
marked 9A and 9B

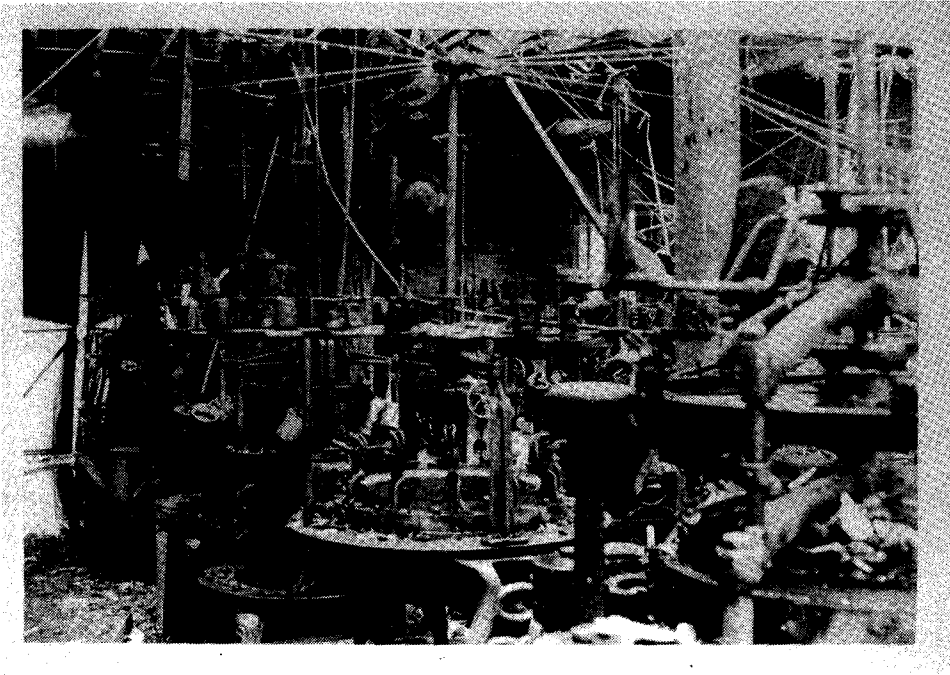




237. Exhibit 9 - Photographs  
marked 9C and 9D



238. Exhibit 9 - Photographs  
marked 9E and 9F



239. Exhibit 9 - Photographs  
marked 9G and 9H

IN THE SUPREME COURT  
OF NEW SOUTH WALES  
IN EQUITY

No. 948 of 1965

IN THE MATTER of THE COMPANIES ACT 1961

AND

IN THE MATTER of MARENE KNITTING MILLS  
PTY. LIMITED (IN  
LIQUIDATION)

On the First day of October in the year One thousand  
nine hundred and sixty five, I, CHARLES ALLEN LAW, of 10  
133 Pitt Street, Sydney, Chartered Accountant, make  
oath and state as follows:-

1. By an order of the Court dated the 20th.,  
September, 1965 I was appointed Official Liquidator  
of the above Company.
2. The company carried on a business as Knitting  
Manufacturers at 182 Elizabeth Street, Sydney.
3. I have not continued to carry on the business of  
the Company, as no good purpose would be served by my  
attempting to do so, but subject to the approval of 20  
the Court I have retained the services of the Company's  
Mechanic, engaged a Stocktaker and agreed to pay Rental  
for the premises occupied by the Company at 182  
Elizabeth Street, Sydney until such time as I can  
effect a sale of the assets of the Company. I am invit-  
ing tenders closing on Monday the 4th., October, 1965  
at 12 noon for the purchase of the assets of the Company  
consisting of Plant and Stock valued on a going concern  
basis at £6,789 and £5,745 respectively.

Exhibit 17 - Affidavit  
of Charles Law -  
240. 1 October, 1965

4. The retention of the services of the Company's Mechanic at a weekly salary of £28 as from the date of liquidation the 20th., September, 1965, is essential for the purpose of effecting necessary repairs to and exhibiting and demonstrating Knitting Machines and Sundry Plant to prospective tenderers.

5. The Services of a competent Stocktaker at a fee not to 10

C.L. Allen J.P.

C. Law

Page 2

exceed £75.0.0 are required for the purpose of listing and valuing the Company's stock and exhibiting same to prospective tenderers and arranging for a retaking and checking of stock upon sale to a purchaser being effected.

6. In order to effect a sale of the Company's assets at a minimum expense it is essential to retain the 20 tenancy of the premises occupied by the Company at a monthly rental of £77.18.4 for a period not exceeding two months and also to purchase materials required to maintain and effect necessary repairs to Plant at a cost estimated not to exceed £100.0.0.

7. The Books of the Company have not been written up since the 30th., June last, and the Directors of the Company are unable to submit a Statement of Affairs of the Company without the assistance of the Company's

Accountant Mr. Montague Orr who has undertaken to write up the Company's records at a cost not exceeding £100.0.0.

8. I crave leave to obtain the approval of the Court to my

- (a) Retaining the services of the Company's mechanic for a period of four (4) weeks from the date of liquidation the 20th., September, 1965 at a weekly salary of £28. 10
- (b) To engage a Stocktaker (Mr. V. Greenburg) at a fee not exceeding £75.
- (c) To continue to pay rent of the premises at a monthly rental of £77.18. 4 until the 30th., November, 1965 or such earlier date as they may be vacated.
- (d) To incur such expense as I may consider necessary to preserve and effect a sale of the Company's assets inclusive of the cost of maintaining telephone and electricity and sundry services as effecting necessary repairs to Plant and to preserve the Company's assets pending sale such expense not to exceed £100. 20

C.L. Allen J.P.

C. Law

Page 3

- (e) To pay Mr. Montague Orr such fee that I consider to be reasonable to cover his services in writing

up the Company's records and preparing a State-  
ment of Affairs as at the date of liquidation  
such fee not to exceed £100, which fee will be  
determined upon his having performed the ser-  
vices required of him.

SWORN by the Deponent CHARLES

ALLEN LAW at Sydney in the  
State of New South Wales.

Before me:

C.L. Allen J.P.

A Justice of the Peace.

)  
)  
)  
)

C. Law

10

IN THE SUPREME COURT  
OF NEW SOUTH WALES  
IN EQUITY

)  
)  
)

No. 948 of 1965.

IN THE MATTER of MARENE KNITTING MILLS  
PTY. LIMITED

AND IN THE MATTER of The Companies Act,  
1961.

ON the 24th day of June One thousand nine hundred and sixty-six LAIB HERSZBERG of 182 Elizabeth Street Sydney in the State of New South Wales Company Director being duly sworn makes oath and says as follows:-

1. I am a Director and the Chairman of Fela Investments Pty. Limited, a Company duly incorporated in the State of New South Wales.

2. I have read what purports to be a copy of an affidavit sworn by Charles Allen Law on the 23rd day of June, 1966 and filed herein and the details of the offer of and payment by Fela Investments Pty. Limited referred to therein are in all respects true and correct.

3. The remainder of the contents of the said Affidavit I believe to be true and correct.

SWORN by the deponent on the day and year first hereinbefore mentioned at Sydney,  
Before me:

)  
)  
)

L. Herszberg

Bernie B. Reid J.P.  
.....



IN THE SUPREME COURT  
OF NEW SOUTH WALES  
IN EQUITY

No. 948 of 1965

IN THE MATTER of MARENE KNITTING MILLS  
PTY. LIMITED

AND IN THE MATTER of The Companies Act,  
1961.

ON the 23rd day of June One thousand nine hundred and sixty six CHARLES ALLEN LAW of 133 Pitt Street Sydney in the State of New South Wales Chartered Accountant being duly sworn makes oath and says as follows:- 10

1. It was ordered by this Honourable Court on the 20th day of September, 1965 that the abovenamed Company be wound up under the provisions of The Companies Act 1961 and that I this deponent be constituted Liquidator of the affairs of the said Company which has not traded since that date.

2. On the 15th day of October, 1965 I effected a sale of the stock and plant of the abovenamed Company to James Knitwear Pty. Limited for SEVENTEEN THOUSAND ONE HUNDRED DOLLARS (\$17,100-00) (£8550,0.0). 20

3. There are no secured creditors of the abovenamed Company. As at the date hereof the unsecured ordinary creditors of the said Company (other than deferred creditors) are as set out in the Annexure hereunto annexed and marked with the letter "A" and amount to the sum of TWENTY ONE THOUSAND THREE HUNDRED AND TWENTY DOLLARS and TWENTY THREE CENTS (\$21,320-23).

Exhibit 17 - Affidavit  
of Charles Law -  
23 June, 1966

I have caused all unsecured ordinary creditors disclosed in the Statement of Affairs of the said Company lodged with me as Liquidator to be circularised requesting submission of proofs of debt to me and the result appears in the said Annexure. I know of no unsecured ordinary creditors other than as shown in the said Annexure and referred to in paragraph 5 hereof. 10

E.U. Sayegh C. Law  
A Commissioner for Affidavits

2.

4. In addition to the amount owing to such creditors, I this deponent as Liquidator am owed certain remuneration for work done and disbursements made by me and the costs and disbursements payable on the Petition have not yet been paid.

5. In addition to the unsecured ordinary creditors of the said Company referred to in paragraph 3 hereof, there are deferred unsecured creditors as set forth in the Annexure hereunto annexed and marked with the letter "B". 20

6. An oral offer has been received for and on behalf of a certain company namely Fela Investments Pty. Limited to purchase the total issued capital of the abovenamed Company being 3702 shares of Two Dollars (\$2-00) each fully paid for the sum of TWO

THOUSAND FOUR HUNDRED DOLLARS (\$2400-00) and in addition to pay the creditors in the said annexure "A" the amount owing to them in full together with all expenses referred to in Paragraph 4 hereof.

7. In pursuance of the offer referred to in paragraph 6 hereof, Fela Investments Pty. Limited has paid to my firm Messrs. Charles A. Law Saywell & Co., (and not to me as Liquidator) the sum of FOUR THOUSAND TWO HUNDRED DOLLARS (\$4200-00) and accordingly if this present application receives the approval of this Honourable Court my firm is to pay such moneys to me as Liquidator whereupon the financial position of the said Company would be approximately as follows:

Cash in Liquidator's Bank Account (including the amount referred to in paragraph 2 hereof)	\$18,928-08	
Cash paid by Messrs. C.A. Law, Saywell & Co., received from the said Fela Investments Pty. Limited	<u>\$4,200-00</u>	20
	\$23,128-08	
<u>Less</u> Creditors as in Annexure "A" hereto	<u>\$21,320-23</u>	
Credit Balance	<u>\$ 1,807-85</u>	

E.U. Sayegh  
A Commissioner For Affidavits

C. Law

3.

8. The said balance of \$1807-85 referred to in Paragraph 7 hereof will be sufficient to cover all remuneration owing to me as Liquidator and all legal

costs and disbursements in respect of the liquidation of the abovenamed Company.

9. I have been informed by Bryce Ernest Ross Jones the Solicitor for each of the six (6) shareholders of the abovenamed Company and verily believe it to be true that they and each of them are willing to transfer and assign to the said Fela Investments Pty. Limited or its nominee or nominees for a nominal consideration - 10

(a) the said debts referred to in paragraph 5 hereof; and

(b) all shares owned by them provided that this Honourable Court makes an order staying altogether the winding up herein or discharging the said winding up order referred to in paragraph 1 hereof.

10. I have further been informed by the said Bryce Ernest Ross Jones and verily believe it to be true that he holds written assignments of all the said debts referred to in paragraph 5 hereof and transfers of the said shares, all of which said assignments and transfers are properly executed by the respective shareholders with instructions to deliver the same to the said Fela Investments Pty. Limited provided that this Honourable Court makes an order staying altogether 20

the winding up herein or discharging the said winding  
up order referred to in paragraph 1 hereof.

11. At the date of the making of the said winding  
up order referred to in paragraph 1 of this my  
Affidavit, the two Directors of the abovenamed Company  
were:

Peter John Hughes, and

10

Alma Irene Buckley.

E.U. Sayegh  
A Commissioner for Affidavits

C. Law

4.

12. In view of the above I know of no reason why  
the Liquidation should be continued and I undertake  
to disburse the moneys in payment of the unsecured  
ordinary creditors as set forth in paragraph 3 hereof  
as soon as practicable in the event of this Honourable  
Court granting this Application.

20

SWORN by the deponent on the day )  
first hereinbefore mentioned at )  
Sydney, )

C. Law

Before me:

E.U. Sayegh  
.....  
A-Justice-of-the-Peace.  
A Commissioner for Affidavits

"A"

1.	Preferential Creditors for Wages and for Long Service Leave and/or for holiday pay.		
	Hughes, P. J.	\$222-62	
	Buckley, A.I.	\$1645-00	
	Roberts, W.F.	\$824-35	
	O'Halloran, F. T.	\$948-80	
	Crocker, G.S.	\$948-38	
	Pedersen, P.L.	\$225-15	
	Daly, A.	\$117-80	10
	Hardy, L.	\$230-90	
	Tighe, I.	<u>\$103-38</u>	\$5266-38
2.	Postmaster General's Department - for telephone		\$142-16
3.	Proofs received and admitted of unsecured Creditors.		
	Alltrans Interstate Pty. Ltd,	\$5-80	
	Ansett-A.N.A.	\$91-13	
	Burns Dye Works P/Ltd.	\$941-18	20
	Burns Distributors P/Ltd.	\$24-80	
	Chas. Parsons Pty. Ltd.	\$2-82	
	Cello Pack P/Ltd.	\$69-90	
	Clem T. King P/Ltd.	\$42-00	
	J. Fielding P/Ltd.	\$127-92	
	Gordon & Gotch (Aust) Ltd.	\$11-25	
	Major Sewing Machine Services	\$50-25	
	Montague Orr & Co.	\$693-25	30
	P. Bellmaine P/Ltd.	\$44-52	
	Peerless Textiles P/Ltd.	\$1095-08	
	Petlee P/Ltd.	\$132-00	
	Remac Taxi Trucks	\$32-65	
	Ribboprint P/Ltd.	\$87-75	
	Sewing Machine Exchange P/Ltd	\$35-00	
	Singer Aust. P/Ltd.	\$8-31	
	Witton Press P/Ltd.	\$33-75	
	Yarra Falls P/Ltd	<u>\$12,361-03</u>	\$15890-39
			\$21298-93
4.	Proofs not received of unsecured Creditors but apparently admissible		
	G.W.B. Knitting Machines P/Ltd.	\$2-82	
	Ipec Interstate Parcel Express P/Ltd.	\$1-60	
	MacDougalls Ltd.	\$2-30	
		Exhibit 17 - Annexure	
		"A" to the Affidavit of	
250.		Charles Law - 23/6/1966	

Exhibit 17 - Annexure  
"A" to the Affidavit of  
Charles Law - 23/6/1966

Remark Industries		
P/Ltd.	\$3-10	
Shell Chemical P/Ltd.	\$1-63	
Wilkes Tyre Service	<u>\$9-85</u>	<u>\$21-30</u>
		<u>\$21320-23</u>
		<u>(£10,660.2.4).</u>

This is the annexure "A" referred to in the annexed 10  
affidavit of CHARLES ALLEN LAW Sworn at Sydney on the  
23rd day of June, 1966, Before me:

E.U. Sayegh  
A Commissioner for Affidavits  
A-Justice-of-the-Peace

"B"

Unsecured Deferred Creditors

Buckley, A.I.	\$4,541-62	
Calkin, J.M.	\$1,757-19	
Connors, M.	\$1,859-92	
Fallon, S.P.	\$1,605-51	
Hughes, W.K.	<u>\$2,016-09</u>	<u>\$11,780-33</u>
		<u>(£5890.3.4d).</u>

This is  
 ( ~~THESE~~ the Annexure/ ~~XXXXXX~~ "B" referred to in 10  
 EUS { the annexed Affidavit of CHARLES ALLEN LAW sworn at  
 { Sydney on the 23rd day of June, 1966

Before me:-

E.U. Sayegh  
 A Commissioner for Affidavits  
 .....  
A-Justice-of-the-Peace.



IN THE SUPREME COURT  
OF NEW SOUTH WALES  
IN EQUITY

No. 948 of 1965.

IN THE MATTER of THE COMPANIES ACT 1961

AND IN THE MATTER of MARENE KNITTING  
MILLS PTY. LIMITED  
(IN LIQUIDATION)

On this 28th day of April in the year One thousand  
nine hundred and sixty six CHARLES ALLEN LAW of  
number 133 Pitt Street in the City of Sydney State of 10  
New South Wales official Liquidator being duly sworn  
makes oath and says as follows:-

1. I am the Official Liquidator of the abovenamed  
Company.
2. The Account hereunto annexed and marked with  
the letter "A" contains a full and true account  
of my realisations and disbursements in the  
above matter from the Twentieth day of September  
in the year One thousand nine hundred and sixty  
five to the Twentieth day of March in the year 20  
One thousand nine hundred and sixty six and I  
have not nor has any other person by my order  
or for my use during such period received any  
money on account of the said Company other than  
and except the items mentioned and specified in  
this said account.

SWORN by the Deponent on the day )  
first abovementioned at Sydney ) C. Law  
Before me:

C.L. Allen J.P.  
A Justice of the Peace.

30

253. Exhibit 17 - Affidavit  
of Charles Law -  
28 April, 1966

"A"

IN THE MATTER OF THE COMPANIES ACT 1961 AND  
IN THE MATTER OF MARENE KNITTING MILLS PTY. LIMITED,  
(IN LIQUIDATION)

CHARLES ALLEN LAW - OFFICIAL LIQUIDATOR

ACCOUNT SHOWING REALISATION AND DISBURSEMENTS

FROM THE TWENTIETH DAY OF SEPTEMBER 1965  
TO THE TWENTIETH DAY OF MARCH, 1966

REALISATIONS

<u>DATE:</u>		<u>AMOUNT</u>	<u>10</u>
1965.			
SEPT. 23	C.B.S. HAYMARKET - CASH ON HAND	454.18. 2	
OCT. 8	CLEM T. KING PTY. LIMITED	12. 0. 0	
12	JAMES WHITWEAR - DEPOSIT ON SALE OF ASSET	855. 0. 0	
15	JAMES WHITWEAR - BALANCE ON SALE OF ASSETS	7695. 0. 0	
	CLEM T. KING PTY. LTD.	6.10. 0	
22	MARENE DISTRIBUTORS PTY. LTD. FORMALITY KNITTING CO. - SALE OF VEHICLE	407. 2. 5	20
NOV. 8	AUSTRALIAN GAS LIGHT CO. - REFUND OF DEPOSIT	13.19. 5	
10	P.J. HUGHES	65. 8.11	
15	SYDNEY COUNTY COUNCIL - REFUND OF DEPOSIT	5.10. 0	
23	M.R. DELOITE & WALKER TRUST ACCOUNT - REFUND OF INSURANCE PREMIUM	132. 3. 7	
		<hr/>	
		£9947.12. 6	
		<hr/> <hr/>	

Exhibit 17 - Annexure  
 "A" to the Affidavit  
 of Charles Law -  
 28 April, 1966

DISBURSEMENTS.

