



## ELITE HOME Comprehensive Insurance Package (Gold Plan)

**[IMPORTANT NOTE: PLEASE READ THIS POLICY CAREFULLY]**

### PREAMBLE

WHEREAS the Insured, by a Proposal and Declaration which shall be the basis of this Contract and is deemed to be incorporated herein, has applied to the AIG Insurance Hong Kong Limited (hereinafter referred to as the "Company") for the insurance hereinafter 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 providing that the liability of the Company shall not exceed the sums insured or other limits expressed herein or in the Schedule.

This Policy, the Proposal 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 – CONTENTS

The Company will, subject to a maximum indemnity limit of HK\$1,500,000 during each period of insurance, indemnify the Insured against physical loss of or damage to:

1. Household Contents, Personal Effects and Valuables whilst contained within the insured premises provided that
  - (a) save for those mentioned in (b) and (c) below, the liability of the Company shall be limited to HK\$100,000 for any one article;
  - (b) unless otherwise provided for in (c) below, in respect of Personal Effects & Valuables, the liability of the Company shall be limited to HK\$25,000 for any one article, subject to an aggregate limit of HK\$100,000 for camera, fur, silverware and musical instrument.
  - (c) in respect of the following items, the Company will indemnify the Insured up to limits shown below:
    - (i) HK\$50,000 per any one article and per one period of insurance for Fine Arts
    - (ii) HK\$1,500 per any one article and HK\$5,000 in aggregate per period of insurance for Wine or Vintage Wine
    - (iii) HK\$800 per any one article and HK\$2,000 in aggregate per period of insurance for Stamps, Coins & Collectibles
  - (d) the total aggregate liability of the Company shall not exceed HK\$300,000 for all Personal Effects & Valuables during each Period of Insurance.
2. Personal Effects and Valuables whilst in Hong Kong subject to the maximum limit of HK\$25,000 per article and HK\$50,000 in aggregate. Provided always that the maximum limit of HK\$10,000 per article and HK\$20,000 in aggregate applicable for camera, fur and musical instrument.
3. Personal Effects and Valuables whilst travelling world-wide for temporary visit not exceeding 60 (sixty) days each time subject to the maximum limit of HK\$10,000 per article and HK\$20,000 in aggregate during each period of insurance.  
Unless such article is declared and insured as a separate Item of the Personal Effects or Valuables.

Provided that –

- (a) the Company shall not be liable for theft of property left in:
  - (i) unattended touring or convertible cars; or
  - (ii) other unattended vehicles unless all windows doors luggage compartment, boot, sunroof and windscreen are completely closed and securely locked.
- (b) the Company shall not be liable for the loss of or damage to the Personal Effects and Valuables during the course of removal from the Buildings for the purpose of storage, cleaning, repair, renovation and maintenance or relocation to a new insured risk location, unless specifically agreed upon by the Company in writing in advance.

### Exclusions to Section 1

The Company shall not be liable for the following:

1. Loss or damage arising out of theft or attempted theft, burglary or robbery while the Buildings or any part thereof is:
  - (a) licensed or let unless violent means are used to enter or leave the Buildings; or
  - (b) unoccupied for more than 60 consecutive days.
2. Any malicious damage or vandalism if the Buildings is unoccupied for more than 60 consecutive days.

### SECTION 2 – BUILDINGS (valid ONLY IF selected as per schedule)

The Company agrees to indemnify the Insured by payment or at its option by reinstatement or repair against accidental physical loss of or damage to the Buildings provided that the Company shall not be liable in respect of:

1. Loss of or damage to gates, hedges and fences caused by typhoon, storm or flood.
2. Loss of or damage to swimming pools.
3. Loss or damage sustained while the Buildings are unoccupied for more than 60 consecutive days.
4. Loss or damage resulting from theft or attempted theft:
  - (a) caused by any of the insured; or
  - (b) which occurs while any part of the Buildings is let, sub-let or loaned to anyone unless the Buildings show violent signs of entry or exit.
5. Loss or damage due to falling trees or branches, telegraph poles or lamp-posts:
  - (a) to fences, hedges or gates;
  - (b) caused by cutting down or trimming of trees and branches on your own property.
6. Loss or damage due to smoke if arising from any gradually operating cause.

