



**Premium Home Comprehensive Household Insurance Policy**  
**[IMPORTANT NOTE: PLEASE READ THIS POLICY CAREFULLY]**

**PREAMBLE**

WHEREAS the **Insured**, by an **Application and Declaration** which shall be the basis of this Contract and is deemed to be incorporated herein, has applied to AIG Insurance Hong Kong Limited (hereinafter referred to as the **Company**) for the insurance hereafter contained and has paid or agreed to pay the premium as consideration for such insurance, the **Company** hereby agrees to provide insurance to the extent of and subject to the terms and conditions contained in or endorsed on this **Policy** during any **Period of Insurance** and provided that the liability of the **Company** shall not exceed the sum insured or other limits expressed in the **Schedule**. This **Policy**, the **Application Form, Declaration and Schedule** shall be read together as the entire contract and unless specifically stated to the contrary any word or expression to which specific meaning has been given shall have such specific meaning wherever it may appear.

**SECTION 1 - HOUSEHOLD CONTENTS "ALL RISKS"** (Valid only if selected as per Schedule)

The **Company** will, subject to a maximum indemnity limit HK\$1,000,000 during each **Period of Insurance**, indemnify the Insured against physical loss of or damage to:

1. **Household Contents, Personal Effects and Valuable** whilst contained within the **Location of Risk** provided that
  - (a) Save for those provided in (b) below, the liability of the **Company** shall be limited to HK\$50,000 for any one article;
  - (b) in respect of **Personal Effects and Valuables**, the liability of the **Company** shall be limited to HK\$5,000 for any one article;
  - (c) the total aggregate liability of the **Company** shall not exceed HK\$75,000 for all **Personal Effects and Valuables** during each **Period of Insurance**.
2. building betterment including renovation or refurbishment of floorings, fixtures and fittings of the **Building** which are carried out by the **Insured** subject to the maximum limit of HK\$150,000 in aggregate during each **Period of Insurance**.
3. **Personal Effects and Valuables** whilst traveling world-wide for temporary visit not exceeding sixty (60) days each time subject to the maximum limit of HK\$3,000 per article and HK\$15,000 in aggregate during each **Period of Insurance**.

Provided that an excess with details as per Memorandum 3 is to be applied in respect of each and every claim.

**EXTENSION OF SECTION 1**

The **Company** will extend the following coverage for Section 1 - **Household Contents "All Risks"**:-

Provided that an excess with details as per Memorandum 3 is to be applied in respect of each and every claim.

**A. Legal Liability**

The **Company** will indemnify the **Insured** against all sums including legal defense costs for which the **Insured** may be held legally liable to pay for compensation including but not limited to any sums arising out of or in relation to any claim made against the Domestic Worker for any act or conduct of the Domestic Worker in his/her performance of the duties under the relevant employment/appointment contract and of which the Insured is

- a) as a private householder occupying the **Location of Risk**
- b) as owner of the **Location of Risk** if it is occupied by the **Insured**

c) in a personal capacity  
in respect of :

- i) accidental bodily **Injury** (whether fatal or not) to any third party;  
or
- ii) accidental loss of or damage to property owned by any third party

due to the negligence of the **Insured** himself or the **Domestic Worker** occurring anywhere in **Hong Kong** or traveling **WORLDWIDE** for a temporary visit not exceeding 60 days during the **Period of Insurance**, including all costs and expenses recoverable by any claimant from the **Insured** and all costs and expenses incurred with the written consent of the **Company**.

In the event of the death of the **Insured** the **Company** will, in respect of the liability incurred by the **Insured**, indemnify the **Insured's** personal representatives in the terms of and subject to the limitations of this Section provided that such personal representatives shall as though they were the **Insured** observe, fulfill and be subject to the terms of the **Policy** so far as they can apply.

The **Company** will also cover the **Insured** against legal liability as an owner who is not in occupation of the **Location of Risk** as specified in the **Schedule**, subject to a limit of HK\$1,000,000 for all sums payable by the **Company** including legal costs and expenses arising out of any occurrence or series of occurrences consequent on one source or original cause.

Unless specifically mentioned, the **Company's** total liability under this extension for all sums payable arising out of any one occurrence or series of occurrences consequent on one source or original cause and in aggregate during the **Period of Insurance** will not be more than HK\$5,000,000.

**B. Unauthorized Use of Credit Card or Cash Disbursement Card**

The **Company** will pay the **Insured** for actual loss incurred as a result of unauthorized use of credit card or cash disbursement card belonging to the **Insured** up to HK\$3,000 during each **Period of Insurance**, provided that the loss must be reported to the local police and the card issuing company within 24 hours of discovery.

**C. Loss of Personal Documents**

The **Company** will reimburse the **Insured** for the actual replacement cost for the loss of or damage to passports or personal documents up to HK\$2,000 during each **Period of Insurance**.

**D. Loss of Cash or Traveler's Cheque**

The **Company** will pay the **Insured** for loss of cash or traveler's cheque by theft, **Burglary** or **Robbery** anywhere in the world including within the **Location of Risk** up to HK\$2,000 during each **Period of Insurance**, provided that the losses must be reported to the local police within 24 hours of discovery.

**E. Accidental Damage to Mobile Phone**

In cases of **accidental damage to the Insured's Mobile Phone** (model declaration required) whilst in **Hong Kong** or travelling **WORLDWIDE** for a temporary visit not exceeding sixty (60) days each time during the **Period of Insurance**, the **Company** will reimburse the **Insured** for costs to repair the **Mobile Phone** by a repairer approved by the **Company** or at the **Company's** sole discretion, replace the **Mobile Phone** with similar or like kind of model up to an amount not exceeding the market value or policy limit whichever is lower per **Period of Insurance**.

Provided that:-

1. The **Company's** liability shall in no case exceed HK\$2,000 in aggregate during each **Period of Insurance**.
2. The covers provided under this section are limited to two (2) **Mobile Phones** specifically declared in writing by the **Insured** per **Period of Insurance**.
3. The **Company** shall not cover any loss caused by any one of the following occurrences:
  - a) theft, **Robbery** or mysterious disappearance;
  - b) wear and tear, gradual deterioration, scratching or denting;
  - c) mechanical and electrical failure;
  - d) liquid damage.