<u>DATE:</u>		<u>AMOUNT</u>	
<u>1965.</u>			
OCT.	12 COMMONWEALTH DEVELOPMENT BANK - HIREPURCHASE PAYMENT	10. 0. 0	
	13 WAGES - F. ROBERTS	84. 0. 0	10
	BUANS DYE WORKS (SALES) PTY. LTD.	39. 1. 5	
	LAURENCE J. FOSTER AGENCIES PTY. LTD.	41. 6. 8	
	WAGES & HOLIDAY PAY - F. ROBERS	46.14.10	
	19 BANK FEE	5. 0	
NOV.	5 MANSION HOUSE INVESTMENTS - RENT	60. 6. 5	
	V. GREENBERG - STOCKTAKING	58.10. 0	
	12 JOHN FAIRFAX & SONS PTY. LTD.	37.18. 6	
	16 C. MONTAGUE ORR & CO. - ACCOUNTANCY FEE	78.15. 0	
DEC.	13 POSTAL DEPARTMENT - TELEPHONE	13.17. 0	20
	SYDNEY COUNTY COUNCIL - ELECTRICITY	12.11.10	
<u>1966.</u>			
JAN.	21 BANK FEE	5. 0	
		<u>£483.11. 8</u>	

This is the Annexure marked "A" referred to in  
 the Affidavit of CHARLES ALLEN LAW Sworn at  
 Sydney in the State of New South Wales this  
 28th day of April 1966.

Before me: C.L. Allen J.P.  
A Justice of the Peace. 30

CAL:CC

13th October, 1965

The Manager,  
James Knitwear Pty. Ltd,  
42 Ocean Street,  
B O N D I.

Attention Mr. Herzberg

Dear Sir,

Marene Knitting Mills Pty, Limited (InLiq.)

I am pleased to accept your offer of £8,550 for the assets of the above Company, as tendered for by you in accordance with the conditions as stated in the Tender form.

10

Enclosed is a receipt for your cheque for £855 paid by way of deposit, leaving a balance of £7695 outstanding, which sum is payable forthwith.

Upon receipt of this balance of £7695, I shall be pleased to arrange for delivery of the assets for which you tendered.

Yours faithfully,

Encl.

Liquidator

20

256.

Exhibit 2 - Copy  
Letter from Liquidator,  
Marene Knitting Mills  
Pty. Limited

Sales Room & Store  
 57 North George Street  
 27 3624 - Sydney  
 Telegrams & Cables  
 "Strangelim" Sydney

Administrative Office:  
 I.C.I. House, 61-69  
 Macquarie Street -  
 27 4801-2-3

SYDNEY, 21st October, 1965

Account Sale No. V. 3289 & 3290

F R S

Ex: Hornsby Knitting.

F.R. STRANGE PTY. LIMITED  
 As Agents for Vendors 10

RECEIVED  
 26 OCT 1965  
 H.W. SWANTON & CO.

Account Sales  
 for and on behalf of  
MESSRS. H.W. SWANTON & COMPANY

		£	s.	d.	
Total sale at auction as per detailed lists attached:-					
Folio One ... ..		1,611	5	9	
Folio Two ... ..		25	19	0	20
GROSS PROCEEDS		1,637	4	9	
<u>LESS CHARGES</u>					
Labour and sorting	125 2 6	62	11	3	
Receiving and Delivery	104 2 6	114	12	6	
	229 5 0				
Cartage Rubbish to tip	4 10 0	2	5	0	
Printing of Catalogues	29 14 7	(H)	(J)		
	34 4 7	17	2	3/4	
Postage					
Insurance					30
Advertising Sydney Morning Herald	26 19 0	13	9	6	
	156 11 6				
Our fee	(£68 5 0)	34	2	6	
		(H)	(J)		
		£40	18	7/8	
COMMISSION	81 17 3	238	8	9	
E.&.O.E. NETT PROCEEDS £		1,398	16	0	

Exhibit 15 - Account  
 from F.R. Strange  
 Pty. Limited

Sales Room & Store  
 57 North George Street  
 27 3624 - Sydney  
 Telegrams & Cables  
 "Strangelim" Sydney

Administrative Office:  
 I.C.I. House, 61-69  
 Macquarie Street -  
 27 4801-2-3

SYDNEY, 21st October, 1965

A/Sales V. 3289 & 3290

F R S

F.R. STRANGE PTY. LIMITED  
 As Agents for Vendors

10

EX. HORNSBY KNITTING

FOLIO ONE.

RECEIVED

26 OCT 1965

Account Sales  
 for and on behalf of

H.W. SWANTON & CO.

MESSRS. H.W. SWANTON & CO.

		£	s	d	
J	12 Pr. Trousers @ 17/6	10	10	0	
J	18 Pr. Trousers @ 17/6	15	15	0	
	126 doz. "Lightning" 6" Zippers	22	10	0	
	72 doz. "Lightning" 18" Zippers	21	0	0	20
J	Ladies Raincoats 4 @ 22/6	4	10	0	
J	3 Ladies Windjackets @ 17/6	2	12	6	
J	2 Gents Windjackets @ 12/6	1	5	0	
J	21 Childrens Topcoats @ 12/-	12	12	0	
	{ 177 Mens Wool Cardigans @ 15/-	132	15	0	
	{ 6 Mens Wool Sweaters @ 11/-	3	6	0	
	{ 426 Mens Wool Sweaters @ 11/-	234	6	0	
	{ 3 Mens Wool Sweaters @ 11/6	1	14	6	
	{ 3 Mens Wool Sweaters @ 10/-	1	10	0	
	{ 27 Mens Wool Sweaters @ 10/-	13	10	0	30
	{ 8 Mens Wool Sweaters @ 11/6	10	7	0	
1/3J	{ 24 Mens Wool Sweaters @ 10/-	12	0	0	
	{ 24 Mens Wool Sweaters @ 11/6	13	16	0	
2/3H	{ 150 Boys Wool Sweaters @ 10/-	75	0	0	
	{ 99 Boys Wool Sweaters @ 11/6	56	18	6	
	{ 3 Boys Wool Cardigans @ 11/6	1	14	6	
	{ 3 Boys Wool Cardigans @ 11/6	1	14	6	
	{ 120 Boys Wool Cardigans @ 10/-	60	0	0	
	{ 36 Mens Wool Sweaters @ 10/-	18	0	0	
	{ 9 Ladies Wool Cardigans @ 23/-	10	7	0	40
	{ 99 Ladies Wool Cardigans @ 20/-	99	0	0	
	{ 114 Ladies Wool Cardigans @ 17/-	96	18	0	
	{ 45 Ladies Wool Sweaters @ 14/6	32	12	6	
	{ 126 Ladies Wool Sweaters @ 14/6	91	7	0	
	{ 18 Ladies Wool Sweaters @ 12/6	11	5	0	
	{ 120 Ladies Wool Sweaters @ 12/6	75	0	0	
	{ 39 Ladies Wool Sweaters @ 12/6	24	7	6	
J	129 Boys "T" Shirts @ 5/-	32	5	0	
J	144 Ladies Cotton Shirts @ 4/-	28	16	0	
J	204 Ladies Cotton Shirts @ 7/-	71	8	0	50
J	21 Ladies Cotton Shirts @ 4/9	4	19	9	
J	48 Ladies Cotton Shirts @ 4/-	9	12	0	

Exhibit 15 - Account  
 from F.R. Strange  
 Pty. Limited

Exhibit 15 - Account  
from F.R. Strange  
Pty. Limited

J 47 Asstd. Mens Sports Shirts @ 3/-	7	1	0	
J 117 Boys Sports Shirts @ 2/6	14	12	6	
J 6 Ladies Skirts & 7 Jerkins @ 12/-	7	16	0	
Qty. Childrens Asstd. Shirts & Cardigans	4	10	0	
J Qty. Swimsuits	6	0	0	
1/3J { 15 Mens Cardigans @ 16/-	12	0	0	10
{ 88 Mens Pullovers & Cardigans @ 7/-	30	16	0	
{ 16 Mens S/Less Pullovers etc. @ 11/-	8	16	0	
2/3H { 168 Childrens Pullovers & Cardigans @ 6/6	54	12	0	
J 60 Childrens & Mens Asstd. Sports Shirts @ 5/-	15	0	0	
J 5 Ladies Suits	11	0		
J 2 Ladies Jerkins	10	0		
124 Ladies Sweaters & Cardigans @ 8/-	49	12	0	20
J 63 Ladies Sports Shirts @ 3/-	9	9	0	
J 80 Asstd. Ladies Sports Shirts & Sweaters @ 4/-	16	0	0	
J Qty. Rolls and pieces asstd. Materials	51	0	0	
J 24 Doz. Combs @ 4/- Doz.	4	16	0	
J 48 Doz. Combs	3	0	0	
	<hr/>			
	£	1,611	5 9	
	<hr/> <hr/>			

E. & O. E.

Sales Room & Store  
57 North George Street  
27 3624 - Sydney  
Telegrams & Cables  
"Strangelim" Sydney

Administrative Office:  
I.C.I. House, 61-69  
Macquarie Street -  
27 4801-2-3

SYDNEY, 21st October, 1965

A/Sales V. 3289 & 3290

F R S

F.R. STRANGE PTY. LIMITED  
As Agents for Vendors 10

EX. HORNSBY KNITTING.

FOLIO TWO.

RECEIVED  
26 OCT 1965  
H.W. SWANTON & CO.

Account sales  
for and on behalf of  
MESSRS. H.W. SWANTON & CO.

-----

	£	s	d	
J 54 Doz. Combs @ 3/-	8	2	0	
30 Mop Heads @ 6d		15	0	
6 Doz. Pot Scourers		10	0	20
J 25 Pcs. Asstd. Ladies Clothing	1	0	0	
3 Childrens Cardigans & Sweaters @ 4/-		12	0	
Quantity Cones Assorted Yarns	15	0	0	
	<hr/>			
	£	25	19	0
	<hr/> <hr/>			
E. & O. E.	<hr/>			
	£	<hr/> <hr/>		





Telephone MA 1654

"MARENE" KNITTING MILLS  
PTY. LTD.

First Floor, Mansion House,  
182 Elizabeth Street,  
Sydney

11th January, 1966

RECEIVED  
12 JAN 1966  
H.W. SWANTON & CO.

10

H. W. Swanton & Co.,  
9 Hunter Street,  
S Y D N E Y.

Attention: Mr. Swanton.

Dear Sir,

When I saw you last I promised to obtain some lists of knitting machines which are at present being offered for sale. I have been able to borrow some lists and have picked out a few machines which are similar to our numbers. The first group are from the Felt & Textiles of Queensland Ltd, list and the second group from the George Black Pty. Ltd. list.

20

WILDT SPENSA PURL SPD, 16" dia, 5 gauge 240 needles, with 2 pattern units, 4 feeds. All purl fabrics & Plain balbriggan. No striping. Automatic oiling and electric counter. £1325.

WILDT SPENSA PURL SPD, 16" dia. 8 gauge, 400 needles, with 2 pattern units, 4 feeds. All purl fabrics and plain balbriggan. No striping. £810.

30

New £5500 BENTLEY SPJ, 22" dia. 6½ gauge, 480 needles 6 pattern units, 6 4-finger striping units, one each feed, Electric stop motion top and bottom, 2 speed. In as new condition. £4815.

BENTLEY RS. 22 18" dia. 10 x 10 rib, 4 feeds with 4 finger striping each feed. Suitable for all types of 2 x 1, 1 x 1 or plain band settings in striped or self colour. Fully motorised with electrical stopmotion and oiling system. Chain control. £1220.

40

SUPREME SAAF/ON, 18 gauge, 26" dia. 1500 needles. 32 feeds each 4 finger striping

Exhibit 3 - Letter to  
H.W. Swanton & Co.

boxes. Pattern wheels each feed, elastic lay in attachment fitted. Electric stop-motion. Has extra feed & cam arrangement to make types of eyelet fabric by throwing stitches off needles. Fully motorised. £5360.

H. W. Swanton & Co.                      -2-                      11,1,66.

SUPRMEM SAAF/ON, 18 Gauge 26" dia. 1500 needles. 10  
Details as above. £5450.

MELLOR BROMLEY. S.A.S. Super Loop 12 gauge 14" dia. open top web. Yarn feed wheel control to eliminate drag off cones to feed, this stabilises stitch construction. 8 feeders with 4 finger stripers at each feed. No pattern wheels. Spare plaiting feeds to change from striping feeds to plain. Fully motorised, electric stop-motion and fault detectors. £600. 20

MELLOR BROMLEY S.A.S. Super loop 12 gauge 16" dia. Details as above. £620.

STOLL DOFMO/Z, fully automatic card control and widening. 33" bed, 12 gauge, 6 feeds, flat machine.  
Does body and sleeve lengths all types trimmings.  
Does not transfer. Fully motorised drive. Double action carriage. £1195.

SCOTT & WILLIAMS M.F.R.C. 20 x 20 gauge, 30" dia. 30 feeds, garmet length machine. 30  
Knits on a 1 x 1 Rib end basque with separation drawthread. Chain control. Fully motorised. Electric stopmotion. £2935.

George Black Pty. Ltd.

MAYER 32 feeders, 30" 20 gauge, Interlock only simple pique. 4 years old fitted with feed wheels. £3,500.

18  
MAYER 44 feed 30" 20 gauge double knit; fitted with Rosen system; Bourelet and Milano rib etc. cams. 12 months old; perfect condition, re-neededled, etc. £5,500 40

MELLOR BROMLEY RLGTS 10 gauge 20" diameter. £1,200.

SUPREME 18 cut, 26" diameter, 32 feeders;

Exhibit 3 - Letter to  
H.M. Swanton & Co.

1488 needles; 144 tricks in pattern wheels.  
About 5 years old with striping etc. This  
machine would not have done more than 3  
full months' work and at this time has not  
worked for 2½ years, although samples were  
recently done on the machine and it is in  
perfect running order. £3,750.

WILDT RTR 4 JS 18" diamter, 9 gauge. Serial  
No.6533. 4 feeders. £1,375. 10

ME LLOR BROMLEY 5/RLGTPS two 18" diameter,  
8 gauge, 4 feeder, serial nos. RP 6799 &  
RP6645, Two 16" diameter, 8 gauge, 4 feeder,  
Serial Nos. RP7484, & RP 6638. £1,700.

H.W. Swanton & Co. -3- 11,1,66.

WILDT RS 22 18" diameter, 12 gauge, 4 feeder,  
Drawthread. £1,100.

BERRIDGE Model 99, 30" diameter, M 10 NPI,  
12 feeders, jacquard machines built 1949,  
1950, 1951. £3,300 20

REGENT JP 20" diameter, 6 feed jacquard  
machine fitted with 2 years old Crawford  
stopmotion, in running order. £577.

If you should wish to check these prices on  
the lists I could probably obtain a loan of them  
again from one of the agents.

I am naturally anxious to know how things are  
progressing, would you please ring me and let me know.

Yours faithfully, 30  
FELA KNITTING CO.

L. Herszberg  
L. Herszberg.

Telephone MA 1654

Hornsby Knitting Company  
"MARENE" KNITTING MILLS  
PTY. LTD.

First Floor, Mansion House,  
182 Elizabeth Street,  
Sydney

RECEIVED  
-3 FEB 1966  
H.W. SWANTON & CO.

2nd February, 1966.

10

Mr. H. W. Swanton,  
H. W. Swanton & Co.,  
9 Hunter Street,  
S Y D N E Y.

Dear Mr. Swanton,

We enclose herewith a copy of a letter which we have sent today to Mr. K. Townsend of Wm. Townsend & Sons Pty. Ltd.

As you know, our solicitor, Mr. Spurling of Higgins, de Greenlaw & Sisley, is handling the matter with the Council and we also have other avenues of assistance here, so we hope we will get a result soon.

20

We must go back to Hornsby as we have already lost a number of our employees here in Elizabeth Street because it is too far for them to travel and those who are still with us have to have their fares paid for the extra travelling and also there is the time involved. Good skilled labour is scarce in the city and, when you can get it, it is very expensive. About 90% of our staff from Hornsby are waiting there for us to re-open, so we hope that this matter can be cleared up satisfactorily as quickly as possible.

30

With regard to our machinery claim, we thank you for the progress payment we received last week. You will remember that last November, during our discussions on this subject, you did give us to understand that it would be completely settled in a very short time and then, before Christmas, when you gave us a progress payment, we were told it would be finalised within a week. Mr. Foxall, after his discussion with you early last week, told us that it should be completed within a week or so. Therefore you will appreciate that we had expected the machinery claim would be

40

Exhibit 5 - Letter to  
H.W. Swanton

completely settled by now and we would be pleased if  
this could be accomplished at the earliest possible  
date.

Yours faithfully,  
HORNSBY KNITTING CO.

L. Herzberg  
L. Herzberg.

Encl.

10

Telephone MA 1654

Hornsby Knitting Company  
"MARENE" KNITTING MILLS  
PTY. LTD.

First Floor, Mansion House,  
182 Elizabeth Street,  
Sydney

2nd February, 1966.

Wm. Townsend & Sons Pty. Ltd.,  
169 First Avenue,  
FIVEDOCK, N.S.W.

10

Attention: Mr. Ken Townsend.

Dear Mr. Townsend,

Confirming our conference of last week, when we discussed the fact that the Council required that the cottage at Hornsby be demolished and this was caused by the fire, so you were going to give Mr. Swanton a quote for re-building this cottage as well, but from the building claim we have received from Mr. Swanton this does not appear to have been done.