### Extensions to Section 2

This Section is extended to provide coverage for:

1. Costs and expense necessarily incurred by the Insured with consent of the Company in:
  - (a) removing debris
  - (b) dismantling and/or demolishing
  - (c) shoring up or propping up  
of a portion or portions of the Buildings destroyed or damaged by fire or by any other peril hereby insured against subject to a maximum limit of 5% of the Sum Insured under Section 2 declared on the Schedule.
2. Architects', Surveyors' and Consulting Engineers' Fees necessarily incurred in the reinstatement of the Building specified consequent upon its destruction or damage but not for preparing any claim, it being understood that the amount payable for such fees shall not exceed the scale of charges of the respective professional body subject to a maximum limit of 5% of the adjusted amount of claim or HK\$100,000 whichever is the lesser.

### GENERAL EXTENSIONS

This Policy is extended to provide the following coverages:

1. Public Liability  
The Company will subject to a limit of HK\$5,000,000 in respect of any one claim or series of claims arising out of one event, and in aggregate during the Period of Insurance, indemnify the Insured against all sums for which the Insured may be legally liable for:
  - (1) accidental bodily injury (whether fatal or not); or
  - (2) accidental damage to property;  
occurring anywhere in the world during the Period of Insurance, provided that the Insured has been adjudicated as so legally liable within the jurisdiction of Hong Kong courts. And Provided that the Company shall not be liable in respect of:
    - (a) ownership or occupancy as tenant of any other building, premises or land not declared for this Policy
    - (b) bodily injury to any person who is the Insured or a member of the Insured's family or household or at the time of sustaining such injury is engaged in and upon the service of the Insured;
    - (c) damage to property belonging to or in the charge of or under the 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 hereof;
    - (d) bodily injury or damage arising out of or incidental to –
      - (i) the Insured's profession or business or employment; or
      - (ii) the use of lifts, escalators, vehicles, watercraft or aircraft;
    - (e) any liability of the Insured which attaches by virtue of an



agreement but which would not have attached in the absence of such agreement;

- (f) bodily injury and/or property damage to any person occurring within the common area of the main structural building (hereafter referred to as "The Main Building") in which the Building 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 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 court judgement 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 title documents in the Main Building which can be subjected to judicial execution to satisfy the said court judgement;
  - (g) bodily injury and/or property damage 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.
  - (h) 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;
  - (i) 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.
  - (j) loss arising directly or indirectly out of wrongful termination of employment.
  - (k) any liability for bodily injury arising out of loss of physical or mental control over one's body which may be attributable to (without limitation) any sickness, disease, nervous shock, insanity, mental disorder or any mental problem or any liability for bodily injury as a result of gradual physical or mental wear and tear or any gradual operating cause.
  - (l) 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.  
In addition, in respect of a claim to which the indemnity expressed in this Extension applies, the Company will pay (as part of and not in addition to the indemnity amount under this Extension): -
    - (a) all costs and expenses recovered by any claimant from the Insured; and
    - (b) all costs and expenses incurred by the Insured 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 accordance with the terms of and subject to the limitations of this Extension provided that such personal representatives shall as though they were the Insured observe, fulfil and be subject to the terms of this Policy so far as applicable.
2. **Building Betterment**  
The Company will indemnify the Insured against accidental physical loss of or damage to building improvement/ betterment including renovation, built-in closets, fixtures and flooring, which are carried out by the Insured, up to a maximum of HK\$300,000 during each period of insurance. Provided that the Company shall not be liable in respect of loss or damage to water tanks, apparatus and pipes.
  3. **Personal Accident**  
Bodily injury suffered by an Insured whilst in the Buildings caused by violent external and visible means and sustained as a result of fire or caused by robbery, burglary or attempt thereat where such bodily injury shall within three calendar months result in the death of an Insured in which case the Company will pay HK\$50,000 to the Insured's personal representatives.

Where compensation is payable under this Extension in respect of the death of more than one Insured arising out of the same event the aforesaid limit shall be applicable to the aggregate compensation payable for all such Insureds, which compensation shall be apportioned in equal shares. 0 excess is to be applied in respect of each and every claim.