In this section, "**accidental damage to the Insured's Mobile Phone**" shall mean respective internal and externally-visible breakage or destruction to **Mobile Phone** that results from an external, unexpected and unforeseeable cause and impedes the correct functioning of the **Mobile Phone** declared to the **Company**.

**F. Loss or Accidental Damage to Notebook Computer**

The **Company** will pay the **Insured** against the accidental physical loss of or damage to the **Notebook Computer** provided that the **Company's** liability shall in no case:-

- 1) exceed HK\$5,000 in aggregate during each **Period of Insurance** while the **Notebook Computer** is contained in the **Location of Risk** as specified in the **Schedule**; or
- 2) exceed HK\$3,000 in aggregate during each **Period of Insurance** while the **Notebook Computer** is used by the **Insured** outside the **Location of Risk** at other places in **Hong Kong** or traveling **WORLDWIDE** for a temporary visit not exceeding sixty (60) days each time.

**G. Loss or Accidental Damage to Wine**

The **Company** will pay the **Insured** against the accidental physical loss of or damage to the un-opened bottle of wine whilst contained within the **Location of Risk** as specified in the **Schedule**. The **Company's** maximum liability shall not exceed HK\$1,000 in aggregate during each **Period of Insurance**.

**H. Personal Accident**



The **Company** will cover the death of the **Insured** in the event if such death was occurred at the **Location of Risk** and caused by violent external and visible means and sustained as a result of fire, **Robbery or Burglary**; or solely by **Injury** of the **Insured** as a result of **Accident**. The **Company's** maximum liability under this section shall be limited to HK\$50,000 in aggregate during each **Period of Insurance**. The indemnity for the death of the **Insured** is payable to the estate of the deceased **Insured**.

**I. Removal of Household Contents By Professional Remover**

The **Company** will pay the **Insured** for accidental physical loss of or damage to the **Household Contents** in the course of such **Household Contents** being moved by professional removers from the **Location of Risk** to a new risk location within **Hong Kong**. The **Company's** liability is limited to HK\$3,000 per article or item and HK\$50,000 in aggregate during each **Period of Insurance**. The coverage is provided subject to such items or articles which the **Insured** specifically declare in writing to the **Company** before the transit.

**J. Temporary Storage**

The **Company** will pay the **Insured** for accidental physical loss of or damage to the **Household Contents** in the course of such **Household Contents** being temporarily removed from the **Location of Risk** to any other premises within **Hong Kong** for cleaning, repair or maintenance for up to fourteen (14) days. The **Company's** liability shall in no case exceed HK\$3,000 per article or item and HK\$50,000 in aggregate during each **Period of Insurance**.

**K. Alternative Accommodations**

The **Company** will pay the cost incurred by the **Insured** up to HK\$30,000 subject to a maximum daily limit of HK\$1,000 during each **Period of Insurance** for any reasonable temporary accommodation occupied by the **Insured** in the event when the **Location of Risk** is uninhabitable due to the insured accidental physical loss of or damage to the **Building**.

**L. Removal of Debris**

The **Company** will indemnify the **Insured** for costs actually incurred in any necessary demolition, shoring up and/or propping of the **Building** caused by an insured peril and the removal of debris or **Household Contents** (whether damaged or undamaged) provided that:-

- a) such costs are not recoverable under any other insurance policy; and
- b) the debris being removed is at the **Location of Risk** or at the area immediately adjacent to the **Location of Risk**.
- c) the **Company's** liability shall in no case exceed HK\$50,000 in aggregate during the **Period of Insurance**.

**M. Frozen Food**

The **Company** will indemnify the full replacement cost of any deteriorated frozen food and drinks in the freezer or refrigerator at the **Location of Risk** provided that the deterioration is caused by a change in temperature of the freezer or refrigerator due to:

- a) mechanical breakdown of the freezer or refrigerator which is less than 5 years old; or
- b) accidental failure of the electricity supply provided such failure is not caused by the deliberate act of the supply authority or its employees or the **Insured** or any other person.

The **Company's** liability shall in no case exceed HK\$3,000 in aggregate during each **Period of Insurance**. This coverage shall not apply to freezer or refrigerator which is more than 5 years old.

**N. Replacement of Locks and Keys**

The **Company** will pay the **Insured** up to HK\$2,000 in aggregate for the following events during the **Period of Insurance** subject to production of original and valid receipt(s) for:-

- (1) the cost of replacing keys of the **Location of Risk** and/or the **Insured's** vehicle keys if such keys are lost or stolen and the covered cost is limited to the actual amount paid by the **Insured** to a locksmith to produce a new key;
- (2) the cost of replacing locks and keys in case the **Location of Risk** or the **Insured's** vehicle is broken into;
- (3) the cost of a locksmith who helps the **Insured** gain access to the **Location of Risks** or the **Insured's** vehicle if the **Insured** is locked out of the **Location of Risk** or the **Insured's** vehicle due to the loss or theft of keys; and/or
- (4) reasonable cost of rental of a car for the period the **Insured's** vehicle keys are lost or stolen if it will take more than 24 hours to replace such keys.

**O. Accidental Breakage of Window Glass**

The **Company** will indemnify the **Insured** in respect of the breakage of window glass at the **Location of Risk** caused by the insured perils. The **Company's** maximum liability for this benefit shall not exceed HK\$5,000 in aggregate during each **Period of Insurance**.

**SECTION 2 – BUILDING (Valid only if selected as per Schedule)**

THE COMPANY AGREES subject to the terms exceptions and conditions contained herein or endorsed or otherwise expressed hereon which shall so far as the nature of them respectively will permit be deemed to be conditions precedent to the rights of the **Insured** to recover hereunder that if the **Building** at the **Location of Risk** as specified in the **Schedule** or any part thereof shall suffer any loss destruction or damage (hereinafter referred to as '**Damage**') caused by fire, or by lightning, or by explosion of boilers or gas used for domestic purposes only, or by any Extra Peril specified in the **Schedule**, at any time during the **Period of Insurance**, the **Company** will pay to the **Insured** the value of the **Building** at the time of the happening of its loss or destruction or the amount of such damage or at the **Company's** option reinstate or replace such **Building** or any part thereof.