We are now negotiating with the Council through our solicitors and we hope soon to get permission to re-build. Then, of course, the cottage has to be re-built, but the Council require it to be demolished because of the fire damage,

20

What we would like to know is:

1. How long after we get Council approval can you start to re-build, and how long will it be before everything is completed?
2. Since our discussions with the Council have shown that they will definitely not agree to the cottage not being demolished, and we explained this to you, is the price for the complete re-building included in your quote?

30

Our lease here is expiring and we must go back to Hornsby so an early reply to our inquiries would be appreciated.

Yours faithfully,  
HORNSBY KNITTING CO.

L. Herszberg

L. Herszberg.

40

Exhibit 5 - Original  
Letter to William  
Townsend & Sons Pty.  
Limited

2nd February, 1966.

Wm. Townsend & Sons Pty. Ltd.,  
169 First Avenue,  
FIVEDOCK, N.S.W.

Attention: Mr. Ken Townsend.

Dear Mr. Townsend,

Confirming our conference of last week, when we discussed the fact that the Council required that the cottage at Hornsby be demolished and this was caused by the fire, so you were going to give Mr. Swanton a quote for re-building this cottage as well, but from the building claim we have received from Mr. Swanton this does not appear to have been done. 10

We are now negotiating with the Council through our solicitors and we hope soon to get permission to re-build. Then, of course, the cottage has to be re-built, but the Council require it to be demolished because of the fire damage.

What we would like to know is:

1. How long after we get Council approval can you start to re-build, and how long will it be before everything is completed? 20
2. Since our discussions with the Council have shown that they will definitely not agree to the cottage not being demolished, and we explained this to you, is the price for the complete re-building included in your quote?

Our lease here is expiring and we must go back to Hornsby so an early reply to our inquiries would be appreciated. 30

Yours faithfully,  
HORNSBY KNITTING CO.

L. Herszberg.



Friday

§3

§ - 3.00

THIS DEED made this 29th day of June One thousand nine hundred and sixty-six BETWEEN PETER JOHN HUGHES of Summer Hill Junee Reefs in the State of New South Wales Grazier and ALMA IRENE BUCKLEY of 6 Daintrey Court Daintrey Crescent Randwick in the said State Widow (hereinafter called "the former Directors") of the first part MARENE KNITTING MILLS PTY. LIMITED a company duly incorporated in the State of New South Wales and having its registered office at Suite 3 First Floor 411a New South Head Road Double Bay in the said State and now in liquidation (hereinafter called "the company") of the second part CHARLES ALLEN LAW of 133 Pitt Street Sydney in the said State Chartered Accountant (hereinafter called "the Liquidator") of the third part AND FELA INVESTMENTS PTY. LIMITED a company duly incorporated in the State of New South Wales and having its registered office at Suite 3, 2nd Floor, 161 Clarence Street, Sydney in the said State (hereinafter called "Fela") of the fourth part WHEREAS the former Directors were the two and only Directors of the Company AND WHEREAS the Liquidator was duly appointed the Liquidator of the Company on the 20th day of September 1965 NOW THIS DEED WITNESSETH as follows:-

10

20

1. The former Directors hereby jointly and severally warrant and it is a condition of this Deed that at the date hereof:-

- (a) The nominal capital of the Company is Ten Thousand Pounds (£10,000.0.0) divided into Ten thousand ordinary shares of One Pound (£1.0.0.) each;
- (b) the whole of the issued capital of the Company is three thousand seven hundred and two (3,702) ordinary shares of One Pound (£1.0.0) each fully paid which are held by the following persons (hereinafter together called "the shareholders" 10

2.

<u>HUGHES</u> , Peter John	371 Ordinary shares of £1.0.0. each fully paid	
<u>CONNORS</u> , Margaret	370 Ordinary shares of £1.0.0. each fully paid	20
<u>FALLON</u> , Shirley Patricia	370 Ordinary shares of £1.0.0. each fully paid	
<u>HUGHES</u> , Mary Kathleen	370 Ordinary shares of £1.0.0. each fully paid	
<u>CALKIN</u> , June Mary	370 Ordinary shares of £1.0.0. each fully paid	30

Exhibit 20 - Deed -  
29 June, 1969

BUCKLEY, Alma Irene      1851 Ordinary shares of  
   £1.0.0. each fully  
   \_\_\_\_\_ paid  
  
   3702 Ordinary shares of  
          £1.0.0. each fully  
          paid

- (c)      The two and only directors of the Company  
                 were the said Peter John Hughes and Alma      10  
                 Irene Buckley.
- (d)      The Balance Sheet and Profit and Loss  
                 Account of the Company drawn up as at  
                 the 21st day of June 1966 and signed by  
                 the Liquidator which have been delivered  
                 to and inspected by and on behalf of  
                 Fela are true and accurate statements of  
                 the assets and liabilities of the Company  
                 and present a true and fair view of the  
                 state of the financial affairs of the      20  
                 Company at such date;
- (e)      The assets and liabilities (actual pros-  
                 pective or contingent) of the Company  
                 and all provisions are as shown in the  
                 said Balance Sheet.
- (f)      The Company has no amounts outstanding  
                 under any mortgages charges or debentures  
                 or other liabilities (actual prospective  
                 contingent or otherwise) except such as  
                 are disclosed in the said Balance Sheet;      30

Exhibit 20 - Deed -  
29 June, 1969

(g) The Company has not issued or agreed to issue or given or agreed to give any option in respect of any shares or stock;

3.

(h) The Company has complied with the appropriate statutory requirements;

(i) The copy income tax returns for the years ended 30th day of June, 1963, 1964 and 1965 respectively which have been delivered to and inspected by and on behalf of Fela are true copies of the original returns; 10

(j) The Company has no litigation pending against it nor are there any legal proceedings civil or criminal pending or threatening nor is there any claim at present subsisting against the Company which may result in legal proceedings; 20

(k) The Company has not entered into any contract or contracts of an onerous nature and there are no service agreements in existence;

(l) The Company has not since the 30th day of June, 1965 -

(i) declared any dividend or bonus or other distribution of profits;

Exhibit 20 - Deed -  
29 June, 1969

- (ii) in any way departed from the ordinary course of its business;
  - (iii) paid or agreed to pay to the directors or any other employee of the Company or any of them remuneration or other emoluments or benefits other than normal entitlements to long service leave holiday pay etc.; 10
  - (iv) created or issued any share or loan capital;
  - (v) amended or in any way altered the Articles of Association.
- (m) The losses deemed to have been incurred by the company as at the 30th day of June, 1965 in terms of Section 80 of the Income Tax and Social

5.

as Fela may require.

5. On the execution of this Deed the former Directors and the Liquidator will cause to be delivered to Fela or its representatives the Common Seal Register of Members Register of Mortgages and Charges Minute Books Books of Account copies of all statutory returns and assessments and all records documents and papers relating to the business and property of the Company. 10

6. Any notice given pursuant to this Deed shall be sufficiently served -

- (a) If delivered personally;
- (b) if left at the last known place of abode or business of the person to be served;
- (c) if sent by post in a registered letter addressed to the person to be served by name at his aforesaid place of abode or business and such service shall be deemed 20 to be made when the registered letter would in the ordinary course be delivered; or
- (d) in such manner as a Court may direct.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and affixed their seals on the day and year first hereinbefore written.

SIGNED SEALED AND DELIVERED

by the said PETER JOHN HUGHES

in the presence of:-

(Signed)

.....

)  
) P.J. Hughes  
)

SIGNED SEALED AND DELIVERED

by the said ALMA IRENE BUCKLEY

in the presence of:

J. Newton

.....

)  
) A. Buckley  
)

10

6.

THE COMMON SEAL of MARENE KNITTING

MILLS PTY. LIMITED was hereunto

affixed by the direction of

Charles Allen Law the Liquidator

of the said Company in the

presence of:

A. Buckley

.....

)  
) P.J. Hughes  
) A. Buckley  
) C.A. Law  
)

SIGNED SEALED AND DELIVERED by

the said CHARLES ALLEN LAW in

the presence of:

C.L. Allen

.....

)  
) C.A. Law  
)

20

THE COMMON SEAL of FELA INVEST-

MENTS PTY. LIMITED was hereunto

affixed by Order of the Board

of Directors in the presence of:

.....

)  
)  
)  
)

MINUTES OF MEETING OF DIRECTORS OF MARENE KNITTING  
MILLS PTY. LIMITED HELD AT THE OFFICES OF MR. C.A. LAW,  
133 PITT STREET, SYDNEY ON 29th JUNE, 1966 AT 4.00 P.M.

PRESENT: Mr. P.J. Hughes  
Mrs. A.I. Buckley  
By invitation - Messrs. L. Herszberg  
C. Orr  
C.A. Law  
D.G. Molesworth  
B.E.R. Jones 10  
O.D. Sperling  
W.M. Jacques

DIRECTORS: It was resolved that Mr. L. Herszberg  
and Mrs. F. Herszberg be appointed Directors of  
the Company. Consents to act as Directors were  
tabled.

SECRETARY: It was resolved that Mrs. F. Herszberg be  
appointed Secretary of the Company.

PUBLIC  
OFFICER: It was resolved that Mrs. F. Herszberg 20  
be appointed Public Officer for the purposes of  
the Income Tax Acts, the Sales Tax Acts and Pay  
Roll Tax Acts.

TRANSFER OF  
SHARES: It was resolved that, subject to stamping  
by the Stamp Duties Office, the following shares  
be transferred -

Mrs. A.I. Buckley	to Fela Invest. Pty.Ltd.	1	shares	
Mrs. A.I. Buckley	to Fela Invest.Pty.Ltd.	1850	"	
Mr. P.J. Hughes	to Fela Invest.Pty.Ltd.	370	"	30
Mr. P.J. Hughes	to Laib Herszberg	1	"	
Mrs. M. Connors	to Fela Invest.Pty.Ltd.	370	"	
Mrs. S.P. Fallon	to Fela Invest.Pty.Ltd.	370	"	
Mrs. M.K. Hughes	to Fela Invest.Pty.Ltd.	370	"	
Mrs. J.M. Calkin	to Fela Invest.Pty.Ltd.	370	"	

RESIGNATION  
OF DIRECTORS: It was resolved that the resignations  
tabled by Mr. P.J. Hughes and Mrs. A.I. Buckley  
as Directors of the Company be and are hereby  
accepted. 40

RESIGNATION OF  
SECRETARY AND  
PUBLIC OFFICER: It was resolved that the resignations  
tabled by Mrs. A.I. Buckley as Secretary and  
Public Officer of the Company be and are hereby  
accepted.



REGISTERED

OFFICE: It was resolved that the Registered  
Office of the Company be situated at 68 Campbell  
Street, Sydney.

AUDITOR: It was resolved that the resignation of  
Mr. C. Montague Orr as Auditor of the Company be,  
and is hereby accepted.

10

CHAIRMAN.

HORNSBY KNITTING COMPANY AND FELA KNITTING COMPANY

BALANCE SHEET AS AT 30TH JUNE, 1966

CAPITAL ACCOUNT - L & F. Herszberg

Balance - 1st July, 1965	101,934	
<u>Add</u> Fire Claim - Building	29,854	
" " - Plant	99,992	
Revaluation of Land to Valuer General's Valuation - 23rd August, 1965	1,742	
Capital provided from Private Account	26,273	10
	<u>259,795</u>	
<u>Less</u> Fire Claims paid direct to -		
Private Account	98,452	
Drawings	4,921	
Salaries	5,992	
Plant and Furniture		
Written Off	29,438	
Net Loss	<u>74,398</u>	
	<u>213,201</u>	
<u>BALANCE AS AT 30th JUNE, 1966</u>	<u>\$46,594</u>	20

REPRESENTED BY:-

CURRENT ASSETS

Stock on Hand	40,757	
Loan - Fela Investments Pty. Limited	600	
Sundry Debtors	29,643	
Hire Purchase Charges	251	
Deposits	<u>102</u>	
<u>TOTAL CURRENT ASSETS</u>	71,353	

LESS - CURRENT LIABILITIES

Commercial Bank of Australia Limited	4,573	
Sundry Creditors	41,405	
Loans - James Knitwear Pty. Limited	28,476	
Commonwealth Development Bank of Australia	<u>2,016</u>	
<u>TOTAL CURRENT LIABILITIES</u>	<u>76,470</u>	
	5,117	

FIXED ASSETS

Land and Buildings - at Valuer General's Valuation	<u>22,400</u>	<u>          </u>
Carried Forward	22,400	5,117

HORNSBY KNITTING COMPANY AND FELA KNITTING COMPANY

BALANCE SHEET AS AT 30th JUNE, 1966 CONT'D

<u>Brought Forward</u>	22,400	5,117
------------------------	--------	-------

FIXED ASSETS Cont'd

10

Plant and Machinery - at Cost	28,873	
<u>Less</u> Provision for Depreciation	<u>1,122</u>	
		27,751

Furniture and Fittings - at Cost, June, 1966	1,020	
<u>Less</u> Provision for Depreciation	<u>--</u>	
		1,020

Motor Vehicle - Holden	600		20
<u>Less</u> Provision for Depreciation	<u>60</u>		
		<u>540</u>	

51,711  
\$46,594

HORNSBY KNITTING COMPANY AND FELA KNITTING COMPANY

PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 30th JUNE, 1966

GROSS LOSS Transferred from Manufacturing and  
Trading Account 46,010

LESS:-

Accountancy Fees	2,126	
Advertising	1,982	
Bank Charges	102	
Building Maintenance	1,342	
Car Repairs and Expenses	1,319	10
Commission	1,590	
Depreciation	60	
Discount Allowed	1,933	
Freight and Cartage	2,869	
General Expenses	548	
Insurance	622	
Interest - Bank	754	
Patent Attorney Fees	104	
Packing	977	
Printing and Stationery	227	20
Rates and Taxes	386	
Salaries	3,000	
Stamps and Telegrams	20	
Telephone	552	
Travelling Expenses	1,990	
Rent	2,157	
Long Service Leave	238	
Legal Expenses	685	
Removal Expenses	<u>2,805</u>	
	<u>28,388</u>	30
<u>NET LOSS</u>	<u>\$74,398</u>	

HORNSBY KNITTING COMPANY AND FELA KNITTING COMPANY  
MANUFACTURING AND TRADING ACCOUNT FOR YEAR ENDED 30th  
JUNE, 1966

<u>SALES</u>	74,706	
<u>RECOVERED FROM INSURANCE COMPANY</u>	<u>96,912</u>	
	171,618	
 <u>DEDUCT:-</u>		
Stock on Hand - 1st July, 1965 -		
Trading	108,280	
Needles and Spares	<u>940</u>	10
	109,220	
Purchases	<u>109,689</u>	
	218,909	
 <u>LESS</u> Stock on Hand - 30th June, 1966		
Trading, Needles and Spares	<u>40,757</u>	
	178,152	
 Depreciation - Plant and Machinery		
Light and Power	1,122	
Needles and Repairs	682	20
Pay Roll Tax	4,873	
Wages	415	
	<u>32,384</u>	
	217,628	
	<u>217,628</u>	
 <u>GROSS LOSS</u> Transferred to Profit and Loss Account	 <u>\$46,010</u>	

Trade  
Marks

COMMONWEALTH OF AUSTRALIA

The Trade Marks Act 1955-1958

The particulars of the Application for Registration, as accepted under the provisions of Section 44(1) of the Trade Marks Act, are shown hereunder:-

CLASS 25.	A198,241	OFFICIAL 1 DEC 1966 JOURNAL	10
-----------	----------	-----------------------------------	----

A198,241. 28th Oct. 1965. James Knitwear Pty.Ltd., a company incorporated under the laws of the State of New South Wales, 182 Elizabeth Street, Sydney, New South Wales. Address for service - R.T. Gregory, 117 Pitt Street, Sydney, New South Wales.

Class 25. Goods: Articles of Clothing.

MARENE

REGISTERED 20 APR 1967 OFFICIAL JOURNAL	REGISTRATION RENEWED 27 JUL 1972 OFFICIAL JOURNAL	20
---	--	----

FOXALL GEEVES & WILLCOX

Chartered Accountants

Telephone: 29.4821 161 Clarence Street  
Cables - Telegrams: Sydney  
"Foxallco", Sydney Box 1821, G.P.O.

Charles James Foxall RECEIVED  
Alan Albert Geeves -8 MAY 1967  
John Sydney Willcox H.W. SWANTON & CO.

CJF/NJE

5th May, 1967

Messrs. H.W. Swanton & Co.,  
9 Hunter Street,  
SYDNEY, N.S.W.

10

Dear Sirs,

Re: Hornsby Knitting Company

Loss of Profits

We enclose details of expenditure and costs incurred by the abovenamed firm as a result of the fire on 2nd September, 1965. May we suggest that these be forwarded to Messrs. F.W. Duesbury & Company without comment for their perusal so that we may then commence discussions with them in relation to the various items. 20

The following schedules are included:-

1. Turnover by months from 1/7/63 to 31/8/65.
2. Turnover by months from 1/9/65 to 31/8/66. Indemnity
3. List of orders held at the date of the fire. Period
4. Account from Les Hughes Electrical Contractor for temporary electrical installations.
5. Sundry receipts for rents paid during temporary occupation of Mansion House. Rent was paid for these premises from 15/10/65 to 15/8/66 at a total cost of \$2157.49. \$246.67 per month 246.67 x 10 In addition rent was paid for premises in Campbell Street, Sydney. Details are being obtained. 30
6. Wages sheets in evidence of payments to key staff in the period subsequent to the fire. Total claims \$2877.12.
7. Schedule of expenses paid during the indemnity period. 40

In addition to the foregoing, it was necessary for O.K. trips to be made to Melbourne and Brisbane for the purpose of purchasing plant and the cost thereof was \$975.97.

Exhibit 8 - Letter  
to H.W. Swanton & Co.,  
5th May, 1967

Exhibit 8 - Letter  
to H.W. Swanton & Co.,  
5th May, 1967

No. Further a payment of \$238,00 was made to an employee  
for Long Service Leave.

Yours faithfully,

Foxall Geeves & Willcox

Encls.