4. **Temporary Removal or Temporary Storage**  
The Company will indemnify the Insured for loss of or damage to the Contents while they are being moved by professional removers to a new insured risk location within Hong Kong or while temporarily removed from the Buildings for cleaning, repair, relocation, or maintenance within Hong Kong up to 7 days. Provided that:
  - (a) the loss is not covered under any other policy;
  - (b) the liability of the Company shall in no case exceed HK\$50,000 during each period of insurance;
  - (c) the Company shall not be liable for loss or damage to property removed for exhibition or sale.
5. **Temporary Accommodation**  
In the event that the Building is damaged due to accidental physical loss or damage covered under this Policy and rendered uninhabitable, the Insured is indemnified up to HK\$2,000 per day for cost of temporary accommodations and subject to a maximum of HK\$50,000 during each period of insurance. 0 excess is to be applied in respect of each and every claim.
6. **Debris Removal**  
The Company will indemnify the Insured for costs and expenses necessarily incurred by the Insured in removing debris, dismantling and/or demolishing, shoring up or propping, of the portion or portions of the Buildings damaged or destroyed by an insured peril, provided that the maximum liability of the Company under this Extension shall not exceed 5% of the adjusted amount of claim, subject to maximum of HK\$50,000 in aggregate for all insured claims under this Extension. 0 excess is to be applied in respect of each and every claim.
7. **Worldwide cover for the following:**
  - (i) Loss arising out of unauthorized use of credit cards subject to an aggregate limit of HK\$5,000 per period of insurance.
  - (ii) Loss of passports, personal documents and the like, travellers' cheques, travel tickets, credit cards, manuscripts, securities, unused stamps, bullion and cash subject to an aggregate limit of HK\$3,000 per Period of Insurance. An excess of HK\$250 is to be applied in respect of each and every claim.  
Provided that:
    - (i) the loss or theft be reported within 24 hours of discovery thereof to the local police authority;
    - (ii) the Company shall not be liable to such loss or theft occurred within the Buildings.
8. **Frozen Food**  
The Company will indemnify the full replacement cost of frozen food in the freezer or refrigerator at home due to deterioration caused by a change in temperature of the freezer or refrigerator. Provided that:
  - (a) the liability of the Company shall in no case exceed HK\$3,000 per year
  - (b) the Company shall not be liable for
    - (i) loss or damage resulting from the deliberate act of any person or the electricity supply company;
    - (ii) loss or damage caused by the failure of the freezer or refrigerator unless such unit is less than 5 years old
9. **Replacement of Locks and Keys**  
Replacement of damaged locks and keys or installation of damaged windows due to burglary or attempted burglary are covered up to a maximum of HK\$2,000 during each period of insurance. 0 excess is to be applied in respect of each and every claim.
10. **Accidental Death or Loss of Pedigree Dog**  
The Company will pay up to HK\$2,000 during each period of insurance in respect of accidental death or theft of pedigree dog. Documentary proof of ownership and pedigree are required in the event of a claim.
11. **Utility Fee During Unemployment**  
The Company will indemnify water and sewage charges, electricity bills and gas bills of Insured up to three months per



each period of insurance if the Insured's employment is terminated due to redundancy, provided that waiting period is the first 45 days from inception of the Policy during which such indemnity does not apply.

#### MEMORANDUM

##### 1. Replacement Cost Memorandum – Section 1

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

- (a) the full cost of repair or actual cost of replacement at time of loss; and
- (b) the declared value or specific limits as stated in this Policy.

Provided that the actual repair or replacement is completed within 90 days from the date of loss or damage, unless otherwise agreed.

##### 2. Reinstatement Value Memorandum – Section 2

It is hereby agreed that in the event of property insured under Section 2 hereof being destroyed or damaged the basis upon which the amount payable under the Policy is to be calculated shall be the cost of reinstatement of the property so destroyed or damaged, subject to the following special provisions and subject also to the terms and conditions of this Policy except in so far as the same may be varied hereby.

For the purposes of this Policy, 'reinstatement' shall mean the carrying out of the following work, namely :

- (a) where property is destroyed, the re-building of the property, if a building, or, in the case of other property, its replacement by similar property, in either case in a condition equal to but not better or more extensive than its original condition when new.
- (b) where property is damaged, the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its original condition when new.