Provided that:

1. an excess with details as per Memorandum 3 is to be applied in respect of each and every claim.
2. the liability of the **Company** shall in no case exceed:
  - (a) in the whole the Total **Sum Insured** or in respect of any item its **Sum Insured** at the time of the **Damage**, or
  - (b) if any other **Damage** shall have occurred during the same **Period of Insurance**, the **Sum Insured** remaining after payment for such **Damage** unless the **Company** shall have agreed to reinstate any such **Sum Insured**.

**EXCEPTIONS UNDER SECTION 2**

Unless otherwise expressly stated in the Policy, this insurance does not cover:

1. **Damage** occasioned by or through or in consequence of, directly or indirectly, any of the following:
  - (a) fire or explosion resulting from earthquake, volcanic eruption or other convulsion of nature;
  - (b) the **Building's** own spontaneous fermentation or heating;
  - (c) the **Building** undergoing any process involving the application of heat;
  - (d) burning whether accidental or otherwise of forests, bush, prairie, pampas or jungle, and the clearing of lands by fire;
  - (e) the burning of property by order of any public authority;
  - (f) theft during or after the occurrence of a fire;
  - (g) explosion other than of boilers or gas used for domestic purposes only.
2. Damage to any electrical machine, apparatus, or any portion of the electrical installation arising from or occasioned by its own over-running, excessive pressure, short circuiting, self heating, arcing or leakage of electricity arising from whatever cause (lightning included);

**SECTION 2A – OWNER'S LIABILITY (Valid only if selected as per Schedule)**

The **Company** shall indemnify the **Insured** against all sums for which the **Insured** may be held legally liable as owner of the **Building** situated in the **Location of Risk** as specified in the **Schedule** subject to a limit as specified in the **Schedule** for all sums payable by the **Company** including legal costs and expenses arising out of any occurrences consequent on one source or original cause and in aggregate during the **Period of Insurance** in respect of (a) accidental bodily injury (whether fatal or not) or (b) accidental physical loss of or damage to property.

In the event of the death of the **Insured** the **Company** will, in respect of the liability incurred by the **Insured**, indemnify the **Insured's** personal representatives in the terms of and subject to the limitations of this Section provided that such personal representatives shall as though they were the **Insured** observe, fulfill and be subject to the terms of the **Policy** so far as they can apply.

The **Company** is entitled to pay at any time to the **Insured** the **Limit of Liability** or any lesser amount for which any claim or claims can be settled and upon such payment, the **Company** shall relinquish conduct and control of and be under no further liability hereunder in connection with such claim or claims except for costs and expenses incurred with the written consent of the **Company** in respect of the conduct of such claim or claims before the date of such payment.

**EXCLUSION UNDER SECTIONS 1 - HOUSEHOLD CONTENTS "ALL RISKS" & SECTION 2 - BUILDING (EXCLUDES SECTION 1A)**

The **Company** shall not be liable in respect of:-

1. loss of or damage to swimming pools, patios, terraces, tennis courts, footpaths, driveways, gates, hedges, fences, water tanks, pipes and apparatus unless the structure of the main **Building** is also damaged at the same time;



2. loss of or damage to **Household Contents**, apparatus or equipment contained in or on roof or open area;
3. loss of or damage to food (unless specified in Section 1M), beverage, plant, landscape, domestic pets, living creatures and the like;
4. loss of or damage to bicycles, tricycles, motor vehicles, trailers or other vehicles (except baby carriages and invalid chairs) , or their equipment or furnishings except when removed from the vehicle and actually in the Insured Premises;
5. loss of or damage to boats, aircraft, aerial devices, satellite dish and their accessories;
6. loss of or damage to films, tapes, cassettes, cartridge, discs, diskettes or computer records and software;
7. loss of or damage to wine (unless specified in Section 1G), money (unless specified in Section D) , manuscripts, books, plans, drawings, designs, patterns, models or molds;
8. marring or scratching of any property or breakage of eyeglasses, hand mirrors, glassware, statues, marble, bric-a-brac, porcelain and similar fragile articles unless such marring, scratching or breakage is caused by theft, **Burglary** or **Robbery**, fire, lightning, windstorm, cyclone, tornado, earthquake, flood, explosion, falling aircraft;
9. loss of or damage to sports or medical equipment whilst in use;
10. loss of or damage to musical instrument whilst in professional use;
11. loss of or damage to contact lenses, pagers, portable or Mobile Phone unless otherwise specified in Section 1E;
12. loss of or damage to any equipment, apparatus or property used in connection with any profession, business or employment, or items which are insured under a separate policy;
13. loss of or damage to any property caused by seepage of rainwater due to typhoon, windstorm or rain;
14. loss of or damage to any property caused by or due to dampness of atmosphere, extremes in temperature or change in humidity;
15. loss of or damage to any property caused by or due to theft or attempted theft except by forcible and violent **Break-in** to or exit from the **Location of Risk**;
16. loss of or damage to any property caused by or due to theft or attempted theft from any unattended vehicles;
17. loss of or damage to any property caused by or due to any domestic pets or animals;
18. loss of or damage to any property caused by or due to construction, refurbishment, renovation, alteration, restoration, repairing, any process of cleaning or any other **Uninsurable Risks**;
19. loss of or damage to any property while the **Location of Risk** is unoccupied for more than thirty (30) consecutive days.

#### **EXCLUSION UNDER SECTIONS 1A - LEGAL LIABILITY & SECTION 2A - OWNER'S LIABILITY**

Without prejudice to the generality of the foregoing, the insurance under this **Policy** shall not cover liability in respect of:

- 1) bodily **Injury** to any person being a member of the **Insured's** family or household or at the time of sustaining such injury engaged in and upon the services of the **Insured**;
- 2) damage to property that belongs to or in the charge of or under control of the **Insured** or a member of the **Insured's** family or household or of a person in the service of the **Insured**, or to any property which could have been insured under Section 1 or 2 of this **Policy**;
- 3) bodily **Injury** or damage arising out of or incidental to:
  - a) the **Insured's** profession, business or employment;
  - b) the use or the ownership of lifts, elevators, vehicles, boats, watercraft, aircraft or any livestock other than the **Insured's** domestic pet which are legally and normally domesticated in **Hong Kong**;
- 4) any liability which attaches by virtue of an agreement but which would not have attached in the absence of such agreement;
- 5) any liability arising from the ownership, occupation or use of any land or building other than the **Insured Building** at the **Location of Risk** specified in the **Schedule**;
- 6) any deliberate act of any person whatsoever;
- 7) any bodily **Injury** caused by sickness, disease or **Mental Illness** or caused by the **Insured** intentionally;
- 8) any liability caused by, arising out of, aggravated by or resulting from "Fungi", wet or dry rot, or bacteria. This exclusion includes any liability imposed on the **Insured** by any government authority for any loss or damage caused by, arising out of, aggravated by or resulting from "Fungi", wet or dry rot, or bacteria.
- 9) bodily injury and/or property damage to any person occurring within the common area of the main structural building (hereinafter referred to as "**The Main Building**") in which the **Location of Risk** is located and forms a part thereof and the legal liability for such bodily injury and/or property damage attaches to or applies by operation of

law or otherwise to some or all of the owners of the **Main Building** except that in such event the **Company's** liability will be limited only to a sum that is equal to the total amount of the court judgment for such bodily injury and/or property damage multiplied by a fraction which is equal to the **Insured's** share or part ownership interest as set out in the title documents of the **Location of Risk** which can be subjected to judicial execution to satisfy the said court judgment;

- 10) any liability to any person who makes a claim because of bodily injury to any person who is in the care of the **Insured** because of child care services provided by or at the direction of the **Insured** or any other person actually or apparently acting on the **Insured's** behalf;
- 11) any liability arising out of any actual, alleged or threatened discrimination or harassment due to age, race, national origin, color, sex, creed, handicapped status, sexual preference or any other discrimination;
- 12) loss arising directly or indirectly out of wrongful termination of employment;
- 13) bodily injury or any liability whatsoever arising from transmission to any person of any communicable disease, bacteria, parasite, virus or other organism from any **Insured**. For the avoidance of doubt, communicable disease shall include any infectious disease for the purpose of this exclusion.

#### **EXCLUSION UNDER SECTION 1N - REPLACEMENT OF LOCKS AND KEYS**

Without prejudice to the generality of the foregoing, the insurance under this **Policy** shall not cover any loss caused directly or indirectly, wholly or partly, by any one of the following occurrences:

1. the costs associated with lost or stolen keys for a residence other than the **Location of Risk**;
2. the cost to replace keys to vehicles that are not owned by the **Insured**;
3. the cost to replace keys to vehicles that are registered as commercial vehicles at Transport Department in **Hong Kong**;
4. vehicles other than cars, trucks, jeeps, motorcycles, recreational vehicles, or campers.

#### **EXCLUSION UNDER SECTION 1H - PERSONAL ACCIDENT**

Without prejudice to the generality of the foregoing, the insurance under this **Policy** shall not cover any loss caused directly or indirectly, wholly or partly, by any one of the following occurrences:

1. is consequent on violation or attempted violation of the law or resistance to arrest;
2. results from suicide or attempted suicide or self-inflicted **Injury** or from deliberate exposure to exceptional danger (except in an attempt to save human life), or is sustained whilst the **Insured** is in a state of insanity;
3. is attributable wholly or in part to childbirth, miscarriage, pregnancy or any complications concerning therewith notwithstanding that such event may have been accelerated or induced by **Injury**;
4. is caused as a consequence of any kind of disease or illness;
5. is consequent on mental, nervous or sleep disorders, treatment of alcoholism, drug abuse or any other complications arising therefrom, or **Accident** caused by and whilst under the influence of drugs or alcohol.

#### **EXTENSION TO SECTION 1 – HOUSEHOLD CONTENTS “ALL RISKS” & SECTION 2 - BUILDING Landslip & Subsidence Extension**

It is hereby agreed and declared that notwithstanding anything herein to the contrary the insurance under this **Policy** shall extend to cover:

Loss of or damage to the Property Insured directly caused by subsidence of the site or landslip, occurring within the **Period of Insurance** stated in the schedule but excluding:

- i) loss or damage occasioned by or through or in consequence directly or indirectly of any of the following occurrences :
  - a) Coastal erosion
  - b) Heave
  - c) Bedding down of structures or the settlement of made up ground within 5 years of the completion of such works
- ii) loss of or damage to paths, drives, fences, gates, boundary and retaining walls caused by subsidence and/or landslip.
- iii) unless otherwise specifically insured, the cost of removal of subsidence and/or landslip debris or the making good of the site following subsidence and/or landslip except in so far as is necessary to repair the Property Insured.
- iv) loss or damage directly occasioned by or through defective design or workmanship or the use of defective materials.
- v) consequential or economic loss or damage of any kind or description.



- vi) the first HK\$10,000 or 10% of each and every loss, whichever is the greater, as ascertained after the application of any condition of average and occurring within each and every separate period of 72 consecutive hours during the currency of this Policy.

**WARRANTED:-**

1. The Insured shall maintain the Insured property in sound repair and shall take all responsible steps to prevent damage from the perils covered hereby.
2. The Insured shall notify the Company immediately:
  - (a) any excavation and commenced beneath, around or in the vicinity of the Insured property.  
In such event the Company shall have the right to vary or cancel the cover provided under this Policy.
  - (b) of the operation of an insured peril affecting any part of the site (whether or not the Insured property is involved) or its nearby surroundings.

The **Company's** total liability under this extension shall not exceed the **Sum Insured** shown on the **Schedule** during each **Period of Insurance**.

**MEMORANDUM**

**1. Replacement Cost Memorandum - Section 1 Household Contents "All Risks"**

It is hereby agreed that in the event the property insured under Section 1 is destroyed or damaged, the basis upon which the amount payable under this **Policy** is to be calculated shall be the replacement cost of the property so destroyed or damaged and the **Company** will pay not more than the smaller of the following amounts:-

- 1) the full cost of repair at the time of loss; or
- 2) the declared value or specific limits as stated in this Policy.

Provided that the actual repair or replacement is completed within ninety (90) days from the date of loss or damage, unless agreed by the **Company** in advance.

**2. Pair and Set Clause**

If there is a loss of an article which is part of a pair or a set, the measure of the loss shall be a reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of the said article, but such loss shall not be construed to mean total loss of the pair or set.