284. Exhibit 8 - Letter  
to H.W. Swanton & Co.,  
5th May, 1967



Exhibit 8 - Letter  
to H.W. Swanton & Co.,  
5th May, 1967

HORNSBY KNITTING CO. PTY. LIMITED

TURNOVER FROM 1/7/63 to 31/8/65

<u>1963</u>		<u>£</u>	
July		5585.19. 2	
August		5465. 4. 3	
September	}		
October		4019. 9. 0	10
November			
December		2491.19. 1	
 <u>1964</u>			
January	}		
February		11625.13. 2	
March		13153. 2. 9	
April		9445. 0. 1	
May		11288. 4. 9	
June		<u>75231.11. 2</u>	<u>12156.18.11</u>
July		5364.12. 5	20
August		5182. 9.10	74727.10.-
September	}		
October		2759. 5. 9	
November			
December		10724. 2. 3	
 <u>1965</u>			
January		9940.14. 6	
February		13273. 5. 4	92487.19.1
March		14793.14. 9	
April		11954.19. 4	30
May		12337.12.11	
June		<u>96990.13. 6</u>	<u>10659.16. 5</u>
July		6044. 7.10	
August			
	96991		
	<u>75232</u>		
	21759	22.5% increase	92488
			<u>74728</u>
			17760
			19.2% increase
	96991	92488	184976
	21823	17758	235000
+22.5%	<u>£118814</u>	<u>£110246</u>	50024
	\$237,628	\$220,492	.27% increase

Annual Turnover \$235,000

Exhibit 8 - Letter  
to H.W. Swanton & Co.,  
285, 5th May, 1967

Exhibit 8 - Letter  
to H.W. Swanton & Co.,  
5th May, 1967

HORNSBY KNITTING CO. PTY. LIMITED

TURNOVER 1/9/65 to 31/8/66

<u>1965</u>	<u>\$</u>	
September	-	
October	-	
November	1005.20	
December	2271.52	10
 <u>1966</u>		
January	3818.65	
February	2900.87	
March	13070.63	
April	8982.73	
May	18421.23	
June	12148.46	
July	4553.55	
August	12855.00	
	<u>80,027.84</u>	20

HORNSBY KNITTING CO. PTY. LIMITED

ORDERS HELD

	<u>\$</u>	
D. & W. Murray Approx.	50,000.00	
David Jones	14,000.00	
Myers Group (incl. Farmers)	20,000.00	
Rothchild, Melb.	16,000.00	
Hattams, Vic	5,000.00	
L. & S. Trading Co. Sydney	24,000.00	
Hertex	15,000.00	30
London Store, Melb.	6,000.00	
Sydney Stores	50,000.00	
Newcastle & District	20,000.00	
Queensland	20,000.00	
S.A. & W.A.	10,000.00	
G.J. Coles	8,000.00	
Cost of Replacing Sample Ranges and Colour Swatches	1,000.00	
	<u>\$259,000.00</u>	

Exhibit 8 - Letter  
to H.W. Swanton & Co.,  
5th May, 1967

Phones: JA 5937  
WM 4279

Invoice 44 Dalrymple Avenue  
Chatswood

13.3.67 ..... 196 ..

DR. TO LES HUGHES  
ELECTRICAL CONTRACTOR No. 233

M....Fela Knitting Company .....  
.....

---

Statement of account for period from  
Nov. 65 to June 66.

Electrical wiring to Boiler, Knitting  
Machines, Lights and Temporary  
Connections \$ 10  
£7,444.00  
L.C. Hughes

This account can be verified in details from Company  
Books.

3675	- 40	
2250	- 125	165
425		<u>7279</u>
<u>1093</u>		
7443		

L. & F. Herszberg,  
42 Ocean St.,  
BONDI.

2nd June, 1967.

Mr. Swanton,  
9-11 Hunter Street,  
SYDNEY.

RECEIVED  
-6 JUN 1967  
H.W. Swanton & Co.

Dear Mr. Swanton,

Thank you for your letter of 29th May; we  
apologise for not putting a date on our letter. 10

We know that Mr. Foxall was late in supplying  
the figures, but that was not altogether his fault.  
It was our office here which held them up, as we had  
12 changes in the office in 18 months. That didn't  
help our business. One didn't know what the other  
was doing, and some of them have even done callousies.

As you know, we have been established in Hornsby  
for 20 years, and we had no staff trouble at all. Mrs.  
Farrow was there for 18 years, and also the other  
office staff were there for a number of years. We 20  
could not persuade them to come into the city. The  
same trouble was with the factory staff. In the city,  
if we want a good worker, we have to pay very high  
prices, and for our merchandise, we can't afford it.  
Plus the fact that in Hornsby, there was no trouble in  
getting junior staff, and it didn't take us long to  
train them. But junior girls coming to the city are  
looking for office work or sales jobs., so there is  
very little opportunity to get juniour staff in the 30  
city. We are still looking forwards to shift back to  
Hornsby, where we were very well established. Here we  
are losing continuously.

A lot of customers took advantage of this change-  
over. As we couldn't send out statements, they didn't  
pay the accounts. We are losing a lot through this.  
They are looking for excuses, and after two years, they  
are expecting us to get them copies of invoices, which  
we eventually found. Now they are asking for signa-  
tures of deliveries, which are impossible to get from  
the carriers. So we have no leg to stand on. 40

That is only part of the picture of our troubles  
and losses caused by the fire, and that is what has  
coused the delay of supplying Mr. Foxall with his re-  
quirements.

I am thanking you for your efforts to get a quick

Exhibit 7 - Letter  
from L. Herszberg -  
288. 2nd June, 1967

Exhibit 7 - Letter  
from L. Herszberg -  
2nd June, 1967

Mr. Swanton

(2) 2nd June, 1967.

result of this claim. Is it possible to get some pro-  
gress payment at this stage?

Thanking you for your co-operation,

I am,

Yours faithfully,

L. Herszberg  
L. Herszberg.

10

NEW SOUTH WALES  
BUSINESS NAMES ACT, 1962

FORM 1

Section 7 (1)

APPLICATION FOR REGISTRATION OF A BUSINESS NAME

1. Business Name FELA KNITTING CO. ....
2. Where the Business is or is proposed to be carried on-
  - (a) at one address in New South Wales, state that address 68 Campbell Street, Sydney 10
  - (b) at more than one address in New South Wales, state - 2000
    - (i) the principal address .....
    - (ii) each other address .....

3. Concise description of nature of business Knitwear Manufacture

4. Names and other particulars of each applicant who is an individual and the corporate name and registered office in New South Wales of each applicant which is a corporation. 20

Christian Names and Surnames of each Individual and Corporate Name of each Corporation	Former Christian Names or Surname (if any) of each Individual	Usual Place of Residence of each Individual and Place of Registered Office in New South Wales of each Corporation
Note A  Laib Herszberg Fela Herszberg	Hemmer	} 42 Ocean St } Bondi <span style="float: right;">30</span>

5. Date or proposed date of commencement of carrying on business in New South Wales under the above-mentioned business name by the applicants 40  
 6th July, 1953
6. If the business name shown above (Item 1) is a name adopted in substitution for a business name already registered by the applicant(s), state that other name:-  
 ..... Fela Knitwear .....

Note C SIGNED at Sydney on the 10th day of July, 1967 40  
 L. Herszberg  
 (Usual signature)

Note C SIGNED at Sydney on the 10th day of July, 1967  
 F. Herszberg  
 (Usual Signature)

Note D SIGNED at ..... by ..... a director/ the manager/ the secretary/ the agent in New South Wales of ..... Limited.

Exhibit 4 - Application  
for Registration of a  
Business Name

on the ..... day of ..... 19 ..

.....  
(Usual signature)

Note  
E 7. Full name and address of registered agent  
authorised in writing, to accept service  
on behalf of the person(s), carrying on,  
or proposing to carry on, business under  
the above business name of any notices  
for the purposes of the Business Names  
Act, 1962, and of any process.

10

Full Name: .....  
of (address) .....

Signature of person who has consented,  
in writing to be the resident agent.

.....  
(Usual signature)

I, Francis John Owen Ryan: Registrar of  
Companies, being a person declared by the  
Attorney General by notification published  
in the Gazette on the Twenty-ninth day of  
December 1967 to be an approved person for  
the purposes of Section three of the Evidence  
(Reproductions) Act 1967 Do Hereby Certify pursuant  
to the Section that this transparency is made as  
a permanent record of a document in my custody  
or control.

Dated this 16th day of November 1970. F.J.O. Ryan

Exhibit 4 - Application  
for Registration of a  
Business Name

Document No. 639321  
Business Name No. C57869  
FEE: £2.0.0.

\$4 fee allowed from Renewal  
(CRRO1656)  
\$1 Bal fee pd 28/8/67 (Initial)  
PR 7520

10

NOTE A: If any individual BUSINESS NAME  
is an infant, insert after FELA KNITTING CO.  
his surname the word  
"infant" and date of his  
birth.

NOTE B: A business name  
cannot be registered more  
than two months before  
the proposed date of  
commencement of business.

20

NOTE C: The application  
shall be signed by the  
person or persons carrying  
on or proposing to carry  
on the business - or by  
some person or persons  
authorised in writing to  
sign the statement on his  
or their behalf.

APPLICATION FOR  
REGISTRATION OF  
A BUSINESS NAME

Lodged in the  
Office of the  
Registrar of  
Companies on  
28.8.67  
F.J.O. Ryan  
7 SEP 1967  
Registrar of  
Companies.

30

NOTE D: Where a corpora-  
tion is an applicant,  
strike out such of the  
words "a director/the  
manager/the secretary/the  
agent in New South Wales"  
as are inapplicable.

NOTE E: Item 7 is to be  
completed where the per-  
son or ALL the persons  
carrying on or proposing  
to carry on business in  
New South Wales under a  
business name resides or  
reside outside New South  
Wales or has or have no  
fixed address within the  
State.

Lodged by .....  
.....  
Telephone No. ..  
.....

40

I, Francis John Owen Ryan, Registrar of Companies, being a person declared by the Attorney General by notification published in the Gazette on the twenty-ninth day of December 1967, to be an approved person for the purposes of Section three of the Evidence (Reproductions) Act 1967 Do Hereby Certify pursuant to the Section that this transparency is made as a permanent record of a document in my custody or control.  
Dated this 16th day of November 1970. F.J.O. Ryan



FOXALL GEEVES & WILLCOX

Chartered Accountants

Telephone: 29.4821 161 Clarence Street  
 Cables - Telegrams: SYDNEY  
 "Foxallco", Sydney Box 1821, G.P.O.  
 Charles James Foxall  
 Alan Albert Geeves  
 John Sydney Willcox

CJF/NJE

2nd November, 1967

Messrs. F.W. Duesbury & Co.,  
 Chartered Accountants,  
 109 Pitt Street,  
SYDNEY, N.S.W. 2000

10

Attention: Mr. Noble

Dear Sir,

Re: L. & F. Herszberg

We set out below details of plant retained when the firm moved its business from Mansion House to Campbell Street:-

		\$	
3 Knitting Machines		6000	
2 " "		100	20
2 Sewing Machines		400	
Office Equipment		<u>200</u>	
		6700	as
			Campbell St.
<u>Sold</u>			
1 Flat Presser	400		
Sewing Machines	<u>110</u>	510	Sold
		7210	Residual
			Value
Cost of Plant purchased from			30
Marene Knitting Mills		<u>17100</u>	
	Scrapped	<u>\$9890</u>	

We shall be pleased to supply any further information you may require.

Yours faithfully,

Foxall Geeves & Willcox

Stock 2007 - Green \$20 600,000  
Plant 1957

Fire theft flood collision of overturned  
vehicles

\$300,000

Stock wool 187 Fire Flood collision &  
class of wool - overturning of vehicles

\$300,000

Plant - Exclusion national "disasters"  
6-1957

Moscow anyone different same ex. 59.  
.057

\$300

Just after & on certificate  
from & to former

supplies take

Marine Knitting  
Follow 60's

Greens & Barnwell, it

7 Semi-trailers Plant only

450,000  
500,000  
10,500

Stock by rail containers  
Blaine Fire with Fusconi  
Over land ten years

Exhibit 18 - Two pages of  
handwritten notes by Mr.  
Reid-Giltinan

\$8,000  
Blay \$10,000 of it  
Brick Walls  
Concrete Floor  
25' Lgt steel roof.

Double gyf brick wall. Fibres plaster.  
Steel work  
20 Hunklers  
in extinguisher box

535508 Abraham Heizberg

B  
Burling.

Funder Larkin.

of  
to  
Buss. each \$10,000  
Frank

\$10,000

277

\$1,000



# GREATER PACIFIC GENERAL INSURANCE LIMITED

Executive Office: 61-65 Wentworth Avenue, Sydney, N.S.W. 2010

**VICTORIA**  
101-103 King Street,  
MELBOURNE. 3000

**WESTERN AUSTRALIA**  
A.M.C. Building,  
8 Victoria Avenue,  
PERTH. 6000

**NEW SOUTH WALES**  
61-65 Wentworth Avenue,  
SYDNEY. 2010

**QUEENSLAND**  
I.A.C. Building,  
Cnr. Queen & George Sts.,  
BRISBANE. 4000

## FIRE POLICY

**In Consideration** of the insured named in the Schedule hereto having paid to the Greater Pacific General Insurance Limited (hereinafter called the Company) the Premium mentioned in the Schedule

**The Company Agrees** (subject to the Conditions contained herein or endorsed or otherwise expressed hereon which Conditions shall so far as the nature of them respectively will permit be deemed to be Conditions precedent to the right of the Insured to recover hereunder) that if the property insured described in the said Schedule, or any part of such Property, be destroyed or damaged by

- (1) **Fire** (whether resulting from explosion or otherwise) not occasioned by or happening through—
  - (a) Its own spontaneous fermentation or heating or its undergoing any process involving the application of heat;
  - (b) Earthquake, Subterranean Fire, Riot, Civil Commotion, War, Invasion, Act of Foreign Enemy, Hostilities (whether War be declared or not), Civil War, Rebellion, Revolution, Insurrection or Military or Usurped Power;
- (2) **Lightning;**
- (3) **Explosion** (i) Of Boilers used for domestic purposes only;
  - (ii) In a building not being part of any Gas Works, of Gas used for domestic purposes or used for lighting or heating the building;
 such explosion not being occasioned by or happening through any of the perils specified in (1) (b) above;

at any time before 4 o'clock in the afternoon of the last day of the period of insurance named in the said Schedule or of any subsequent period in respect of which the Insured shall have paid and the Company shall have accepted the premium required for the renewal of this Policy, the Company will pay to the Insured the value of the Property at the time of the happening of its destruction or the amount of such damage or at its option reinstate or replace such Property or any part thereof

**Provided that** the liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured thereon or in the whole the total sum insured hereby, or such other sum or sums as may be substituted therefor by memorandum hereon or attached hereto signed by or on behalf of the Company.

**In Witness whereof** this Policy has been signed by the authorised agent of the Company on the date stated in the Schedule.

Examined.....

**CANCELLED**  
Manager

## CONDITIONS

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

2. The Policy shall be avoided with respect to any item thereof in regard to which there be any alteration after the commencement of this insurance —

(a) by removal; or

(b) in the trade or manufacture carried on, or whereby the nature of the occupation of or other circumstances affecting the building insured or containing the insured property be changed in such a way as to increase the risk of destruction or damage; or

(c) whereby the building insured or containing the insured property become unoccupied, and so remain for a period of more than thirty days; or

(d) whereby the Insured's interest ceases except by will or operation of law;

unless such alteration be admitted by memorandum hereon or attached hereto signed by or on behalf of the Company.

3. The Insured shall give notice in writing to the Company of any Insurance or Insurances already effected, or which may subsequently be effected, covering any of the property hereby insured, and unless such notice be given and the particulars of such Insurance or Insurances be stated in or endorsed on this Policy by or on behalf of the Company before the occurrence of any loss or damage, all benefit under this Policy shall be forfeited.

4. This Policy does not cover —

(i) (a) Destruction or damage by explosion (whether the explosion be occasioned by fire or otherwise), except as stated on the face of this Policy.

(b) Goods held in trust or on commission, money, securities, stamps, documents, manuscripts, business books, patterns, models, moulds, plans, designs, explosives, unless specially mentioned as insured by this Policy.

(c) Destruction of or damage to property which, at the time of the happening of such destruction or damage, is insured by, or would, but for the existence of this Policy, be insured by any Marine Policy or Policies, except in respect of any excess beyond the amount which would have been payable under the Marine Policy or Policies had this Insurance not been effected.

(d) Any curiosity or work of art for an amount exceeding \$80, unless otherwise expressly stated in the Policy.

(e) Destruction or damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material.

(ii) Destruction or damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this Condition 4 (ii) only combustion shall include any self-sustaining process of nuclear fission.

5. This Insurance may be terminated at any time at the request of the insured, in which case the Company will retain the customary short-period rate for the time the Policy has been in force. This Insurance may also at any time be terminated at the option of the Company on notice to that effect being given to the Insured, in which case the Company shall be liable to repay on demand a rateable proportion of the Premium for the unexpired term from the date of the cancelment.

6. On the happening of any destruction or damage the Insured shall forthwith give notice thereof in writing to the Company and shall within 30 days after such destruction or damage, or such further time as the Company may in writing allow, at his own expense deliver to the Company a claim in writing containing as particular an account as may be reasonably practicable of the several articles or portion of property destroyed or damaged and of the amount of destruction or damage thereto respectively having regard to their value at the time of the destruction or damage together with details of any other Insurances on any property hereby insured. The Insured shall also give to the Company all such proofs and information with respect to the claim as may reasonably be required together with (if demanded) a statutory declaration of the truth of the claim and of any matters connected therewith. No claim under the Policy shall be payable unless the terms of this condition have been complied with.

7. If the claim be in any respect fraudulent or if any fraudulent means or devices be used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy or if any destruction or damage be occasioned by the wilful act or with the connivance of the Insured all benefit under this Policy shall be forfeited.

8. If the Company elect or become bound to reinstate or replace any property the Insured shall at his own expense produce and give to the Company all such plans, documents, books and information as the Company may reasonably require. The Company shall not be bound to reinstate exactly or completely, but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the sum insured thereon.

9. On the happening of any destruction or damage in respect of which a claim is or may be made under this Policy, the Company and every person authorised by the Company may, without thereby incurring any liability, and without diminishing the right of the Company to rely upon any conditions of this Policy, enter, take or keep possession of the building or premises where the destruction or damage has happened, and may take possession of or require to be delivered to them any of the property hereby insured and may keep possession of and deal with such property for all reasonable purposes and in any reasonable manner. This condition shall be evidence of the leave and licence of the Insured to the Company so to do. If the Insured or anyone acting on his behalf shall not comply with the requirements of the Company or shall hinder or obstruct the Company in doing any of the abovementioned acts, then all benefit under this Policy shall be forfeited. The Insured shall not in any case be entitled to abandon any property to the Company whether taken possession of by the Company or not.