#### SPECIAL PROVISIONS

- i) The work of reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch; otherwise no payment beyond the amount which would have been payable under this Policy if this Memorandum had not been incorporated therein shall be made.
- ii) When any property referred to under this Memorandum is damaged or destroyed in part only, the liability of the Company shall not exceed the sum representing the cost which the Company could have been called upon to pay for reinstatement if such property had been wholly destroyed.
- iii) No payment beyond the amount which would have been payable under this Policy if this Memorandum had not been incorporated therein shall be made until the cost of reinstatement shall have been actually incurred.
- iii) The items insured under Section 2 shall each be individually subject to the following Condition of Average, namely : If at time of reinstatement the sum representing the cost which would have been incurred in reinstatement if the whole of the property covered by such item had been destroyed exceeds the Sum Insured thereon at the breaking out of any fire at the commencement of any destruction or of damage to such property by any other peril insured against then the Insured shall be considered as being his own insurer for the excess and shall bear a rateable proportion of the loss accordingly.
- iv) No payment beyond the amount which would have been payable under this Policy if this Memorandum had not been incorporated therein shall be made if at the time of any destruction or damage to any property insured hereunder such property shall be covered by any other insurance effected by or on behalf of the Insured which is not upon the identical basis of reinstatement set forth herein.
- v) Where by reason of any of the above special provisions no payment is to be made beyond the amount which would have

been payable under the Policy if this Memorandum had not been incorporated therein the rights and liabilities of the Company and the Insured in respect of the destruction or damage shall be subject to the terms and conditions of the Policy, including any Condition of Average therein, as if this Memorandum had not been incorporated therein.

##### 3. An indemnity settlement basis will be applied under Section 1 if

- (a) claims are on clothing and furs; or
- (b) the Insured decides not to reinstate, repair or replace the lost and/or damaged item

##### 4. Pair & Set Clause

If there is a loss of an article which is part of a pair or 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.

##### 5. 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.

##### 6. A13 – Mortgagee Clause – Section 2

Loss, if any, under this Policy shall be payable to the Mortgagees or Assignees as named in the Schedule to the extent of their interest.

It is hereby agreed that in the event of loss or damage, the Company will pay the Mortgagees or said Assignees to the extent to their interest but not exceeding the Sum Insured or the reinstatement value (less depreciation if any) of the property insured whichever is lower and that this insurance in so far as concerns the interest therein of the Mortgagees or said Assignees only shall not be invalidated by any act or neglect of the Mortgagor or Owner of the property insured, nor by anything whereby the risk is increased being done to, upon or in any building hereby insured, without the knowledge of the Mortgagees or said Assignees provided always that the Mortgagees or said Assignees shall notify the Company of any change of ownership or alteration or increase of hazard not permitted by this insurance so soon as any such change, alteration or increase shall come to their knowledge, and on demand shall pay to the Company the appropriate additional premium from the time when such increase of risk first took place.

And it is further agreed that whenever the Company shall pay the Mortgagees or said Assignees any sum for loss or damage under this Policy, and shall claim that as to the Mortgagor or Owner no liability therefore existed the Company shall at once be legally subrogated to all rights of the Mortgagees or said Assignees to the extent of such payment and the Mortgagees or said Assignees shall do and execute all such further or other acts, deeds, transfers, assignments, instruments and things as may be necessary or be reasonably required by the Company for the purpose of better effecting such subrogation, but such subrogation shall not impair the right of the Mortgagees or said Assignees to recover the full amount of their claim.

Provided that as between the Company and the Mortgagor or Owner of the property insured nothing contained in this clause shall in any way constitute or be deemed to constitute any waiver of, or prejudice or affect any rights which the Company may have against the Mortgagor or Owner of the property insured, or lessen any obligations which may be imposed on the Mortgagor or Owner of the property insured either by or under this Policy or by law, and such rights and obligations shall as between the Company and the Mortgagor or Owner of the property insured remain in full force and effect.

The Company reserves the right to cancel this Policy at any time as provided by the terms thereof, but in such case this Policy shall continue in force for the benefit only of the Mortgagees or said Assignees for 10 days after notice to the Mortgagees or said Assignees of such cancellation,





and shall then cease, and for the Company shall have the right on like notice to cancel this agreement.

7. Excess

An excess of minimum HK\$500 is to be applied in respect of each and every claim except extended coverage #3, 5, 6, 7 (b), and 9; for water damage, an excess of 10% of adjusted loss subject to a minimum of HK\$3,000 is to be applied in respect of each and every claim. No excess applies to Public Liability claim.