**3. Policy Excess - Section 1 -Household Contents "All Risks" & Section 2 - Building**

(1) Policy Excess for Section 1

It is hereby agreed that an excess is to be applied in respect of each and every claim under Section 1 (except Section 1A, 1H, 1K, 1L, 1N) with details as below:

- (a) HK\$250 if the Insured does not choose to have extra 10% premium discount, or
- (b) 10% of adjusted loss subject to minimum of HK\$250 if the Insured chooses to have extra 10% premium discount.

(2) Policy Excess for Section 2

It is hereby agreed that an excess is to be applied in respect of each and every claim under Section 2 (except Section 2A) with details as below:

- (a) 10% of adjusted loss subject to minimum of HK\$250 for non-water damage;
- (b) 10% of adjusted loss subject to minimum of HK\$1,000 for water damage.

**CLAUSES AND WARRANTIES**

Of the following clauses and warranties only those apply which are so indicated in the appropriate place in the **Schedule** and are each subject to the conditions of the **Policy**:-

**MILLENNIUM EXCLUSION**

- A. The **Company** will not pay for damage or consequential loss directly or indirectly caused by, consisting of, or arising from, the failure of any computer, data processing equipment or media microchip operating systems, microprocessors (computer chip), integrated circuit or similar device, or any computer software, whether the property of the insured or not, and whether occurring before, during or after the year 2000 that results from the inability to:

1. correctly recognize any date as its true calendar date;
2. capture, save, or retain and / or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date; and / or
3. capture, save, retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.

- B. It is further understood that the **Company** will not pay for the repair or modification of any part of an electronic data processing system or its related equipment, to correct deficiencies or features of logic or operation.
- C. It is further understood that the **Company** will not pay for damage or consequential loss arising from the failure, inadequacy, or malfunction of any advice, consultation, design evaluation, inspection installation, maintenance, repair or supervision done by you or for you or by or for others to determine, rectify or test, any potential or actual failure, malfunction or inadequacy described in "Millennium Exclusion" A above.

Such damage or consequential Loss described in A, B, or C above, is excluded regardless of any other cause that contributed concurrently or in any other sequence.

This endorsement shall not exclude subsequent damage or consequential loss, not otherwise excluded, which itself results from a Defined Peril. Defined Peril shall mean: fire, lightning, explosion aircraft or vehicle impact, falling objects, windstorm, hail, tornado, hurricane, cyclone, riot, strike, civil commotion, vandalism, malicious mischief, earthquake, volcano, tsunami, freeze or weight of snow.

**GENERAL EXCLUSIONS**

This **Policy** shall not apply to losses, damages, bodily Injury or any legal liability directly or indirectly caused by, wholly or partly contributed to by or arising from: -

1. war, invasion, act of foreign enemy hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, riot, **Terrorism** or any war-like operations, or military or usurped power, or requisition or destruction or damage to property by or under the order of any Government or public or local authority in preventing or attempting to prevent any such act or in minimising the consequences of any such act, except any damage done by the Hong Kong Fire Services Department in the execution of its duties on the occasion of a fire and on the occasion of other incidents that may develop into a real fire situation, or confiscation or nationalization;
2. radioactivity, atomic fission or atomic fusion, either controlled or not, or nuclear incident;
3. pressure waves caused by aircraft and other aerial device;
4. detention, seizure, confiscation, commandeering, requisition, destruction or damage by customs or other government officials of **Hong Kong** or other countries;
5. unexplained or mysterious disappearance or shortage disclosed on periodic checking;
6. misuse or use contrary to manufacturer's instruction, inherent vice, inherent defective, defective design, defective material or faulty workmanship;
7. malicious mischief, malicious damage, vandalism by the **Insured** or any person lawfully in the insured **Location of Risk**;
8. deliberate, infidelity or dishonesty action of **Insured** and any employee of **Insured**;
9. any violation or attempted violation of the law by the **Insured**;
10. any unlawful construction, renovation, alteration of any kind at the insured **Location of Risk**;
11. consequential loss or damage of any kind or depreciation;
12. any loss of or damage to items which is already insured under a separate policy of insurance;
13. any depreciation in value in any item, article or property;
14. any landslide, subsidence or erosion unless specified;
15. setting or cracking of land resulting from earth movements or underground water pressure, shrinkage or expansion of foundations;
16. Acts of **Terrorism** committed by any person or persons acting on behalf of or in connection with any organization;
17. **Uninsurable Risks**.

**DEFINITIONS**

The following terms, when used in this Policy, shall have the below-mentioned meaning:-

1. "**Accident**" shall mean an unforeseen and involuntary event which causes an **Injury**. And that such event occurs after the effective date of the benefit of the Personal Accident insurance hereunder.
2. "**Break-in**" shall mean to enter someone's property illegally by actual force or violence of which there shall be visible marks made at the place of such entry by electricity or chemicals as well as by tools or explosives, usually with the intent to steal or commit a violent act.
3. "**Building**" means only the structural building itself in which the **Location of Risk** situates which includes all fixtures and fittings attached to it but excluding all personal contents in the building, the building foundation and its underground drainage system. Unless specifically mentioned the structural building is deemed declared by