10. If at the time of any destruction or damage to any property hereby insured, there be any other subsisting insurance or insurances, whether effected by the Insured or by any other person or persons, covering any of the property, the Company shall not be liable to pay or contribute more than its rateable proportion of such destruction or damage.

In all cases where any other subsisting insurance or insurances, effected by the Insured or by any other person or persons, covering any of the property hereby insured, either exclusively or together with any other property in and subject to the same risk only, shall be subject to average, the insurance on such property under this Policy shall be subject to average in like manner.

Where an Insurance is declared to be subject to average, the following clause shall apply:—

If the property hereby insured shall, at the breaking out of any fire, or at the commencement of any destruction or damage to such property by any other peril hereby insured against, be collectively of greater value than the sum insured thereon, then the Insured shall be considered as being his own Insurer for the difference, and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the Policy shall be separately subject to this Condition.

11. Any claimant under this Policy shall at the request and at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon its paying for or making good any destruction or damage under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.

12. All differences arising out of this Policy shall be referred to the decision of an Arbitrator to be appointed in writing by the parties in difference or if they cannot agree upon a single Arbitrator to the decision of two Arbitrators, one to be appointed in writing by each of the parties within one calendar month after having been required in writing so to do by either of the parties or, in case the Arbitrators do not agree, of an Umpire appointed in writing by the Arbitrators before entering upon the reference. The Umpire shall sit with the Arbitrators and preside at their meetings. The making of an award shall, subject to any relevant Statutory provisions to the contrary, be a condition precedent to any right of action against the Company; but if such action be not commenced within one year of the making of an Award, the right of action shall be deemed to be abandoned and released. After the expiration of one year after any destruction or damage the Company shall not be liable in respect of any claim therefor unless such claim shall in the meantime have been referred to arbitration.

Exhibit "B" - Form of

GREATER PLACING OFFICE

GREATER

GREATER PLACING

Exhibit "B" - Form of  
Fire Policy

THE SCHEDULE Stamp Duty Pol. 80 POLICY SF(F) -----

THE INSURED MARENE KNITTING MILLS PTY. LTD.	<u>Date of Issue .....</u>	
ADDRESS C/- GERALD BALL INSURANCES PTY. LTD.	Mortgagee(s) .....	
Period of Insurance from 14 August, 1973	<u>PREMIUM (including Administration Surcharge)</u>	10
To Expiry Date 14th August, 1974 at 4.00 p.m.	B \$ \$ \$ \$ c c	
Situation Cnr. Evans & Cranwell Streets, Braybrook, Victoria.	FIRE SERVICES LEVY	
	STAMP DUTY	
	AMOUNT PAYABLE	
CLASS FIRE Interest Insured As per Schedule		
AGENCY Gerald Ball Ins. P/L Sum Insured \$563,800		

DESTRUCTION OR DAMAGE BY ELECTRIC CURRENT

It is hereby declared and agreed that the Insurance under this Policy extends to indemnify the Insured, to an amount not exceeding \$1,000 against destruction or damage to any part or parts of the electrical machines, installations, or apparatus forming part of the property covered thereunder (excluding rectifiers, radio, television amplifying or electronic equipment of any description) caused by the actual burning out of such part or parts by the electric current therein. 20

Provided always that the Company shall not be liable under this extension for:-

- (i) Loss of use, depreciation, wear and tear; 30
- (ii) Destruction or damage to --
  - (a) Lighting or heating elements, fuses or protective devices;
  - (b) Electrical contacts at which sparking or arcing occurs in ordinary working.
- (iii) The first \$10 of each and every claim under this extension.

Provided further that this extension shall be subject to the following Conditions of Average:- If at the time of the happening of any destruction or damage, the electrical machines, installation or apparatus insured under this extension shall collectively be of greater value than the sum insured under this extension then the Insured shall be considered his own 40

Exhibit "B" - Form  
of Fire Policy

insurer for the difference and shall bear a ratable proportion of the loss accordingly.

Subject otherwise the Terms, Conditions and Exclusions of the Policy.

**ATTACHED TO AND FORMING PART OF POLICY NO. .... ENDORSEMENT NO. ....**

In consideration of the payment of an additional premium, it is hereby agreed and declared that, notwithstanding anything in the within Policy contained to the contrary, but subject to the Exclusions, Provisos and Special Conditions hereinafter contained, the insurance under this Policy in respect of Item(s) No. (s) .....

~~.....in the Schedule of this Policy extends to include destruction of or damage to the property insured specified in the said Item(s) caused by or as the direct consequence of-~~  
~~(1) (a) storm and/or tempest, but excluding destruction or damage by water or rain to the interior of any building (or its contents) unless caused by water or rain entering such building through an opening in the walls or roof made by storm and/or tempest or by water escaping from any pipe or water system (other than any sprinkler or drencher installation or tank connected therewith) destroyed or damaged by or as the direct consequence of storm and/or tempest.~~

(b) storm and/or tempest and/or rainwater but excluding destruction or damage caused directly or indirectly by:-

(i) flood.

(ii) water discharged or leaking from any sprinkler or drencher installation or tank connected therewith.

~~(c) wind only, during the period of construction or reconstruction of a building.~~

~~(2) flood~~

(3) water discharged or leaking from any pipe or water system installed in or on the building and/or an adjoining building and/or by water from a water main outside the building but excluding destruction or damage caused directly or indirectly by:

~~(i) water discharged or leaking from any pipe, water system or water main destroyed or damaged by or in consequence of storm and/or tempest.~~

(ii) water discharged or leaking from any sprinkler or drencher installation or tank connected therewith.

~~(iii) rainwater.~~

PROVIDED ALWAYS that otherwise the insurance under this Endorsement and the Policy shall be subject to all the terms, limitations, stipulations, exclusions, provisos and exceptions printed on, expressed in, endorsed upon or attached to the Policy and that, without in any way limiting the generality of the foregoing, the liability of the Company shall in no case under this Endorsement and the Policy exceed in respect of each item in the Schedule of the Policy the sum expressed in the said Schedule to be insured thereon or in the whole the total sum insured by the Policy or such other sum or sums as may be substituted therefor by memorandum on the Policy or attached thereto signed by or on behalf of the Company, AND PROVIDED FURTHER that all of the Conditions of the Policy (except in so far as they may be hereby varied) shall apply as if they had been incorporated herein.

**SPECIAL CONDITIONS**

It is hereby agreed and declared:

1. That the liability of the Company under this Endorsement in respect of each Item of the within Policy shall be limited to the proportion which the sum insured thereunder shall bear to the total of all insurances effected by or on behalf of the Insured on the same property against the destruction or damage primarily covered by the within Policy. Provided, however, that this Special Condition shall not apply when the within Policy is declared to be subject to Average.
2. That the Insured shall at all times use due diligence in maintaining the property insured in such order and condition as to minimise destruction or damage by any of the perils hereby insured against and in the event of any damage having occurred prior to the commencement of the insurance such damage not having been repaired or made good the Company shall not be liable for such damage nor for destruction or damage occurring as a result thereof.
3. That the insurance under this Endorsement does not cover -
  - (a) Destruction or damage caused directly or indirectly
    - (i) By the sea
    - (ii) By flood
    - (iii) By erosion, subsidence or landslide
    - ~~(iv) By earthquake, subterranean fire, or volcanic eruption.~~
    - ~~(v) By riot, civil commotion~~
    - (vi) By war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power
    - (vii) To gates, fences, textile awnings and blinds, signs and property in the open air unless such property comprises or forms part of a permanent structure designed to function without the protection of walls or roof.
  - b) As regards (1) (a) and (1) (b) of this Endorsement, destruction of or damage to buildings (or their contents) in course of construction or reconstruction, unless such buildings are enclosed and under roof with all outside doors and windows permanently in place.

CE LIMITED



whichever is the lesser.

PROVIDED FURTHER that the amount calculated under the Proviso above shall first be deducted from the amount of each claim, as finally determined, for loss arising out of any one event, as ascertained after application of the Co-Insurance Clause as set out in the Conditions and/or Memoranda forming a part of this Policy.

- (4) directly caused by aircraft and other aerial devices and/or articles dropped therefrom.
- (5) directly caused by the acts of
  - (i) persons taking part in riots or civil commotions or strikers or locked-out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation, but excluding destruction or damage caused directly or indirectly by total or partial cessation of work or the retarding or interruption or cessation of any process or operation.
  - (ii) other malicious persons not being tenants but excluding loss and/or damage by burglary, house-breaking, larceny and theft, provided that:
    - (a) the Insured shall bear the first \$50.00 of each and every claim and/or series of claims arising out of one event  
and
    - (b) the Police are immediately informed of any malicious damage.
  - (iii) any lawfully constituted authority in connection with the acts referred to in this Sub-Clause 5.

For the purpose only of Sub-Clauses 5 (i) and (iii) destruction of or damage to the property insured shall include the physical loss of the property insured.

PROVIDED ALWAYS that otherwise the insurance under this Endorsement and the Policy shall be subject to all the terms, limitations, stipulations, exclusions, provisos and exceptions printed on, expressed in, endorsed upon or attached to the Policy and that, without in any way limiting the generality of the foregoing, the liability of the Company shall in no case under this Endorsement and the Policy exceed in respect of each item in the Schedule of the Policy the sum expressed in the said Schedule to be insured thereon or in the whole the total sum insured by the Policy or such other sum or sums as may be substituted therefor by memorandum on the Policy or attached thereto signed by or on behalf of the Company, AND PROVIDED FURTHER that all of the Conditions of the Policy (except in so far as they may be hereby varied) shall apply as if they had been incorporated herein.

#### SPECIAL CONDITIONS

It is hereby agreed and declared:

1. That the liability of the Company under this Endorsement in respect of each Item of the within Policy shall be limited to the proportion which the sum insured thereunder shall bear to the total of all insurances effected by or on behalf of the Insured on the same property against the destruction or damage primarily covered by the within Policy. Provided, however, that this Special Condition shall not apply when the within Policy is declared to be subject to Average.
2. That the insurance under this Endorsement does not cover destruction or damage caused directly or indirectly by:-
  - (i) ~~earthquake, subterranean fire, or volcanic eruption.~~
  - (ii) ~~riot, civil commotion.~~
  - (iii) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.
3. That in respect of the insurance included by virtue of 5 of this Endorsement notwithstanding what is contained in Condition No. 5 of this Policy the Company shall not repay the premium or any part thereof chargeable for such insurance, if the latter be terminated at the request of the Insured before its expiry, except where the said insurance applies to stocks only when it may be terminated at the request of the Insured, the Company retaining the customary short period rate for the time the said insurance has been in force.

GENERAL INSURANCE

STOCK DECLARATION CLAUSES  
MEMORANDUM

1. (a) Within twenty-eight days of the last day of each month the Insured shall declare in writing to the the value of the property insured on that day and it is warranted that if a declaration be not so given the Insured shall be deemed to have declared the maximum sum insured as the value. 10
- (b) On the expiry of each period of Insurance, premium shall be calculated on the average amount insured - i.e. the aggregate of the amounts of the declarations divided by the number of declarations. For the purpose of this calculation no declared amount shall be deemed to exceed the maximum insured hereby.
- (c) The difference between the premium so calculated and the amount paid on account of premium, i.e. 75 per cent at the commencement or renewal of the insurance shall be paid by the Insurers to the Insured or by the Insured to the Insurers as the case may be, but in no case shall the Insurers retain less than 50 per cent of the full premium for the period. 20
- (d) Where there are two or more risks on the same premises with separate sums insured on the Contents thereof in one Policy, the 50 per cent to be retained shall be one-half of the total premiums for such risks. 30

Special Conditions

2. (a) In no case shall the Insurers' liability exceed the sum insured as expressed in the Schedule of this Policy.
- (b) It is warranted that every Insurance on the property be identical in wording with this Insurance.
- (c) In consideration of the Insurance not being reduced by the amount of any loss, the Insured shall pay the appropriate extra premium on the amount of the loss from the date thereof to the date of the expiry of the period of insurance. 40
- (d) This Insurance is declared to be subject to the Co-insurance Clause as follows -

Exhibit "B" - Form  
of Fire Policy

In the event of destruction or damage by fire or any other peril hereby insured against the Insurer shall be liable for no greater proportion of the destruction or damage than the Sum Insured bears to Ninety per cent (90%) of the value of the property insured at the time such destruction or damage occurs, limited however in all cases to the sum insured thereon.

10

Provided that the above provision shall not apply if the amount of any destruction or damage does not exceed 5% of the Sum Insured thereon.

(e) Provided always that all the Provisions and Conditions of the Policy (except in so far as they may be hereby varied) shall apply as if they had been incorporated herein.

SDM2

Exhibit "B" - Form  
of Fire Policy

PROPERTY INSURED	SUMS INSURED	
Item 1. Machinery and Plant, mounted and in use, whilst contained in building, having walls of brick and roof of iron	\$249,800.00	
Item 2. Machinery Parts whilst contained in the above building	\$ 10,000.00	
Item 3. Office Machinery whilst contained in the above building	\$ 4,000.00	10
Item 4. Stock-in-Trade and/or Merchandise, own, in trust, or on commission, for which the Insured is liable in event of loss or damage by fire, whilst contained in the above building	\$300,000.00	
TOTAL SUM INSURED FIVE HUNDRED SIXTY THREE THOUSAND EIGHT HUNDRED DOLLARS		

Including Explosion Damage, Storm and/or Tempest and Rainwater Damage, Riot, Civil Commotion and Malicious Damage, Aircraft Damage, Vehicle Impact Damage, Earthquake Damage, Water Damage and Fusion Damage \$1,000 as per clauses attached. 20

G.P.G.  
INSURANCE

Greater Pacific General Insurance Co Ltd  
**SYDNEY MUTUAL INSURANCE LTD.**

POLICY No. SF 1 F

TIMBER TRADE HOUSE, 61-65 WENTWORTH AVENUE, SYDNEY, 2010.  
 Proposal for Insurance against Fire, subject to the Conditions of the Company's Policy.

POLICY TO BE IN THE NAME OF MARENE KNITTING MILLS PTY LTD  
 (CHECK FOR NAME IN FULL)

ADDRESS: 1/9 Bell St S/W  
 Nature of Proposer's Interest: Owner/Proprietor Occupation of Proposer: Executive Phone: 537264

PROPERTY PROPOSED FOR INSURANCE	AMOUNTS			
	Building No. 1	Building No. 2	Building No. 3	Building No. 4
NOTE: A separate sum must be proposed for each distinct Building and also for contents of each.				
ON BUILDING, including Landlord's Fixtures and Fittings				
ON MONTH'S RENT (subject to Rent Clause)				
ON FENCING				
ON STOCK-IN-TRADE and/or MERCHANDISE, own, in trust, or on commission, for which the Proposer is liable in event of loss or damage by fire				
ON MACHINERY AND PLANT, mounted and in use, as per Schedule				
ON BUSINESS AND OFFICE FURNITURE (including unused stationery and printed books), FIXTURES AND FITTINGS, MOVABLE UTENSILS (excluding Machinery and Plant)				
ON GAS and/or ELECTRIC METERS AND TELEPHONES (own and/or in trust)				
ON HOUSEHOLD FURNITURE AND PERSONAL EFFECTS OF EVERY DESCRIPTION not otherwise insured				
ON				
ON				
Note: - BUSINESS, Professional, Farm and Station Premises: - If Outbuildings or their contents, or fencing are to be insured, separate amounts are to be placed thereon.				
				\$ 548 300.

CONSTRUCTION AND DESCRIPTION OF BUILDINGS

	No. 1	No. 2	No. 3	No. 4
Storeys, High, including Basement	1			
External Walls	Brick			
Roof	Iron			
Partitions and Linings	Plaster			
Floors	Concrete			
Chimneys and Flues	-			
Age of Building(s)	5 years			
If attached or detached	Attached			
Names of Occupants	E. B. B. M. Jones			
Nature of Occupancies (Dwelling, Store or otherwise)	Steel works			

SITUATION - Lot No. \_\_\_\_\_ Number of Name of House Cur  
 Street Erasmus & Commercial Town Wentworth  
 State if within the Town Boundary N.S.W.

IS COVER REQUIRED IN TERMS OF CURRENT EXTENSIONS FOR:-

(1) Explosion damage (as distinct from Fire Damage) <u>Y</u>	(2) Storm and/or Tempest <u>Y</u>
(3)(a) Riot and Civil Commotion <u>Y</u>	(4) Aircraft (excluding War &c. risk) and articles falling therefrom <u>Y</u>
(b) Riot and Civil Commotion and Mischiefous Damage <u>Y</u>	(5) Vehicle Impact (excluding own vehicles) <u>Y</u>
(5) Earthquake <u>Y</u>	(6) Electric Current Damage to Motors, &c. If so state amount \$ <u>nil</u>
(7) Water Damage (excluding Flood) <u>Y</u>	

How are the premises lighted? Electricity  
 What Heating Apparatus is used? no  
 Is any steam, gas, electric or other power used? If so state Horsepower, and for what purpose. W.A.P. Steam Boiler for pressing  
 Is the land on which the Buildings are erected Freehold or Leasehold? W.A.  
 If Leasehold, state how many years to run, and whether the Proposer is bound to erect a new Building in the event of fire. NO  
 Is any of the property proposed for Insurance in any way under Mortgage, Bill of Sale, or otherwise encumbered? NA  
 If so, give particulars and name and address of Mortgagee. -  
 Is there any other insurance in force covering any of the Property now proposed? If so give details -  
 Insurance Company \_\_\_\_\_  
 Has Proposer or husband/wife or anyone interested in this insurance ever had any property damaged or destroyed by any of the contingencies to be insured against? If so, state:-  
 Date 220 Approx. Years 10 Amount \$ Unknown  
 Address 2 James St. Hornsby  
 Insurance Company Unknown  
 Ha - Proposer or Husband wife or anyone interested in this risk ever had any insurance declined or cancelled or a refusal to renew? If so, give particulars and name of office concerned. Polices were canceled after this fire

ADDRESS FOR DELIVERY OF POLICY 1/9 Bell St S/W  
 ADDRESS FOR DELIVERY OF NOTICES 1/9 Bell St S/W

Term Months From 1/4/8 1973 To 1/4/8 1974 at 4 o'clock p.m.