#### GENERAL CONDITIONS

1. Words in masculine gender shall include the feminine.

2. Observance of Policy Terms

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

3. In the event of any happening which may give rise to a claim or in the case of loss under this Policy:

(a) Notice of Company

Upon knowledge of loss, the Insured shall give notice thereof in writing to the Company as soon as practicable to the Company.

(b) Notice to Police

In case of loss, or loss by burglary, robbery, theft or larceny, notice also should be given to the public police.

(c) Proof of Loss

The Insured shall file a Proof of Loss with the Company within thirty days after the discovery of loss, unless such time is extended in writing by the Company. 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) to examination by the Company, a sworn statement duly signed by the Insured or such other persons as aforementioned referring to the loss, and produce for the Company's examination all pertinent records 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) The Insured shall not incur any expense in making good any loss or damage without the written consent of the Company and shall not negotiate, pay, settle, admit or repudiate any claim without the like consent.

(f) Payment of Loss

Each claim for loss shall be adjusted separately and from the amount of each loss, when determined, the applicable deductible amount stated in this Policy shall be subtracted. No loss shall be paid hereunder if the Insured has collected the same from others.

(g) Bailees not to benefit by this insurance

This Policy shall not accrue directly or indirectly to the benefit of any carrier or bailee.

4. General Exclusions

The insurance with respect to this Policy shall not apply to damage / losses of or caused directly or indirectly, wholly or partly by-

(a) war, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection 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.

(b) any losses directly or indirectly caused by or arising from or in consequence of or contributed to by :

i) nuclear weapons material;

ii) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel and, solely for the purpose of this exception combustion shall include any self-sustaining process of nuclear fission.

(c) pressure waves caused by aircraft and other aerial device.

(d) special equipment or apparatus used in connection with any profession, business or employment, or items which are insured under a separate policy.

(e) Uninsurable / Uninsured risk.

(f) malicious damage or vandalism by any person lawfully in the home.

(g) contact or corneal lenses, mobile / portable telephone / CT-2.

(h) detention, seizure or confiscation by customs or other officials.

(i) contents on roof or in open area including but not limited to aerial devices or satellite dish

(j) bonds, bills of exchange, cash, stamps, coins & collectibles, fine arts, wine or vintage wine, silverware, cheques, promissory notes, postal or money orders, record or book or similar tokens, luncheon vouchers, stored value cards, credit cards, deeds, documents of title, manuscripts, medals, passports, personal documents and the like, share certificates and travel tickets unless specifically covered .

(k) animals, automobiles, bicycles, tricycles, motorcycles, aircrafts, boats or other vehicles (except baby carriages and invalid chairs), or their equipment or furnishings except when removed from the vehicle and actually in the premises.

(l) to property under a contract of affreightment while aboard any ship or during loading or unloading therefrom.

(m) against the 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 or attempt thereof, vandalism, malicious mischief, fire, lightning, windstorm, cyclone, tornado, hurricane, earthquake, flood, explosion, falling aircraft, riot, strike, collapse of building or accident to transporting vehicle other than an overseas vessel.

(n) against mechanical breakdown; against loss or damage to electrical apparatus caused by electricity other than lightning, unless fire results and then only for loss or damage by such resultant fire.

(o) against wear and tear and depreciation, against loss or damage caused by dampness of atmosphere or extremes of temperature, seepage of water due to typhoon, windstorm or rain; against deterioration, moth, vermin and inherent vice, against damage to property caused by or directly resulting from any work thereon in the course of a process of washing, cleaning, dyeing, alteration, restoration, maintenance, refinishing, renovating or repairing.

(p) to property on exhibition on fairgrounds or on the premises of any national or international exposition unless such premises are specially described herein.

(q) to accidental damage or breakage to sports, or medical equipment whilst in use.

(r) overwinding, denting or internal damage of clocks or watches.

(s) to breakage of strings, reeds of drumheads of musical instrument from any cause or loss or damage to musical instruments while in transit, unless they are packed in a suitable container.

(t) consequential loss or damage of any kind whatsoever except as provided for under the alternative accommodation extension under Section 1and/or 2.