- the **Insured** to be constructed of brick, stone, concrete and roofed with concrete, slate, tile, metal and other incombustible mineral ingredients.
4. **"Burglary"** means the taking of property of the **Insured** by a person or persons who illegally entered or exited the premises using force or violence of which there shall be visible signs of entry.
  5. **"Domestic Worker"** shall mean an employee of the **Named Insured** whose duties are mainly in relation or incidental to the household chores, excluding the driving of any motor vehicle on a regular basis, unless specifically declared to and agreed by the Company.
  6. **"Fungi"** shall mean any type or form of fungus, including but not limited to, all forms of mold or mildew, and any mycotoxins, spores, scents, vapors, gas, or substance, including any byproducts, produced or released by "Fungi".
  7. **"Hong Kong"** shall mean the Hong Kong Special Administrative Region or the HKSAR.
  8. **"Household Contents"** shall mean all household goods, appliances, furniture and tenants' fixtures and fittings.
  9. **"Insured"** shall apply to the following persons :-
    - i) **Named Insured**;
    - ii) if residents of the **Named Insured's** household – the **Insured's** spouse, children, parents and other relatives who normally live with the **Insured** in the **Location of Risk**.
  10. **"Location of Risk"** shall mean the **Insured Premises** specified under the **Schedule**.
  11. **"Injury"** shall mean bodily injury sustained accidentally by external means caused solely by **Accident** and independent of any other cause and not therefore due to illness or disease while this insurance is in force.
  12. **"Mental Illness"** shall mean mental disorders including, but not limited to eating disorders, anxiety disorders, psychotic disorders, affective disorders, personality disorders, substance use disorders, somatoform disorders, dissociate disorders, psychosexual disorders, adjustment disorders, organic mental disorders, mental retardation and autism.
  13. **"Money"** shall mean cash, currency notes, bank notes, bank drafts, promissory notes, travelers' cheques, deeds, bonds, bills of exchange, cheques, postal or money orders, securities for money, securities certificates and document, bullion, coins, tickets, stamps, vouchers or coupons of any kind.
  14. **"Mobile Phone"** shall mean portable personal use hand-held telephone, blackberry, smart phone and PDA that connects with the telephone network over radio wave transmission.
  15. **"Named Insured"** shall mean the **Insured** named in the policy **Schedule**
  16. **"Notebook Computer"** shall mean personal computer designed for personal and portable use only.
  17. **"Personal Effects"** shall mean articles of personal use that are designed to be either worn or carried belonging to the **Insured** excluding **Mobile Phone** and **Notebook Computer**.
  18. **"Period of Insurance"** shall mean the Period of Insurance specified under the schedule.
  19. **"Policy Year"** shall mean each continuous twelve months period starting from the inception of this Policy as specified in the Schedule.
  20. **"Robbery"** means the unlawful taking of property from the **Insured's** care and custody by one who has caused or threatened the **Insured** with bodily harm and has committed an illegal or violent act.
  21. **"Sum Insured"** and **"Total Sum Insured"** shall mean those respective amounts as so specified and shown on the **Schedule**.
  22. **"Terrorism"** shall mean the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear for their lives and/or safety.
  23. **"Uninsurable Risks"** shall mean:-
    - i. marring, scratching, denting, rust, corrosion, wear and tear or depreciation;
    - ii. rot, fungus, wood worm, beetle, moth, insects or vermin;
    - iii. mechanical or electrical fault or breakdown;
    - iv. any process of cleaning, dyeing, renovation, re-styling, repairing or restoring;
    - v. shrinkage, evaporation, loss of weight, contamination, change in flavour, colour, texture of finish, action of light;
    - vi. any other gradually operating cause.
    - vii. **"Fungi"**, wet or dry rot, or bacteria, meaning the presence, growth, proliferation, spread or any activity of **"Fungi"**, wet or dry rot or bacteria. Whenever **"Fungi"**, wet or dry rot, or bacteria occur, the **"Fungi"**, wet or dry rot, or bacteria and any

resulting loss is always excluded under this Policy, however caused. In addition, there is no coverage to test for, monitor, clean up, remove, remediate, contain, treat, de-toxify, neutralize, or in any way respond to, or assess the effects of, **"Fungi"**, wet or dry rot, or bacteria.

viii. sonic bangs – pressure waves caused by aircraft or other aerial devices.

24. **"Valuables"** shall be deemed to include but not limited to gold, silver, platinum, precious stones, jewelry, watches, furs, pictures, works of arts (including wall-hanging rug), coin collections, silverware, binoculars, telescopes, musical instruments (except pianos), photographic equipment, and portable audio/video equipment.

## GENERAL CONDITIONS

### 1. Observance of Policy Terms

The **Insured** shall exercise the due observance and fulfillment of the terms, conditions and endorsements of this **Policy** in so far as they relate to anything to be done or complied with and the truth of the information set out in the Application shall be conditions precedent to any liability of the **Company** to make any payment under this **Policy**.

### 2. Jurisdiction Clause

The indemnity provided by this **Policy** shall not apply in respect of judgments which are not in the first instance delivered by or obtained from a court of competent jurisdiction within **Hong Kong**, nor to orders obtained in the said court for the enforcement of judgments made outside **Hong Kong**, whether by way of reciprocal agreements or otherwise. The parties herein agree to submit to the exclusive jurisdiction of the courts of **Hong Kong**.

### 3. Reasonable Precautions

The **Insured** shall:-

- a) use all reasonable diligence and care to keep the **Building** in a proper state of repair and if any defect therein be discovered shall cause such defect to be made good as soon as possible and shall in the meantime cause such additional precautions to be taken for the prevention of injury, loss or damage as the circumstances may require and the **Company** shall not be liable for any injury, loss or damage caused by a defect which the **Insured** has failed to remedy after having received notice of such defect either from the **Company** or any person or public body;
- b) exercise all reasonable precautions for the maintenance and safety of the property insured;
- c) take all reasonable precautions to minimize any injury, loss or damage which may occur and to take all reasonable steps to recover any property lost;
- d) duly comply with and observe all provisions, requirements and regulations of statutory obligations.

### 4. Maintenance of Sum Insured

The **Insured** shall at all times maintain the **Sum Insured** at a level which represents -

(a) the full replacement value of the property insured under Section 1 at the Inception of this Policy;

(b) the full reinstatement cost of the Buildings under Section 2.

If less than 90% of the said full replacement value or the said Full reinstatement cost, the **Insured** shall be considered as being his/her own insurer for the excess and shall bear a ratable proportion of the loss accordingly.

In the event of payment by the **Company** for any loss insured under any section of the **Policy**, the sum insured for such section shall thereafter be automatically reduced by the amount of such payment, inclusive of any applicable excess.

### 5. Change in Risk

During the **Period of Insurance**, the **Insured** must notify the **Company** of any change made to the **Location of Risk** of the **Insured** or in circumstances which would increase the possibility of loss and pay necessary additional premium due if required.

### 6. Changes to this Policy

If the **Company** wishes to change the terms of this **Policy**, the **Company** will give notice to the **Insured** in writing at the last known address of the **Insured** and the change(s) will take effect 7 days after the date of the notice. If the **Insured** wishes to change the terms of this **Policy**, the **Insured** will give notice to the **Company** and the change(s) will take effect only if there is an approval by the **Company**.