Fire Brigade Levy \$ \_\_\_\_\_

Stamp Duty (if any) \$ \_\_\_\_\_

Nett \$ \_\_\_\_\_

SIGNATURE OF PROPOSER: [Signature] Date: 4.9.73

Cover No. \_\_\_\_\_  
 Replg. Pol. No. \_\_\_\_\_  
 Int. Cert. Chko. \_\_\_\_\_  
 Ent. Loc. Reg. \_\_\_\_\_  
 Ent. Ren. Reg. \_\_\_\_\_  
 Pol. Issued \_\_\_\_\_

CONFIDENTIAL REPORT OF AGENT OR SURVEYOR

1. Are all Walls and partitions of rooms, halls and passages, excluding Kitchen, Laundry, Bathroom, Lavatory, ENTIRELY lath and plastered, or lined with fibro cement or similar material?

ANSWER .....

If not, are the majority of rooms so lined ?

ANSWER .....

2. If any wooden dado, state height thereof. ANSWER.....

3. Is there any heating apparatus other than ordinary fireplaces? If so, describe the same

.....  
.....

4. If there are buildings adjoining on either or both sides of the building described in this proposal give the following information in respect of the adjoining buildings (separately if on both sides).

(a) How far detached from building described hereon .....

(b) Construction of walls .....

(c) Occupation or trade .....

*as per memo.*

PLAN AND REPORT

*Fire*  
*N.Y.*      *317'*  
*1/2 Floor*   *046'*  
*Subterranean*   *150'*  
                          *22'*

.....  
Agent  
Signature of Surveyor  
Date .....

RATE CALCULATION

DISTRICT

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SCHEDULE ATTACHING TO AND FORMING PART OF FIRE POLICY  
DUE 16/5 IN THE NAME OF MARENE KNITTING MILLS PTY. LTD.

Item No.

1.	Plant and Machinery, as per list attached	\$235,850	
2.	Spare Parts	10,000	
3.	Steam Boiler (Carmichael) 200 lbs pressure, supply tanks, pumps and all accessories	2,000	10
4.	Air Compressor (Fracks), Model C14, fully automatic, 5 h.p. motor, tank	300	
5.	Steam Table, 36" x 36" manual	100	
6.	Vacuum Unit, 1 h.p.	50	
7.	Stock (Monthly Dec.)	300,000	
		<hr/>	
		\$548,300	
		<hr/>	

SCHEDULE ATTACHING TO AND FORMING PART OF FIRE POLICY  
 DUE 16/5 IN THE NAME OF MARENE KNITTING MILLS PTY. LTD.

Item No.

1.	Plant and Machinery, as per list attached.....	\$235,850	
2.	Spare Parts.....	10,000	
3.	Steam Boiler (Carmichael) 200 lbs pressure, supply tanks, pumps and all accessories .....	2,000	10
4.	Air Compressor (Fracks), Model C14, fully automatic, 5 h.p. motor, tank .....	300	
5.	Steam Table, 36" x 36" manual...	100	
6.	Vacuum Unit, 1 h.p. ....	50	
7.	Maintenance Tools (Electric Drill on stand, hand drill, Electric bench grinder, finisher, lathe, power saw, fret saw and general tools .....	1,500	20
		<u>1,500</u>	
		\$ 249,800	
		<u><u>249,800</u></u>	



Gerald Ball

How well do you know the Hershey family  
History

Core Note

Profess forms urgent : present. K.B.D. & Y.

Give Notice of cancellation .

Take Core Note books for audit .

29/8 Meeting at Baker's office 2 pm with Gerald Ball Mrs. Patterson  
J. Giltman & R.C.R.P.

After passing G.B. admitted the Hershey Letter had a fine  
many years ago in another Company.

2/8 About G.B. we must go off with a spec. - he asks for time and to  
talk to K.B.D.

CORAN: YELHAM, J. Pacific  
Maurice R. Powell, Jr. General Counsel  
M.C.C.

EXHIBIT

22

20/10/11

ASSOCIATE

# SYDNEY MUTUAL INSURANCE LTD.

POLICY NO. SF(F)

TIMBER TRADE HOUSE, 61 65 WENTWORTH AVENUE, SYDNEY, 2010.  
 Proposal for Insurance against Fire subject to the Conditions of the Company's Policy.

POLICY TO BE IN THE NAME OF <b>MARENE KNITTING MILLS PTY LTD</b> <small>(CHRISTIAN NAME IN FULL)</small>					
ADDRESS <b>C/- Gerald Ball Insurances P/L, Box 4766, G.P.O., Sydney</b>					
Nature of Proposer's Interest <b>Owner</b>		Occupation of Proposer <b>Manufacturers Melb. 53 7264</b>			
PROPERTY PROPOSED FOR INSURANCE		AMOUNTS			
NOTE: A separate sum must be proposed for each distinct Building and also for contents of each.		Building No. 1.	Building No. 2.	Building No. 3.	Building No. 4.
ON BUILDING, including Landlord's Fixtures and Fittings					
ON MONTH'S RENT (subject to Rent Charge)					
ON FENCING					
ON STOCK-IN-TRADE and or MERCHANDISE, own, on trust, or on Commission, for which the Proposer is liable in event of loss or damage by fire		200,000			
ON MACHINERY AND PLANT, mounted and in use, as per Schedule					
ON BUSINESS AND OFFICE FURNITURE (including unused stationery and printed books), FIXTURES AND FITTINGS, MOVABLE UTENSILS (excluding Machinery and Plant)					
ON GAS and/or ELECTRIC METERS AND TELEPHONES (own and or in Lease)					
ON HOUSEHOLD FURNITURE AND PERSONAL EFFECTS OF EVERY DESCRIPTION not otherwise insured					
ON					
ON					
Note: - BUSINESS, Professional, Farm and Station Premises: - If Outbuildings or their contents, or fencing are to be insured, separate amounts are to be placed thereon.		200,000			
CONSTRUCTION AND DESCRIPTION OF BUILDINGS		No. 1	No. 2	No. 3	No. 4
Storeys, High, including Basement		One			
External Walls		Brick			
Roof		Iron			
Partitions and Linings		Plaster			
Floors		Concrete			
Chimneys and Flues					
Age of Building(s)		5 years			
If attached or detached		Attached			
Names of Occupants		Albion Ind. P/L			
Nature of Occupancies (Dwelling, Store or otherwise)		Steel workers			
SITUATION - Lot No. .... Number or Name of House, .....					
Street <b>Cnr Evans &amp; Cranwell</b> .....					
Town <b>Braybrook, Vic.</b> .....					
State if within the Town Boundary, .....					
IS COVER REQUIRED IN TERMS OF CURRENT EXTENSIONS FOR:-					
(1) Explosion damage (as distinct from Fire Damage) <b>Yes</b>		(2) Storm and or Tempest & Rainwater <b>Yes</b>			
(3)(a) Riot and Civil Commotion <b>Yes</b>		(4) Aircraft (excluding War Aircraft) and articles falling therefrom <b>Yes</b>			
(b) Riot and Civil Commotion and Malicious Damage <b>Yes</b>					
(5) Earthquake <b>Yes</b>		(6) Vehicle Impact (excluding own vehicles) <b>Yes</b>			
(7) Water Damage (excluding Flood) <b>Yes</b>		(8) Electric Current Damage to Motors, etc. If so state amount \$ <b>No</b>			
How are the premises lighted? <b>Electricity</b>					
What Heating Apparatus is used? <b>No</b>					
Is any steam, gas, electric or other power used? If so state Horsepower, and for what purpose. <b>10 H.P. Steam Boiler for pressing</b>					
Is the land on which the buildings are erected Freehold or Leasehold? <b>N/a</b>					
If Leasehold, state how many years to run, and whether the Proposer is bound to erect a new Building in the event of fire <b>No</b>					
Is any of the property proposed for Insurance in any way under Mortgage, Bill of Sale, or otherwise encumbered? <b>N/a</b>					
If so, give particulars and name and address of Mortgagee <b>--</b>					
Is there any other insurance in force covering any of the Property now proposed? If so give details -					
Insurance Company <b>No</b>					
Has Proposer or husband wife or anyone interested in this insurance ever had any property damaged or destroyed by any of the contingencies to be insured against? If so, state:-		Date <b>77 ex 10 years ago Unknown</b> Address <b>2 James St Heavly</b> Insurance Company <b>Unknown</b>			
Has Proposer or husband wife or anyone interested in this risk ever had any insurance declined or cancelled or a refusal to renew? If so, give particulars and name of office concerned		<b>I seem to remember that policies were cancelled after this fire</b>			
ADDRESS FOR DELIVERY OF POLICY <b>Gerald Ball Insces P/L, Box 4766, GPO, Sydney</b>					
ADDRESS FOR DELIVERY OF NOTICES " " " " " " " "					

RECEIVED

14 NOV 1973

BROKERS

Term **12** Months From **14th August, 19 73** To **14th August, 1974** at 4 o'clock p.m.

Fire Brigade Levy \$ \_\_\_\_\_

Stamp Duty (if any) \$ \_\_\_\_\_

Nett .. .. \$ \_\_\_\_\_

SIGNATURE OF PROPOSER *[Signature]*

Date **21-8-73**

Cover No. \_\_\_\_\_  
 Replg. Pol. No. \_\_\_\_\_  
 Int. Cert. Chkd. \_\_\_\_\_  
 Ent. Loc. Reg. \_\_\_\_\_  
 Ent. Ren. Reg. \_\_\_\_\_  
 Pol. Issued. \_\_\_\_\_

CONFIDENTIAL REPORT OF AGENT OR SURVEYOR

1. Are all Walls and partitions of rooms, halls and passages, excluding Kitchen, Laundry, Bathroom, Lavatory, ENTIRELY lath and plastered, or lined with fibro cement or similar material?

ANSWER .....

If not, are the majority of rooms so lined ?

ANSWER .....

2. If any wooden dado, state height thereof. ANSWER.....

3. Is there any heating apparatus other than ordinary fireplaces? If so, describe the same

.....  
.....

4. If there are buildings adjoining on either or both sides of the building described in this proposal give the following information in respect of the adjoining buildings (separately if on both sides).

(a) How far detached from building described hereon .....

(b) Construction of walls .....

(c) Occupation or trade .....

PLAN AND REPORT

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Agent  
Signature of Surveyor

Date .....

RATE CALCULATION

DISTRICT

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SCHEDULE ATTACHING TO AND FORMING PART OF FIRE &  
 EXTRANEOUS POLICY IN THE NAME OF MARENE KNITTING MILLS  
PTY LTD.

Item No.

1.	Stock in Trade and/or Merchandise ...	\$200,000	
2.	Plant and Machinery .....	235,850	
3.	Spare Parts .....	10,000	
4.	Steam Boiler (Carmichael) 200 lbs pressure, supply tanks, pumps and all accessories .....	2,000	10
5.	Air Compressor (Fracks), Model C14, fully automatic, 5 hp motor, tank ...	300	
6.	Steam Table, 36" x 36" manual .....	100	
7.	Vacuum Unit, 1 hp .....	50	
		<u>          </u>	
		\$448,300	
		<u>          </u>	

# SYDNEY MUTUAL INSURANCE LTD

POLICY NO. SF(F)

TIMBER TRADE HOUSE, 61/65 WENTWORTH AVENUE, SYDNEY, 2010.  
 Proposal for Insurance against Fire, subject to the Conditions of the Company's Policy.

POLICY TO BE IN THE NAME OF **MARENE KNITTING MILLS PTY LTD**  
(Christian name in full)  
 ADDRESS: **C/- Gerald Ball Insurances P/L, Box 4766, G.P.O., Sydney**  
 Nature of Proposer's Interest: **Owner** Occupation of Proposer: **Clothing Manufacturers** Phone No: **53 7264**

PROPERTY PROPOSED FOR INSURANCE	AMOUNTS			
	Building No. 1	Building No. 2	Building No. 3	Building No. 4
NOTE: - A separate sum must be proposed for each distinct Building and also for contents of each.				
ON BUILDING, including Landlord's Fixtures and Fittings . . . . .	\$			
ON MONTH'S RENT (subject to Rent Clause) . . . . .	\$			
ON FENCING . . . . .	\$	AS		
ON STOCK-IN-TRADE and/or MERCHANDISE, own, in trust, or on commission, for which the Proposer is liable in event of loss or damage by fire . . . . .	\$	PER		
ON MACHINERY AND PLANT, mounted and in use, as per Schedule . . . . .	\$	SCHED- ULE		
ON BUSINESS AND OFFICE FURNITURE (including unused stationery and printed books). FIXTURES AND FITTINGS, MOVABLE UTENSILS (excluding Machinery and Plant) . . . . .	\$	ATTACH- ED		
ON GAS and/or ELECTRIC METERS AND TELEPHONES (own and/or in trust)	\$			
ON HOUSEHOLD FURNITURE AND PERSONAL EFFECTS OF EVERY DESCRIPTION not otherwise insured . . . . .	\$			
ON . . . . .	\$			
ON . . . . .	\$			
Note: - BUSINESS, Professional, Farm and Station Premises: - If Outbuildings or their contents, or fencing are to be insured, separate amounts are to be placed thereon.	\$	248,300		

CONSTRUCTION AND DESCRIPTION OF BUILDINGS	No. 1	No. 2	No. 3	No. 4
Storeys, High, including Basement . . . . .	One			
External Walls . . . . .	Brick			
Roof . . . . .	Iron			
Partitions and Linings . . . . .	Plaster			
Floors . . . . .	Concrete			
Chimneys and Flues . . . . .				
Age of Building(s) . . . . .	5 years			
If attached or detached . . . . .	Attached			
Names of Occupants . . . . .	Albion Ind. P/L			
Nature of Occupancies (Dwelling, Store or otherwise) . . . . .	Steel workers			

SITUATION: - Lot No. . . . . Number or Name of House . . . . .  
 Street: **Cnr Evans & Cranwell** Town: **Braybrook, Vic.**  
 State if within the Town Boundary.

IS COVER REQUIRED IN TERMS OF CURRENT EXTENSIONS FOR: -  
 (1) Explosion damage (as distinct from Fire Damage) **Yes** (2) Storm and/or Tempest. & Rainwater **Yes**  
 (3)(a) Riot and Civil Commotion . . . . . (4) Aircraft (excluding war &c. risk) and articles falling therefrom **Yes**  
 (b) Riot and Civil Commotion and Malicious Damage **Yes**  
 (5) Earthquake **Yes** (6) Vehicle Impact (excluding own vehicles) **Yes**  
 (7) Water Damage (excluding Flood) **Yes** (8) Electric Current Damage to Motors, &c. **No**  
 If so state amount \$ **Electricity**  
 How are the premises lighted? . . . . . **No**  
 What Heating Apparatus is used? . . . . . **No**  
 Is any steam, gas, electric or other power used? If so state Horsepower, and for what purpose. . . . . **10 h.p. Steam Boiler for pressi**  
 Is the land on which the Buildings are erected Freehold or Leasehold? **N/a**  
 If Leasehold, state how many years to run, and whether the Proposer is bound to erect a new Building in the event of fire **No**  
 Is any of the property proposed for Insurance in any way under Mortgage, Bill of Sale, or otherwise encumbered? **N/a**  
 If so, give particulars and name and address of Mortgagee . . . . .

Is there any other insurance in force covering any of the Property now proposed? If so give details -  
 Insurance Company **No**  
 Has Proposer or husband/wife or anyone interested in this insurance ever had any property damaged or destroyed by any of the contingencies to be insured against? If so, state:-  
 Date **April 10 years ago** Amount **Father (Damaged)**  
 Address **2 James St Hornsby**  
 Insurance Company **Unknown**  
 Has Proposer or husband/wife or anyone interested in this risk ever had any insurance declined or cancelled or a refusal to renew? If so, give particulars and name of office concerned . . . . .  
**Policies were cancelled after this fire**  
**I seem to remember that**

ADDRESS FOR DELIVERY OF POLICY **Gerald Ball Insces P/L, Box 4766, GPO, Sydney**  
 ADDRESS FOR DELIVERY OF NOTICES " " " " " " " " " " " "

Term **12** Months From **14th August, 1973** To **14th August, 1974** at 4 o'clock p.m.  
 Fire Brigade Levy \$  
 Stamp Duty (if any) \$  
 Nett \$  
 SIGNATURE OF PROPOSER *[Signature]*  
 Date **4-9-73** 1973  
 Cover No. \_\_\_\_\_  
 Replg. Pol. No. \_\_\_\_\_  
 Int. Cert. Chkd. \_\_\_\_\_  
 Ent. Loc. Reg. \_\_\_\_\_  
 Ent. Ren. Reg. \_\_\_\_\_  
 Pol. Issued \_\_\_\_\_

AGENCY \_\_\_\_\_  
 Any question not answered in this Proposal will be taken in the negative.  
 Exhibit 23 - Proposal form in respect of  
 312. \$200,000.00

CONFIDENTIAL REPORT OF AGENT OR SURVEYOR

1. Are all Walls and partitions of rooms, halls and passages, excluding Kitchen, Laundry, Bathroom, Lavatory, ENTIRELY lath and plastered, or lined with fibro cement or similar material?

ANSWER .....

If not, are the majority of rooms so lined ?

ANSWER .....

2. If any wooden dado, state height thereof. ANSWER.....

3. Is there any heating apparatus other than ordinary fireplaces? If so, describe the same

.....  
.....

4. If there are buildings adjoining on either or both sides of the building described in this proposal give the following information in respect of the adjoining buildings (separately if on both sides).

(a) How far detached from building described hereon .....

(b) Construction of walls .....

(c) Occupation or trade .....

PLAN AND REPORT

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Agent  
Signature of Surveyor

Date .....

**RATE CALCULATION**

**DISTRICT**

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SCHEDULE ATTACHING TO AND FORMING PART OF FIRE &  
 EXTRANEOUS POLICY IN THE NAME OF MARENE KNITTING MILLS  
PTY LTD.