(u) against loss or damage caused to films, tapes, cassettes, cartridges or discs other than for their value as unused material or the maker's latest list price for pre-recorded material.

(v) to loss resulting from unexplained or mysterious disappearance or shortage disclosed on periodic checking.

(w) to loss resulting from the wilful act of an Insured or of any Domestic Servant of an Insured living or working in the premises.

(x) any properties which have been insured under any other policy.

(y) loss or damage caused by chewing, scratching, tearing or fouling by your domestic pets (not applicable to General Extensions 1).

(z) i) any unlawful construction, renovation, alteration, or



decoration work of any kind on the Buildings.

- ii) construction, renovation, alteration, or decoration work on the Buildings, unless the same is notified to the Company and the same specifically agreed to in advance by the Company in writing.
5. Meaning of Words and Terms of this Policy
- (a) "Buildings" shall mean the private dwelling, residential flat, stable, garage and all outbuildings of the Named Insured and the Owner and Landlord's fixtures and fittings therein and the walls, gates and fences around and pertaining thereto and all other domestic improvements of a structural nature situated at the Location of Risk shown in the Schedule and unless specifically mentioned the Buildings are deemed declared by the Named Insured to be constructed of brick, stone, concrete or reinforced concrete and roofed with concrete, reinforced concrete, slate, tile, metal, asbestos or a combination of asbestos and other combustible mineral ingredients. Provided that for the purpose of Section 2, the Buildings shall be deemed to exclude:
    - i) any property not belonging to the Insured or for which he is not legally responsible;
    - ii) any property the value of which is or can be included in the Total Sum Insured on Contents under Section 1.
  - (b) "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 Insured Premises.
  - (c) "Household Contents" shall include furniture (whether fixed onto the wall), household goods & valuables such as Fine Arts, wine, vintage wine, silverware, stamps, coins & collectibles, home appliances, fixtures, fittings including but not limited to doors, gates and windows attached to or within the insured premises belonging to the Insured, excluding:
    - i) property more specifically insured under another policy;
    - ii) any part of the structure or ceilings of the Buildings, wallpapers and the like;
    - iii) any property the value of which is included in the Total Sum Insured on Buildings under Section 2.
  - (d) "Personal Effects" shall mean personal belongings normally worn or carried by the Insured
  - (e) "Valuables" shall be deemed to include without limitation, gold, silver, platinum, precious stones, jewellery, watches, furs, antiques, photographic equipment, chinaware, crystal items or collection, binoculars, curios, portable audio / video equipment and musical instruments (except pianos) belonging to the Insured.
  - i) "Jewellery" shall mean an article of personal adornment containing gemstones, silver, gold, platinum or other precious metals or alloys.
  - ii) "Fine Arts" shall mean items of historical value or artistic merit including private collections of paintings, etchings, pictures, tapestries, rugs, art glass windows and other bona fide works of arts including but not limited to statues, antiques, rare books and manuscripts, porcelains, rare glass.
  - iii) "Furs" shall mean garments made of trimmed in or consisting principally of fur.
  - iv) "Silverware" shall mean sterling silver, gold, pewter or plated ware, including tableware, trays, trophies and similar household articles other than jewellery.
  - v) "Stamps and coins" shall mean stamps and/or coins contained in an individually owned stamp and/or coin collection and not owned by dealers or auctioneers.
  - vi) "Musical instruments" shall mean musical instruments and equipment (except pianos).
  - vii) "Cameras" shall mean cameras, projection machines, films and related equipment.
  - viii) "Collectibles" shall mean private collections of rare, unique or novel items of personal interest include but not limited to dolls, banks, guns, model trains, including memorabilia.
  - (f) "Uninsurable / Uninsured Risks"
    - i) scratching, denting, rust, corrosion, wear and tear or depreciation,
    - ii) wood worm, beetle, moth, insects or vermin;
    - iii) 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;

- iv) mechanical or electrical fault or breakdown,
- v) any process of cleaning, dyeing, renovation, re-styling repairing or restoring,
- vi) any other gradual operating cause,
- vii) consequential loss or damage of any kind or depreciation,
- viii) infidelity or dishonesty on the part of you, your family or any of your employees or any of the Insured,
- ix) landslide or subsidence,
- x) shrinkage, evaporation, loss of weight, contamination, change in flavour, colour, texture of finish, action of light,
- xi) animals, plants or any kinds of living organism / creature.
- (g) "Fungi" means 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.