### 7. Claim Procedures under this Policy

- a) Notice to Company



Upon knowledge of loss occurring or likely to occur, the **Insured** shall give written notice thereof as soon as practicable to the **Company**;

- b) Notice to Police  
In case of loss by **Burglary, Robbery**, larceny or vandalism, notice also should be given to the local police;
- c) Proof of Loss  
The **Insured** shall file a Proof of Loss to the **Company** within 30 days from the date of occurrence or date of discovery, unless the **Company** extends such time in writing. Upon the **Company's** request, the **Insured** shall submit (and, so far as is within his or her power, shall cause all other persons interested in the property and household members and employees to submit) all certified information and evidence at the **Insured's** expense, sign a sworn statement referring to the loss, and produce all pertinent records for the **Company's** examination at such reasonable times and places as the **Company** may designate, and shall co-operate with the **Company** in all matters pertaining to the loss;
- d) Non-admission  
The **Insured** shall not make any admission of liability or enter into any settlement or compromise of a loss without obtaining the written consent of the **Company**;
- e) Payment of Loss  
Each claim for loss shall be adjusted separately and from the amount of each loss, when determined, the applicable excess stated in this **Policy** shall be subtracted. No loss shall be paid hereunder if the **Insured** has collected the same from others;
- f) Bailees not to benefit by this insurance  
This **Policy** shall not accrue directly or indirectly to the benefit of any carrier or bailee;
- g) For Section 1D and 1N - for **Break-in** protection claims, the **Insured** must provide an official police report that reports the incident happened to **Company** within the covered time frame in order for **Company** to pay the claim; unless the **Insured** is proved to be incapable of doing so as defined under the laws.

**8. Governing Law**

This **Policy** is governed by and interpreted by the laws of **Hong Kong**.

**9. Control of Claims**

The **Company** shall be entitled -

- a) to indemnify the **Insured** by payment or at its option by reinstatement, repair or replacement;
- b) on the happening of any loss or damage for which indemnity is provided under Section 1 or 2, to enter any building where the loss or damage has happened, to take and keep possession of the property insured and to deal with the salvage in a reasonable manner and this **Policy** or any copy thereof certified by the **Company**, shall be proof of leave and license for such purpose but no property may be abandoned to the **Company**;
- c) to pay at any time to the **Insured** the Limit of Liability provided under the Legal Liability - Section 1A or any lesser amount for which any claim or claims can be settled and upon such payment the **Company** shall relinquish conduct and control of and be under no further liability under that Section in connection with such claim or claims except for costs and expenses incurred with the written consent of the **Company** in respect of the conduct of such claim or claims before the date of such payment.

**10. Reinstatement Settlement**

The maximum amount the **Company** will pay for any one claim is the limit(s) as defined in the **Policy** and **Schedule**. The decision to repair or replace any damaged property rests entirely with the **Company**.

**11. Salvage**

The **Company** may pay for the loss in money or for the cost of repair or replacement of the property and may settle any claim for loss of property either with **Insured** or the owner. Any property so paid for or which is replaced shall become the property of the **Company**. The **Insured** and the **Company**, as the case may be, upon recovery of any such property, shall give notice thereof as soon as practicable to the other and **Insured** shall be entitled to the property upon reimbursing the **Company** for the amount so paid or the cost of replacement. Application of the insurance to property of more than one person shall not operate to increase the limit of the **Company's** liability for any one occurrence.

**12. Subrogation**

If the **Company** shall make any payment or otherwise make good any loss applying under this **Policy**, it shall be subrogated to all **Insured's** rights of recovery against any other person or persons and the **Insured** shall complete, sign and deliver any documents

necessary to secure such rights. The **Insured** shall not take any action following a loss to prejudice such rights of subrogation.

**13. Cancellation Provision**

(a) For monthly premium payment mode

This **Policy** may be cancelled at any time at the request of the **Named Insured** in writing to the **Company**. The date of such cancellation shall be the monthly premium due date immediately following the **Company's** receipt of the said request in writing (which shall be the date of cancellation). In the event of such cancellation, the **Named Insured** shall not be entitled to any refund of premium whatsoever.

(b) For annual premium payment mode

The **Policy** may be cancelled at any time at the request of the **Named Insured** in writing to the **Company**. In the event of such cancellation, the **Named Insured** shall be entitled to a refund of premium for an amount calculated in accordance with the Short Term Premium Refund Table set out below, but subject to the **Company** retaining a minimum amount of HK\$400 from the premium paid. The date of cancellation shall be the date that the **Company** actually receives the said request in writing.

Short Term Premium Refund Table: The amount of refund premium (subject to the HK\$400 retention premium) shall be calculated by reference to the period of coverage prior the date of cancellation of the **Policy** as follows:

Period Covered (not exceeding)	Premium Refund
1 month	90%
2 months	80%
3 months	70%
4 months	60%
5 months	50%
6 months	40%
7 months	30%
8 months	20%
9 months	10%
Over 9 months	Nil

Notwithstanding anything stated to the contrary above, in the event any claim has arisen under this **Policy** prior to the date of cancellation, no refund of premium shall be made by the **Company**.

The **Company** is also entitled to cancel this **Policy** at any time upon giving seven (7) days notice in writing to the **Named Insured** at the last known address and the refund premium, if any, shall be adjusted on a pro-rata basis and subject to a minimum retaining premium of HK\$400. The date of cancellation shall be the date stipulated in the cancellation notice in writing.

In the event of cancellation of this **Policy** by the **Named Insured** or the **Company**, any claims which have arisen under this **Policy** prior to the date of cancellation (that is, the damage or the loss has been incurred prior to the date of cancellation) shall continue to be covered under this **Policy** subject to its terms and conditions. Claims arising on or after the date of cancellation shall not be covered.

**14. Premium**

(a) For monthly premium payment mode

The **Company** shall collect the first three (3) month's premium at the inception of this **Policy**. The fourth month's premium shall be collected at beginning of the fourth month of coverage under this **Policy** and each subsequent month's premium shall be collected on the same date in each month thereafter for the effective period of this **Policy**. Premium shall be paid in accordance with the amount stated in the Schedule, endorsement and any memoranda to this **Policy**.

(b) For annual premium payment mode

Annual premium shall be paid in accordance with the amount stated in the Schedule, endorsement and any memoranda to this **Policy** at the inception of this **Policy** and subsequently at the inception of each subsequent **Policy Year**.

In the event the initial premium charged to the **Insured** is not paid, this **Policy** shall be deemed void from the inception date of this **Policy** as specified in the Schedule. In the event the initial premium charged to the **Insured** has been paid, the non-payment of any subsequent premium amount due shall render this **Policy** automatically cancelled as from the due date of such subsequent premium amount.