<u>Item No.</u>		<u>Sum</u> <u>Insured</u>	
1.	Plant and machinery ... ..	\$235,850	
2.	Spare Parts ... ..	10,000	
3.	Steam Boiler (Carmichael) 200 lbs Pressure, supply tanks, pumps and all accessories ... ..	2,000	10
4.	Air Compressor (Fracks), Model C14, fully automatic, 5 h.p. motor, tank	300	
5.	Steam Table, 36" x 36" manual ...	100	
6.	Vacuum Unit, 1 hp ... ..	50	
		<hr style="width: 100%; border: 0.5px solid black;"/>	
		\$248,300	
		<hr style="width: 100%; border: 0.5px solid black;"/>	

Exhibit 23 - Proposal  
 form in respect of  
 \$248,300.00

313.



# GREATER PACIFIC GENERAL INSURANCE LIMITED

Executive Office: 61-65 Wentworth Avenue, SYDNEY, 2010.

VICTORIA:  
101-103 King Street,  
MELBOURNE, 3000.

NEW SOUTH WALES  
61-65 Wentworth Avenue,  
SYDNEY, 2010.

QUEENSLAND  
I.A.C. Building  
Cnr. Queen & George Sts.,  
BRISBANE, 4000

WESTERN AUSTRALIA  
A.M.C. Building,  
8 Victoria Avenue,  
PERTH 6000.

### PROPOSAL FOR FIRE INSURANCE.

**MARENE KNITTING MILLS PTY LTD**

POLICY TO BE IN THE NAME OF .....

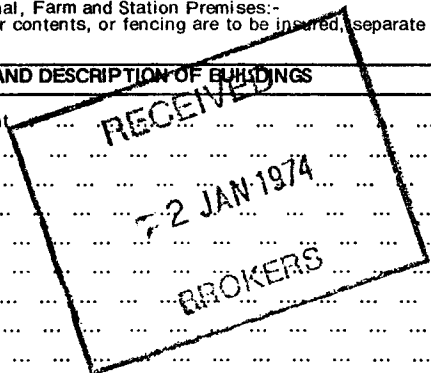
(Christian Name in Full)

ADDRESS C/- Gerald Ball Insurances P/L, Box 4766, G.P.O., Sydney

Nature of Proposer's Interest Owner Occupation of Proposer Manufacturers Phone No. ....

PROPERTY PROPOSED FOR INSURANCE	AMOUNTS			
	Building No. 1	Building No. 2	Building No. 3	Building No. 4
NOTE: A separate sum must be proposed for each distinct Building and also for contents of each.				
ON BUILDING, including Landlord's Fixtures and Fittings ...	\$ .....			
ON .....MONTH'S RENT (subject to Rent Clause) ...	\$ .....			
ON FENCING ...	\$ <u>AS</u> .....			
ON STOCK-IN-TRADE and/or MERCHANDISE, own, in trust, or on commission, for which the Proposer is liable in event of loss or damage by fire ...	\$ <u>PER</u> .....			
ON MACHINERY AND PLANT, mounted and in use, as per Schedule ...	\$ <u>SCHED-</u> .....			
ON BUSINESS AND OFFICE FURNITURE (including unused stationery and printed books). FIXTURES AND FITTINGS, MOVABLE UTENSILS (excluding Machinery and Plant)...	\$ <u>ULE</u> .....			
ON GAS and/or ELECTRIC METERS AND TELEPHONES (own and/or in trust) ...	\$ .....			
ON HOUSEHOLD FURNITURE AND PERSONAL EFFECTS OF EVERY DESCRIPTION not otherwise Insured .....	<u>ATTACH-</u> .....			
ON .....	\$ .....			
ON .....	\$ <u>448,300</u> .....			
Note:- BUSINESS, Professional, Farm and Station Premises:- If Outbuildings or their contents, or fencing are to be insured, separate amounts are to be placed thereon.	\$ .....			

CONSTRUCTION AND DESCRIPTION OF BUILDINGS	No.1	No.2	No.3	No.4
Storeys, High, including Basement	<u>One</u>			
External Walls	<u>Brick</u>			
Roof	<u>Iron</u>			
Partitions and Linings	<u>Plaster</u>			
Floors	<u>Concrete</u>			
Chimneys and Flues	<u>-</u>			
Age of Building(s)	<u>5 years</u>			
If attached or detached	<u>Attached</u>			
Names of Occupants	<u>Albion Ind. P/L</u>			
Nature of Occupancies (Dwelling, Store or otherwise)	<u>Steel workers</u>			



SITUATION. - Lot No. .... Number or Name of House .....  
Street Cnr. Evans & Cranwell Town Braybrook, Vic.  
State If within the Town Boundary .....

IS COVER REQUIRED IN TERMS OF CURRENT EXTENSIONS FOR:-  
(1) Explosion damage (as distinct from Fire Damage) Yes (2) Storm and/or Tempest & Rainwater Yes  
(3) (a) Riot and Civil Commotion ..... (4) Aircraft (excluding War &c. risk) and articles falling therefrom Yes  
(b) Riot and Civil Commotion and Malicious Damage Yes (6) Vehicle Impact (excluding own vehicles) Yes  
(5) Earthquake Yes (8) Electric Current Damage to Motors, &c. No  
(7) Water Damage (excluding Flood) Yes If so state amount \$ .....

How are the premises lighted? Electricity  
What Heating Apparatus is used? No  
Is any steam, gas, electric or other power used? If so state Horsepower, and for what purpose 10 h.p. Steam Boiler for pressing

Is the land on which the Buildings are erected Freehold or Leasehold? N/a  
If Leasehold, state how many years to run, and whether the Proposer is bound to erect a new Building in the event of fire No  
Is any of the property proposed for Insurance in any way under Mortgage, Bill of Sale, or otherwise encumbered? N/a  
If so, give particulars and name and address of Mortgagee .....

Is there any other insurance in force covering any of the Property now proposed? If so give details - No  
Insurance Company ..... Amount \$ .....  
Has Proposer or husband/wife or anyone interested in this insurance ever had any property damaged or destroyed by any of the contingencies to be insured against? If so state:- Date After 10 years ago Amount \$ Unknown Address 2 James St. Harewood Insurance Company Unknown **Father (deceased)**

Has Proposer or Husband/wife or anyone interested in this risk ever had any insurance declined or cancelled or a refusal to renew? If so give particulars and name of office concerned:- Father (deceased) I seem to remember that Policies were cancelled after this fire

FROM 14. 8. 1973 TO 14. 8. 1974

COVER NOTE  
INSPECTOR  
AUTHORISED  
POLICY CHECKED

PREMIUM \$ .....  
FIRE BRIGADE LEVY \$ .....  
STAMP DUTY \$ .....  
TOTAL \$ .....  
SIGNATURE [Signature]  
DATE 4/9/73  
CODE .....

POLICY TO NOTICES TO  
Any Question Not Answered in This Proposal will be Taken in the Negative.  
AGENCY COMM %

Exhibit 24 - Proposal form in respect of \$448,300.00



CONFIDENTIAL REPORT OF AGENT OR SURVEYOR

1. Age and state of repair of all buildings, roofs and walls .....
2. If Industrial, what products manufactured .....
  - (a) Storage of waste .....
  - (b) How waste disposed .....
3. Your opinion of management and housekeeping .....
4. Any special features likely to affect company retention .....
5. Recommendation and general remarks .....

PLAN AND REPORT

.....  
Agent  
Signature of Surveyor

Date \_\_\_\_\_

RATE CALCULATION

DISTRICT

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24 DEC 1973



RCRP/SG

27th September, 1973.

The Managing Director,  
Gerald Ball Insurances Pty. Ltd.,  
Development House,  
20-22 Ash Street,  
SYDNEY. N.S.W. 2000

DELIVERY: BY HAND.

Dear Sir,

Re: Fire Insurance CN 6056  
Marene Knitting Mills Pty. Ltd.

Thank you for forwarding the fire proposal for the 10  
above Insured in respect of the Melbourne situation.

We return the proposal for amendment as the schedule  
attached is not in accordance with your original re-  
quest on which our cover was given; further it is not  
our practice to itemize machinery under a fire policy.

The schedule should read:-

1.	Machinery and Plant - \$249,800	
2.	Machinery parts - \$10,000	
3.	Office Machinery - \$4,000	
4.	Stock in Trade (Subject to Declaration)	20
	-\$300,000	
	<u>Total:</u> \$563,800	
	Fusion - \$1,000	

Yours faithfully,

GREATER PACIFIC GENERAL INSURANCE LIMITED,

RCP  
R.C.R. Powell,  
MANAGER - BROKERS DIVISION.

c,c. Mr. J. Johnson.

316. Exhibit 25 - Letter  
from Greater Pacific  
General Insurance Ltd.  
27th September, 1973

GERALD BALL INSURANCES PTY. LIMITED  
Insurance Brokers and Life Assurance Consultants  
All classes of general insurances . Life assurances .  
Staff Superannuations . Mortgages arranged.

DEVELOPMENT HOUSE  
20-22 ASH STREET, SYDNEY 2000

Telephones  
25.2739 . 25.1380

Box 4766 G.P.O. Sydney

3rd October, 1973

The Manager,  
Greater Pacific General Insurance Ltd.  
105 Pitt Street,  
SYDNEY. N.S.W. 2000

RECEIVED  
-4 OCT 1973  
BROKERS

10

Attention Mr. R. Powell:  
Manager, Brokers' Division

Dear Sir,

Marene Knitting Mills Pty. Ltd.

I acknowledge your letter dated 27/9/73, ref.  
RCRP/SG, with your request to amend the proposal which  
was submitted to you by our client.

20

I am most surprised by your remark that the pro-  
posal is not in accord with the original request on  
which your cover was given. To clarify the situation  
in regard to the transfer of all existing insurance  
policies of our client from National & General Insur-  
ance Co. Ltd. to Greater Pacific General Insurance  
Ltd, may I refer to the following:

It was unmistakably discussed with Mr. Giltenan  
that these policies were to be transferred and effected  
with your Company on the same conditions as with the  
previous Insurer. The level transfer was accepted by  
Mr. Giltenan and on your visit to our Office with  
Mr. Giltenan you will recall that you requested photo-  
stats of itemised plant and machinery, valued by Potter  
& Co., which were handed over to you.

30

Therefore, I am very much surprised by your re-  
mark that it is not your Company's practice to itemise  
machinery and plant under a fire policy. May I also  
express my disappointment at your attitude in regard  
to your request. May I point out that it has always  
been our principal to safeguard the interest of our  
client as well as the interest of the Insurer.

40

...../2

317. Exhibit 25 - Letter  
from Gerald Ball Insur-  
ances Pty. Ltd.

Exhibit 25 - Letter  
from Gerald Ball Insur-  
ances Pty. Ltd.

-2-

Greater Pacific General  
re Marene Knitting Mills

3rd October, 1973.

The transferring of this insurance account to your Company was only effected to show our goodwill towards your Company and to increase our account with the Greater Pacific.

10

May I also stress a point that there was no other reason to cancel this insurance with the previous Company as the account was trouble-free in every respect for eight years.

This claim was a most unfortunate one and we feel and hope that this should not mar in any way our good relationship with your Company.

We therefore return to you the client's proposal for your further consideration.

Yours faithfully,

20

Gerald Ball  
GERALD BALL.

GERALD BALL INSURANCES PTY. LIMITED  
Insurance Brokers and Life Assurance Consultants  
All classes of general insurances . Life assurances .  
Staff Superannuations . Mortgages arranged

DEVELOPMENT HOUSE  
20-22 ASH STREET, SYDNEY 2000  
Telephones 25.2739 . 25.1380  
Box 4766 G.P.O. Sydney  
4th October, 1973.

The Manager,  
Greater Pacific General Insurance Ltd.,  
105 Pitt Street,  
SYDNEY. N.S.W. 2000

RECEIVED  
-5 OCT 1973  
BROKERS

10

Attention Mr. R. Powell:  
Manager, Brokers' Division

Dear Sir,

Stock Insurance -  
Marene Knitting

We acknowledge your letter of the 4th October, 1973, in which you state that it is not your custom to arrange special wordings on the stock item under the standard Policy, and that you are unable at this stage to agree with our request that in case of claim, value on stock should be based on the current market value of such stock.

20

We refer to our previous letter of 3/10/73 that it has been discussed and agreed with your representatives that all policies are to be transferred to your Company, on the same terms and conditions as previously insured.

Herewith enclosed is a photostat of an endorsement issued by the previous Company for your information.

30

Yours faithfully,

No enclosure (Init.)

Gerald Ball  
GERALD BALL.

Exhibit 25 - Letter  
from Gerald Ball Insur-  
ances Pty. Ltd. -  
319. 4th October, 1973

RCRP/SG

4th October, 1973.

The Managing Director,  
Gerald Ball Insurances Pty. Ltd.,  
20-22 Ash Street,  
SYDNEY. N.S.W.

Dear Sir,

Re: Fire Insurance - Marene Knitting Mills Pty. Ltd.

We are today in receipt of your letter of the 25th  
September, 1973, in which you ask for a special wording  
to cover the stock item under the Policy.

10

It is not our custom to arrange special wordings on  
the stock item under the standard Policy and therefore,  
we are unable at this stage to agree with your request.  
We would point out further that this request was not  
raised when the initial cover was arranged.

Yours faithfully,

GREATER PACIFIC GENERAL INSURANCE LIMITED,

RCRP  
R.C.R. Powell,

MANAGER - BROKERS DIVISION.

20

4th October, 1973.

The Manager,  
Greater Pacific General Insurance Ltd.,  
105 Pitt Street,  
SYDNEY. N.S.W. 2000

Attention Mr. R. Powell;  
Manager, Brokers' Division

Dear Sir,

Stock Insurance -  
Marene Knitting

We acknowledge your Letter of the 4th October, 1973, in which you state that it is not your custom to arrange special wordings on the stock item under the standard Policy, and that you are unable at this stage to agree with our request that in case of claim, value on stock should be based on the current market value of such stock.

10

We refer to our previous letter of 3/10/73 that it has been discussed and agreed with your representatives that all policies are to be transferred to your Company, on the same terms and conditions as previously insured.

20

Herewith enclosed is a photostat of an endorsement issued by the previous Company for your information.

Yours faithfully,

GERALD BALL.



RCRP/SG

8th October, 1973.

The Managing Director,  
Gerald Ball Insurances Pty. Ltd.,  
Development House,  
20-22 Ash Street,  
SYDNEY. N.S.W. 2000

Dear Sir,

Re: Fire Insurance CN 6056  
Marene Knitting Mills Pty. Ltd.

We acknowledge your letter of the 3rd October together with the proposal form enclosed. 10

It is regretted that there is a misunderstanding over the above matter but to clarify the situation we would point out that when we were offered this account we suggested that the risk remain with the National and General Insurance Company Limited whilst the Insured were manufacturing in Sydney and that we would have a look at the account at the new situation in Melbourne, this you will agree is not taking over existing Insurance Policies as we submit the Melbourne Insurance was a new risk altogether. 20

We again repeat that it is not our practice to itemize machinery and plant under a Fire Policy and we would point out that the photo-stat list of machinery and plant handed to Mr. Giltinan was not at our request but only for our information.

We again return the proposal form for amendment as requested in our letter of the 27th September, 1973.

...../2

We also acknowledge your letter of the 4th October and this was answered by our letter of even date. 30

Yours faithfully,  
GREATER PACIFIC GENERAL INSURANCE LIMITED,

RCRP  
R.C.R. Powell,  
MANAGER - BROKERS DIVISION.

322. Exhibit 25 - Letter  
from Greater Pacific  
General Insurance Ltd.  
8th October, 1973.

GERALD BALL INSURANCES PTY. LIMITED  
Insurance Brokers and Life Assurance Consultants  
All classes of general insurances . Life assurances .  
Staff Superannuations . Mortgages arranged

DEVELOPMENT HOUSE  
20-22 ASH STREET, SYDNEY 2000

Telephones  
25.2739 . 25.1380

Box 4766 G.P.O. Sydney  
15th October, 1973.

The Manager,  
Brokers' Division,  
Greater Pacific General Insurance Ltd,  
105 Pitt Street,  
SYDNEY. N.S.W. 2000.

RECEIVED  
15 OCT 1973  
BROKERS

10

ATTENTION MR. POWELL PLEASE.

Dear Sir,

Fire Insurance Cover Note No. 6056 -  
Marene Knitting Mills Pty Ltd.

We confirm our telephone conversation of even  
date and submit to you, the following:

1. The endorsement of Fire Policy No. Sc/FF 23574  
(issued by National & General Insurance Co. Ltd)  
which is self-explanatory, regarding cover of  
stock on the basis of current market value of  
such stock. 20
2. The complete list of machinery valued by Sewing  
Machine Exchange Pty Ltd and Potter & Holmes  
Pty Ltd on replacement value of this machinery.

May I just once more mention that the insurance  
risk of this client was accepted by your Company on a  
level transfer as previously insured, under the same  
terms and conditions, as by the National & General  
Insurance Co. Ltd.

We agree that this risk remained with National  
& General whilst the Insured was manufacturing in Sydney  
but this ceased when the Machinery and Stock was trans-  
ferred to Braybrook, Victoria.

Transport insurance was, of course, effected by  
you and, on arrival in Braybrook, C.N. No. 6056 was  
issued by your Company.

I trust that your policy will now be issued in  
accordance with the foregoing and return the proposal  
herewith.

Yours faithfully,  
Gerald Ball  
GERALD BALL.

Exhibit 25 - Letter  
from Gerald Ball Insur-  
ances Pty. Ltd. -

323. 15th October, 1973.

RCRP/SG

9th November, 1973.

The Managing Director,  
Gerald Ball Insurances Pty. Ltd.,  
Development House,  
20-22 Ash Street,  
SYDNEY. N.S.W. 2000

Dear Sir,

Re: Fire Insurance CN 6056 - Marene Knitting Mills  
Pty. Ltd.

We acknowledge your letter of the 15th October together with proposal form enclosed. 10

The contents of your letter has been fully discussed with our Head Office and we can only say that we are unable to accept your submissions and that the Policy must be issued in accordance with the original request for cover as explained in our letter of the 27th September, 1973, namely the Schedule should read:-

1.	Machinery and Plant	\$249,800	
2.	Machinery Parts	\$ 10,000	
3.	Office Machinery	\$ 4,000	20
4.	Stock in Trade (Subject to Declaration)	\$300,000	
		<u>\$563,800</u>	

Fusion \$1,000.

We return the proposal form for amendment and assure that the Policy will be issued promptly upon receipt of your proposal form as agreed.