#### 6. Jurisdiction Clause

The indemnity provided by this Policy shall not apply in respect of judgements 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 judgements made outside Hong Kong, whether by way of reciprocal agreements or otherwise.

#### 7. 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 the Insured or the owner thereof in accordance with this Policy. Any property so paid for or which is replaced shall become the property of the Company. The Insured or 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 the 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.

#### 8. Reasonable Precautions

The Insured shall –

- (a) use all reasonable diligence and care to keep the Buildings 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; and
- (b) exercise all reasonable precautions for the maintenance and safety of the property insured; and
- (c) take all reasonable precautions to minimise any injury, loss or damage which may occur and to take all reasonable steps to recover any property lost.

#### 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 Sections 1 and 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 under this Policy or any copy thereof certified by the Company, shall be proof of leave and licence 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 Public Liability Extension under General Extensions or any lesser amount for which any



claim or claims can be settled and upon such payment the Company shall relinquish conduct and control and be under no further liability under that Section in connection with such claim or claims except for costs and expenses recoverable from the Insured or insured with the written consent of the Company in respect of the conduct of such claim or claims before the date of such payment.

#### 10. Arbitration

If any differences arise as to the amount to be paid under this Policy, such differences shall be settled by arbitration under the Arbitration Ordinance and subsequent amendments thereof. If the parties fail to agree upon the choice of arbitrators or umpires, then the choice shall be referred to the Chairman for the time being of the Hong Kong International Arbitration Centre. It shall be a condition precedent to any right of action or suit upon this Policy that an arbitration award shall be first obtained. The place of arbitration shall be in Hong Kong at the Hong Kong International Arbitration Centre.

#### 11. 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.

#### 12. Assignment of Interest

Assignment of Interest under this Policy shall not bind the Company unless its consent is endorsed hereon. The Company has no obligation to consent to any assignment.

#### 13. Action against the Company

No action, suit or proceeding shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Policy, nor until sixty 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 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 voided 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.

#### 14. Cancellation Provision

This Policy may be cancelled at any time at the request of the Named Insured in writing to the Company and the premium shall be adjusted on the basis of the Named Insured paying to the Company, or the Company retaining, as the case may be, the customary short term premium or minimum premium then due up to the date of cancellation. The date of cancellation shall be the date the Company actually receives the said request in writing. The Company is also entitled to cancel this Policy upon giving to the Named Insured thirty days notice in writing at his last known address and the premium shall be adjusted on the basis of the Named Insured paying to the Company, or the Company retaining, as the case may be, the pro-rata premium then due up to the date of cancellation. The date of cancellation shall be the date stipulated in the said notice in writing.

#### 15. 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.

#### 16. Subrogation

If the Company shall make any payment or otherwise make good any loss applying under this Policy, it shall be subrogated to all the 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.

#### 17. 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.

#### 18. 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 Building under Section 2 at the time of loss or damage.

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

#### 19. Data Recognition 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 :

- i) correctly recognize any date as its true calendar date;
- ii) 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
- iii) 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 we will not pay for the repair or modification of any part of a electronic data processing system or its related equipment, to correct deficiencies or features of logic or operation.

- (c) It is further understood that we will not pay for damage or consequential loss arising from the failure, inadequacy, or malfunction of any device, 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 (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 exclusion 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 impact, falling objects, windstorm, hail, tornado, hurricane, cyclone, riot, strike, civil commotion, vandalism, malicious mischief, earthquake, volcano, tsunami, freeze or weight of snow.

#### 20. 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](mailto: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).

21. 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.

22. Contracts (Rights of Third Parties) Ordinance

Nothing in this Policy is intended to confer a direct enforceable benefit on any party other than the Insured and the Company, whether pursuant to the Contracts (Rights of Third Parties) Ordinance or otherwise. Further, it is hereby noted and agreed that the Company and the Insured named in the Schedule alone have the right to amend this Policy by agreement or (if any such rights exist in the Policy) to cancel or terminate the Policy, without giving notice, or requiring the consent of any other person

23. Governing Law

The insurance contract of which this Policy forms part is subject to the laws of Hong Kong Special Administrative Region of the People's Republic of China.

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