**15. Change of Premium Payment Mode**

If the **Named Insured** wishes to change the premium payment mode from annual to monthly (or vice versa), then he/she shall make the requested change in writing to the **Company**. If the request is to change the premium payment mode from annual to monthly, such



change shall take effect at the inception of the following **Policy Year**. If the request is to change from monthly to annual, such change shall take effect during the month immediately following the **Company's** receipt of the Insured's request to change.

#### 16. **Misrepresentation and Fraud**

Any **Policy** issued hereunder shall be void if the **Insured** conceals or misrepresents any material fact or circumstance concerning this **Policy** or the subject thereof; or in case of any fraud or false swearing by the **Insured** regarding any matter relating to this **Policy** or the property insured, whether such be done before or after a loss has occurred.

If any claim is made under this **Policy** where fraudulent means or devices are used to obtain compensation. The **Company** shall have no liability in respect of all claims whatsoever under this **Policy**.

#### 17. **Assignment of Interest under this Policy**

Assignment of interest under this **Policy** shall not bind the **Company** until its consent is endorsed hereon.

#### 18. **Policy Alterations**

No alteration in the terms of this **Policy** shall be valid unless endorsed and signed by an officer or duly authorized attorney of the **Company** for this purpose appointed.

#### 19. **Burden of Proof**

In any action, suit or other proceedings where the **Company** alleges that by reason of the provisions of any exclusions which may be applicable, any loss, destruction or damage is not covered by this **Policy**, the burden of proving that such loss, destruction or damage is covered shall be upon the Insured.

#### 20. **Arbitration**

Any differences arising as to the amount to be paid under this **Policy** (liability being otherwise admitted) shall be referred to the decision of an Arbitrator to be appointed 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 party. In the event of disagreement between the Arbitrators the difference(s) shall be referred to the decision of an Umpire who shall have been appointed in writing by the Arbitrators or failing which the choice of Umpire shall be referred to the Chairman for the time being of Hong Kong International Arbitration Centre before entering on the reference. An award made following these proceedings shall be a condition precedent to any right of action against the **Company**.

#### 21. **Action against the Company**

No action, suit or proceeding shall lie against the **Company** unless, as a condition precedent hereto, there shall have been full compliance with all the terms of this **Policy**, nor until sixty (60) days after the required proofs of loss have been filed with the **Company**. No action, suit or proceeding for the recovery of any claim under this **Policy** shall be maintainable in any court of law or equity unless the same be commenced within twelve (12) months next after the calendar date of the happening of the physical loss out of which the said claim arose. Provided, however, that if by the laws of the state or country within which this **Policy** is issued such limitation is invalid, then any such claim shall be void unless such action, suit or proceeding be commenced within the shortest limit of time permitted by the laws of such state or country, to be fixed herein.

#### 22. **Other Insurance**

Subject to all other applicable conditions appearing in this **Policy**, the **Company** shall not be liable for loss if, at the time of loss, there is any other insurance which would attach if this **Policy** had not been effected, except that the coverage provided for under this **Policy** shall apply only as excess and in no event as contributing insurance, and then only after all other insurance has been exhausted.

#### 23. **Parties of the Contract**

Unless otherwise expressly stated, nothing contained herein shall give any rights against the **Company** to any person other than the **Insured**. Further, the **Company** shall not be bound by any passing of the interest of the **Insured** otherwise than by death or operation of law unless and until the **Company** shall declare the insurance to be continued by endorsement. The extension of the **Company's** liability in respect of the property of any person other than **Insured** shall give no right of claim hereunder to such person, the intention being that the **Insured** shall in cases claim for and on behalf of such person and the receipt of **Insured** shall in any case absolutely discharge the **Company** liability hereunder.

#### 24. **Sanctions Exclusion**

The **Company** will not be liable to provide any coverage or make any payment hereunder if to do so would be in violation of any sanctions law or regulation which would expose the **Company**, its parent company or its ultimate controlling entity to any penalty under any sanctions law or regulation.

#### 25. **Personal Data (Privacy) Ordinance**

The Insured agrees that:

- (a) the personal data collected during the application process or administration of this policy may be used by AIG HK for the purposes stated in its Data Privacy Policy, which include underwriting and administering the insurance policy being applied for (including obtaining reinsurance, underwriting renewals, data matching, claim processing, investigation, payment and subrogation).
- (b) AIG HK may use the Insured's contact details (name, address, phone number and e-mail address) to contact him/her about other insurance products provided by the AIG group (assuming AIG HK has obtained the agreement of the Insured to use such contact details for this purpose).
- (c) AIG HK may transfer the personal data to the following classes of persons (whether based in Hong Kong or overseas) for the purpose identified:
  - i) third parties providing services related to the administration of this policy, including reinsurers (per (a) above);
  - ii) financial institutions for the purpose of processing this policy and obtaining policy payments (per (a) above);
  - iii) in the event of a claim, loss adjustors, assessors, third party administrators, emergency providers, legal services providers, retailers, medical providers and travel carriers (per (a) above);
  - iv) for the purpose of conducting direct marketing activities (per (b) above), marketing companies authorized by the AIG group;
  - v) another member of the AIG group (for all of the purposes stated in (a) and (b)) in any country; or
  - vi) other parties referred to in AIG HK's Data Privacy Policy for the purposes stated therein.
- (d) The Insured may gain access to, or request correction of his/her personal data (in both cases, subject to a reasonable fee), or change the option he/she previously elected in relation to the use of his/her contact details for direct marketing at any time, by writing to the Privacy Compliance Officer of AIG Insurance Hong Kong Limited at GPO Box 456 or cs.hk@aig.com. The same addresses may be used to contact AIG HK with any comments in relation to the services it provides. The full version of AIG HK's Data Privacy Policy can be found at [www.aig.com.hk](http://www.aig.com.hk).

In the context of this **Policy** where permitted/required it is hereby declared that the singular number shall include the plural and vice versa and the masculine gender shall include the feminine and the neuter and vice versa.

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**AIG INSURANCE HONG KONG LIMITED**  
**46/F, One Island East, 18 Westlands Road,**  
**Island East, Hong Kong**  
**Tel: 3666-7033 Fax: 2832-9514**