Yours faithfully,

GREATER PACIFIC GENERAL INSURANCE LIMITED,

RCRP.  
R.C.R. Powell,  
MANAGER-BROKERS DIVISION.

30

GERALD BALL INSURANCES PTY. LIMITED  
Insurance Brokers and Life Assurance Consultants  
All classes of general insurances . Life assurances .  
Staff Superannuations . Mortgages arranged

DEVELOPMENT HOUSE  
20-22 ASH STREET, SYDNEY 2000

Telephones  
25.2739 . 25.1380

Box 4766 G.P.O. Sydney

13th November, 1973.

The Manager,  
Greater Pacific General Insurance Ltd,  
C.B.C. Bank Building,  
105 Pitt Street,  
SYDNEY. N.S.W. 2000

RECEIVED  
14 NOV 1973  
BROKERS  
ATTENTION MR. POWELL PLEASE.

10

Dear Mr. Powell,

Fire Insurance Cover Note No. 6056 -  
Marene Knitting Mills Pty Ltd

On receipt of your letter dated 9/11/73, ref.  
RCRP/SG, we discussed the contents of same with our  
client, Mr. M. Herszberg, who agreed to complete new  
proposal forms, which are herewith enclosed, and we  
trust that the policies will be issued forthwith so  
that the claim can be settled.

20

I am sorry to have to mention that your attitude  
towards settlement of this claim caused me the greatest  
embarrassment I have encountered in my thirty years in  
the insurance business, and I trust that there will be  
no repetition of this kind in our association with  
your Company.

Yours faithfully,

Gerald Ball  
GERALD BALL.

30

325. Exhibit 25 - Letter  
from Gerald Ball Insur-  
ances Pty. Limited -  
13th November, 1973

RCRP/SG

14th December, 1973.

The Managing Director,  
Gerald Ball Insurances Pty. Ltd.,  
20-22 Ash Street,  
SYDNEY. N.S.W.

Dear Sir,

Re: Fire Insurance Cover Note 6056  
Marene Knitting Mills Pty. Ltd.

We acknowledge your letter of the 13th November together  
with the two proposal forms enclosed. 10

We must again remind you that we cannot change the terms  
and conditions of the original cover and therefore, we  
are returning these proposal forms and would be obliged  
if you would return a single proposal in accordance  
with the cover note No. 6056 originally issued in order  
that the policy Documents may be prepared.

Please excuse the delay in answering your letter but  
the writer, who has been personally handling this case,  
has been absent from the office due to a serious motor  
car accident. 20

Yours faithfully,

GREATER PACIFIC GENERAL INSURANCE LIMITED,

RCRP  
R.C.R. Powell,

MANAGER - BROKERS DIVISION

Encl.

MELBOURNE BCH

CREST GREATER PACIFIC GENERAL INSURANCE LIMITED
Executive Office: 61/65 Wentworth Avenue,
Sydney, N.S.W. 2010
Telephones: 211-3999
Queensland: I.A.C. Building, Cnr. Queen & George
Streets, Brisbane 4000
Victoria: 101-103 King Street, Melbourne 3000
N.S.W.: 61-65 Wentworth Avenue, Sydney, 2010

10

Date 14/8/73

NAME Marene Knitting Mills Pty Ltd.
ADDRESS C/- BROKER
you are hereby held covered subject to the terms and
conditions of the Company Fire & Perils Policy, and to
such other conditions as are stated herein from 14/8/73
Interest Insured Stock in trade \$300,000, Machinery &
Plant \$249800, Machinery Parts \$10,000, Office Machinery
\$4000 Fusion \$1000. Less with N.S.

20

Situation ...
Cnr. Evans & Cranwell Streets, Braybrook, Victoria.
Occupied as Knitting Mill
Construction: Walls Brick Roof Iron
Sum Insured: \$563,800
Pending Completion
Subject to Policy conditions & stock declaration ...
conditions inc. Storm & tempest, explosion, Riot &
civil commotion, aircraft, Malicious damage, earthquake.
This Cover will expire at 4 p.m. on 14/11/73
Vehicle impact excl. Insd's own.

30

AGENCY For and on behalf of
Gerald Ball Greater Pacific General Insurance
Ins. Pty. Ltd. Limited

J. Giltinan.

.....

G.P.G.  
INSURANCE  
CREST

GREATER PACIFIC GENERAL INSURANCE LIMITED  
P.O. Box 248 55 Lavender Street  
Milsons Point 2061 Milsons Point, N.S.W.  
2061

Cable and Telegraphic Address:  
"Grepac"  
Telex: AA 23125  
Telephone: 922 1722

JJ:RMB

6th February, 1974.

10

Gerald Ball Insurances Pty. Ltd.,  
20 Ash Street,  
SYDNEY N.S.W. 2000.

Dear Sirs,

Re: MARENE KNITTING MILLS PTY, LTD.

Please find enclosed copy of letter to Marene Knitting Mills Pty. Ltd., dated 6th February, 1974.

The original letter has been sent direct to Melbourne, at the request of Mr. Myer Herzberg.

Yours faithfully,  
GREATER PACIFIC GENERAL  
INSURANCE LTD.

20

J. Johnson,

J. Johnson,  
Manager for New South Wales.

G.P.G.  
INSURANCE  
CREST

GREATER PACIFIC GENERAL INSURANCE LIMITED  
P.O. Box 248 55 Lavender Street  
Milsons Point 2061 Milsons Point N.S.W.  
2061

Cable and Telegraphic Address:  
"Grepac"  
Telex: AA 23125  
Telephone: 922 1722

JJ:RMB

6th February, 1974.

10

The Manager,  
Marene Knitting Mills Pty. Ltd.,  
C/- Gerald Ball Insurances Pty. Ltd.,  
20 Ash Street,  
SYDNEY N.S.W. 2000

WITHOUT PREJUDICE

Dear Sir,

Re: MARENE KNITTING MILLS PTY. LTD.

We refer to Cover Note No. 6056 dated 14th August, 1973,  
issued by us to your Company in respect of stock in  
trade, machinery and plant, machinery parts, office  
machinery and fusion situated at the corner of Evans  
and Cranwell Streets, Braybrook, Victoria.

20

Neither your Company nor anybody on its behalf disclos-  
ed to us either at or prior to the issue of the Cover  
Note that the business had previously had four very  
serious and substantial fires, namely, on 24th June  
1958, 10th September, 1960, 26th October 1961 and 2nd  
September 1965. The failure to disclose these four  
previous fires constituted non-disclosure of most  
material facts.

30

Despite this non-disclosure, your Company seeks indem-  
nity from us in respect of a fire at the subject pre-  
mises in the early hours of 15th August, 1973.

We regret to advise that, by reason of the non-  
disclosure referred to, we must give you notice, which  
we now do, that we hereby avoid the Cover Note. We  
decline to accept any liability to indemnify you under  
the Cover Note in respect of the fire on 15th August,  
1973, or in respect of any other event.

Please note also that your Proposal dated 4th September,  
1973, is rejected.

40

Yours faithfully,  
GREATER PACIFIC GENERAL INSURANCE LTD.

J. Johnson,  
Manager for New South Wales.

Exhibit "A" - Annexed  
Copy Letter from Greater  
Pacific General Insurance  
329. Ltd. - 6th February, 1974.



ARNOLD BLOCH, LEIBLER & CO. 324 Little Lonsdale Street,  
Solicitors Melbourne.

Arnold Bloch, M.A., LL.B.  
(CANTAB.), LL.B. (MELB.)

Victoria, 3000  
P.O. BOX 5071 Y.  
Melbourne, 3001

Mark M. Leibler, LL.B. (HONS.)  
(MELB.), LL.M. (YALE)

Mark Fagenblat, B.JURIS., LL.B.  
(MON.)

Melbourne Document  
Exchange 55

Telephone:

67 9981 (10 Lines)  
Area Code 03

OUR REF: ML:CH:16273

10

Telegraphic & Cable Address:  
Mishpat, Melbourne

YOUR REF: JJ:RMB

12th February, 1974.

The Manager, for N.S.W.,  
Greater Pacific General Insurance Limited,  
55 Lavender Street,  
MILSONS POINT. 2061

REC'D.  
18 FEB 1974

Dear Sir,

re: Marene Knitting Mills Pty. Ltd.

20

We advise that we act for the above Company, the Directors, of which have handed us your letter of the 6th inst. with instructions to reply thereto. We are still in the process of completing our investigations but from the instructions received to date it appears quite clear that there is no basis upon which your Company is entitled to avoid liability under the Cover Note.

As soon as our investigations have been completed we will write to you again setting out our clients position more fully.

30

Yours faithfully,

ARNOLD BLOCH, LEIBLER & CO.

(signed)

Per:

330. Exhibit 26 - Letter  
from Arnold Bloch,  
Leibler & Co.,  
12th February, 1974

ARNOLD BLOCH, LEIBLER & CO. 324 Little Lonsdale Street,  
Solicitors MELBOURNE.

Arnold Bloch, M.A., LL.B. Victoria, 3000  
(CANTAB.), LL.B. (MELB.) P.O. BOX 5071 Y.  
Mark M. Leibler, LL.B. (HONS.) Melbourne, 3001  
(MELB.), LL.M. (YALE)

Mark Fagenblat, B.JURIS., LL.B. Melbourne Document  
(MON.) Exchange 55

Telephone: OUR REF:ML:JW:16273  
67 9981 (10 Lines) YOUR REF: JJ:RMB  
Area Code 03

Telegraphic & Cable Address:  
Mishpat, Melbourne

14th February, 1974

10

The Manager, REC'D.  
Greater Pacific General Insurance Ltd., 18 FEB 1974  
55 Lavender Street,  
MILSONS POINT. 2061 N.S.W.

Dear Sir,

re: Marene Knitting Mills Pty. Ltd.

We refer to our letter of the 12th instant. We 20  
have now had an opportunity to complete our investiga-  
tions and once again take this opportunity of repeat-  
ing that from the instructions received from our  
client there is no conceivable basis upon which your  
company is entitled to avoid liability under the  
Cover Note.

As to the contents of your letter of the 6th  
instant, the position can be briefly summarised as  
follows:-

1. The issued shares in Marene Knitting Mills Pty. 30  
Ltd. were purchased by Fela Investments Pty. Ltd.  
some eight years ago at which time Marene Knitting  
Mills Pty. Ltd. was already conducting a well  
established business.
2. To the best of the knowledge of the present dir-  
ectors of Marene Knitting Mills Pty. Ltd. there  
have never been any claims with respect to fires  
as alleged in your letter of the 6th instant.
3. Except for one share which is held by the estate 40  
of the late L. Herszberg, the whole of the issued  
capital of Marene Knitting Mills Pty. Ltd. is  
beneficially owned by Fela Investments Pty. Ltd.  
In turn, the whole of the issued capital of Fela  
Investments Pty. Ltd. is beneficially owned by  
the children of the late Mr. L. Herszberg. Only  
one out of 62 issued shares in Fela Investments

Exhibit 26 - Letter  
From Arnold Bloch,  
Leibler & Co., -

331. 14th February, 1974

Exhibit 26 - Letter  
From Arnold Bloch,  
Leibler & Co., -  
14th February, 1974

Pty. Ltd. is owned by the estate of the late Mr. L. Herszberg and Mrs. F. Herszberg owns no shares whatsoever in the company.

4. The management and by far the greater part of the beneficial ownership of the entities which had in the past made claims

(sgd)  
...2

10

ARNOLD BLOCH, LEIBLER & CO.

To: Greater Pacific Insurance Sheet No.2

Date 14.2.74

with respect to substantial fires were vested in the late Mr. L. Herszberg and Mrs. F. Herszberg. Furthermore, the businesses in relation to which the fires occurred, bear no relation whatsoever to the present business conducted by Marene Knitting Mills Pty. Ltd. The late Mr. L. Herszberg is deceased and Mrs. F. Herszberg has no beneficial interest whatsoever in Marene Knitting Milss Pty. Ltd. or its business. The business itself, until the occurrence of the fire, was entirely under the management and control of Mr. C.M. Herszberg. We add, for the same of completeness, that Mr. C.M. Herszberg was unaware of the earlier fires referred to in your letter.

20

30

In our view there is a very substantial argument that even in relation to the completion of the proposal form itself, there has been no material non-disclosure. Be that as it may, as at the time when the fire occurred, no proposal form had been filled out, there was in full force and effect a Cover Note, and in relation to the taking out of that Cover Note our client had made any disclosures which were at that stage required by it. The fact of the matter is that as at the date when the Cover Note was issued neither the insured itself, nor the managing director of the insured, nor any beneficial shareholder in the insured company, had in any way in the past made a claim with respect to any fire.

40

In these circumstances, unless your company is

Exhibit 26 - Letter  
From Arnold Bloch,  
Leibler & Co., -  
14th February, 1974

Exhibit 26 - Letter  
From Arnold Bloch,  
Leibler & Co., -  
14th February, 1974

prepared to admit liability within fourteen days from  
the date hereof, legal proceedings will be issued  
without further notice.

Yours faithfully,  
ARNOLD BLOCH, LEIBLER & CO.

(sgd.)

10

per:

c.c. Mr. C.M. Herzberg

333. Exhibit 26 - Letter  
From Arnold Bloch,  
Leibler & Co., -  
14th February, 1974



Exhibit 10 - Letter  
from Reid & Vesely  
to H.W. Swanton & Co.  
23rd October, 1974

SCHEDULE OF CLAIMS

<u>Date of fire</u>	<u>Amount of claim</u>	<u>Contents owned by</u>	<u>Building owned by</u>	
24.6.58.	\$40,770.00	Hornsby Knitting Mills	L. and F. Herszberg	
10.9.60.	\$227,863.29	Hornsby Knitting Mills	L. and F. Herszberg	10
26.10.61.	\$121,364.00	James Knitwear Pty. Limited	L. and F. Herszberg	
2.9.65.	\$266,639.21	Hornsby Knitting Mills	L. and F. Herszberg	20

Yours faithfully,  
REID & VESELY

Per: G. Vesely.

335. Exhibit 10 - Letter  
from Reid & Vesely  
to H.W. Swanton & Co.  
23rd October, 1974

IN THE SUPREME COURT  
OF NEW SOUTH WALES  
COMMON LAW DIVISION  
COMMERCIAL LIST

8276 of 1974

MARENE KNITTING MILLS PTY. LIMITED

Plaintiff

GREATER PACIFIC GENERAL INSURANCE  
LIMITED

and

10

GERALD BALL INSURANCES PTY. LIMITED

Defendants

THE PLAINTIFF AND THE DEFENDANTS AGREE:-

RE MARENE KNITTING MILLS PTY. LIMITED

1. The Company was incorporated in New South Wales in 1937.

2. On 20th September 1965 the company was ordered to be wound up.

3. On 28th June 1966 the winding up was ordered to be stayed altogether.

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4. On 29th June 1966 the registered office of the company was moved to 68 Campbell Street, Sydney.

5. From 29th June 1966 until the present Fela Herszberg has been and is a director of the company.

6. From 29th June 1966 until his death on 26th July 1971 Laib Herszberg was a director of the company.

7. From 28th July 1971 until the present Myer Herszberg has been and is a director of the company.

8. From 29th June 1966 until 2nd September 1968 Fela Herszberg was secretary of the company.

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9. From 29th June 1966 until the present the shareholders of the company and their holdings have been and are as follows:

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Laib Herszberg (and from 26th July 1971 his estate)	1 share
Fela Investments Pty. Limited	3,701 shares

RE JAMES KNITWEAR PTY. LIMITED

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1. The company was incorporated in New South Wales on 18th November 1953.

2. From 1953 until 4th July 1966 the registered office of the company was at 2 James Street, Hornsby.

3. On 4th July 1966 the registered office was moved to 68 Campbell Street, Sydney.

4. From 14th December 1953 until the present Fela Herszberg has been and is a director of the company.

5. From 14th December 1953 until his death on 26th July 1971 Laib Herszberg was a director of the company. 20

6. From 28th July 1971 until the present Myer Herszberg has been and is a director of the company.

7. From 14th December 1953 until 20th May 1955 the shareholders of the company and their shareholdings were as follows:

Laib Herszberg	12 shares
Fela Herszberg	12 shares
Charles James Foxall	12 shares



8. From 20th May 1955 until the present the shareholders of the company and their shareholdings have been and are as follows:\*

Laib Herszberg (and from 26th July 1971 his estate)	442 shares	
Fela Herszberg	442 shares	
Charles James Foxall	12 shares	
Myer Herszberg	428 shares	10
Israel Herszberg	428 shares	
Abraham Herszberg	428 shares	
Woolf Herszberg	428 shares	
Esther Herszberg	428 shares	

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RE FELA INVESTMENTS PTY. LIMITED

1. The company was incorporated in New South Wales on 27th February 1959.

2. On 4th July 1966 the registered office of the company was moved to 68 Campbell Street, Sydney. 20

3. From 15th April 1959 until the present Fela Herszberg has been and is a director of the company.

4. From 15th April 1959 until his death on 26th July 1971 Laib Herszberg was a director of the company.

5. From 28th July 1971 until the present Myer Herszberg has been and is a director of the company.

6. From 27th February 1959 until 19th May 1971 the shareholders of the company and their holdings were as follows:

Exhibit 14 - Agreed  
Facts

Laib Herszberg	1 share
Fela Herszberg	1 share

7. From 19th May 1971 until the present the share-  
holders of the company and their holdings have been  
and are as follows:

Laib Herszberg (and from 26th July 1971 his estate)	1 share	
Fela Herszberg	1 share	10
Myer Herszberg	10 shares	
Israel Herszberg	10 shares	
Abraham Herszberg	10 shares	
Wolfe Herszberg	10 shares	
Esther Herszberg	10 shares	
Rachel Herszberg	10 shares	

IN THE SUPREME COURT  
OF NEW SOUTH WALES  
COMMON LAW DIVISION  
COMMERCIAL LIST

8276 of 1974

MARENE KNITTING MILLS PTY. LIMITED

Plaintiff

GREATER PACIFIC GENERAL INSURANCE  
LIMITED

and

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GERALD BALL INSURANCES PTY. LIMITED

Defendants

THE PLAINTIFF AND THE FIRSTNAMED DEFENDANT AGREE:-

That at all material times the proprietors of Hornsby Knitting Company (also sometimes known as Hornsby Knitting Mills) were Laib and Fela Herszberg.