

SWEET HOME INSURANCE POLICY

The Proposal Form and Declaration made by You shall be the basis of this Policy and You are obliged to pay the premium stated in the Schedule as consideration for this insurance.

This Policy together with the enclosed Schedule and any Endorsements subsequently issued should be read as if they are one document and form the contract between You and Us **and any word or expression to which a specific meaning has been attached in any of them shall bear such meaning throughout.** When it expires it may be renewed.

It has been arranged on the basis of the information supplied by You to Us under the Proposal Form and Declaration made by You. It may be that We would decline your claim under this Policy if any statements or any part thereof made to Us were not entirely truthful and frank.

The due observance and fulfillment of the terms of this Policy in so far as they relate to anything to be done or not to be done or to be complied with by You shall be conditions precedent to any liability of Us to make payment or to provide indemnity under this Policy.

Please examine this Policy and the Schedule, and if they do not meet your requirements, or if any information is not correctly stated, kindly return this Policy and the Schedule at once to the office which issued them and ask for the corrections to be made.

GENERAL DEFINITIONS

Certain words in this Policy have special meanings. These meanings are given below or defined at the beginning of the appropriate section. Whenever these words are used this is what they mean.

WE / US

CMB Wing Lung Insurance Company Limited

YOU / THE INSURED

The one in whose name this Policy is issued and who is named as the Insured or Insured Person(s) named in the Schedule.

YOUR FAMILY

The spouse, children, parents and relatives normally living with the Insured in the Home.

HONG KONG

The territorial limits of the Hong Kong Special Administrative Region.

SUM INSURED

The Sum Insured/Limit of Liability, shown in your current Schedule or any subsequence endorsements. We will pay under the respective Sections during the Period of Insurance, and such amount is inclusive of the sub-limits on "Other Benefits Provided".

EXCESS

The first amount of any claim which You must bear as You are not insured for this amount.

PERIOD OF INSURANCE

The period specified in the Schedule for which We have agreed to accept and You have paid or agreed to pay the appropriate premium.

THE SCHEDULE

Details including the Insured's name, address, location of risk, Sum Insured and limit of indemnity on the insurance document issued to You.

HOME

The residential building, house, apartment or flat solely for domestic use being constructed of bricks, stone or concrete, roofed with concrete and situated in the situation and mentioned in the Schedule and must be a dwelling which is the principal place of residence of You and Your Family.

BUILDING

The domestic building(s) at the situation mentioned in the Schedule which is the dwelling You legally own including:

- (a) The structural part of the Home including but not limited to structural wall and the paint thereon, flooring, doors with frames, windows with frames;
- (b) Landlord's fixtures and fittings permanently fixed or installed on the structural parts of the Home;
- (c) Swimming pools, tennis hard courts, garden walls, patios, terraces, fences, gates, paths, drives, that are forming part of the Home (but not retaining walls, hedges, foundations and drains);
- (d) Any other domestic structure (unless excluded).

MONEY

Bank or currency notes, cheques, postal orders, banker drafts, travel tickets, saving certificates, current postage stamps, collections of stamps, coins or medals, gift tokens, all held for social or domestic purposes but excluding Specially Held Items and stored value cards. Money is limited to the face value thereof and no amount shall be added for any commemorative, sentimental, antique or rarity value.

PERSONAL EFFECTS

Articles of personal use specifically designed to be worn or carried, belonging to You or any member of Your Family.

SPECIALLY HELD ITEMS

- a) Items which are held or used in connection with any profession, business or employment, or
- b) Items which are insured under a separate policy.

TERMINATION OF THIS POLICY

- (a) BY YOU

You may terminate this Policy by notice in writing to Us. Such termination shall become effective after receipt of the notice by Us. If You do, We will refund based on short-term rate as set below subject to a minimum premium.

Covered Period	Refund Premium
Not Exceeding 1 month	90% of paid annual premium
2 months	80% of paid annual premium
3 months	70% of paid annual premium
4 months	60% of paid annual premium
5 months	50% of paid annual premium
6 months	40% of paid annual premium
7 months	30% of paid annual premium
8 months	20% of paid annual premium
9 months	10% of paid annual premium

(b) BY US

We may terminate this Policy by giving You 7 days' written notice sent to your last address known to Us by ordinary post. In the event premium has been paid for any period beyond the termination of this Policy, the relevant proportion shall be refunded to You.

CHANGES TO THIS POLICY

If We wish to change the terms of this Policy, We will advise You in writing at your last known address to Us by ordinary post and the change(s) will take effect 7 days after the date of the advice.

GENERAL EXCLUSIONS TO THE WHOLE POLICY

This Policy does not cover loss or liability whatsoever directly or indirectly caused by or contributed to by or arising from :

1. war, invasion, act of foreign enemy, hostilities, warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, requisition or destruction of or damage to property by or under the order of Government or Local Authority or confiscation or nationalization;
2. nuclear weapons material or ionizing radiation or contamination by radioactivity from any nuclear waste or from the combustion of nuclear fuel; for the purpose of this exclusion, combustion shall include any self-sustaining process of nuclear fission or fusion;
3. any gradually operating cause including seepage;
4. consequential loss or damage of any kind;
5. setting or cracking of land resulting from earth movements or underground water pressure, shrinkage or expansion of foundations;
6. any judgments which are not in the first instance delivered by or obtained from a court of competent jurisdiction within Hong Kong;
7. any loss or damage caused by or resulting from unexplained disappearance; and
8. any willful, malicious or deliberate act by You or any member of Your Family.

If We have prima facie evidence that by reason of these General Exclusions, any loss, damage, cost or expense is not covered by this Policy the burden of proving the contrary shall be upon You.

CONDITIONS WHICH APPLY TO THE WHOLE POLICY

1. PREVENTION OF LOSS

You and Your Family must comply with all statutory obligations and take all reasonable steps to:

- a) prevent loss, damage or injury and
- b) maintain in good condition and good repair any insured property.

2. CHANGE IN RISK

During the period when this Policy is in force, You must advise Us of any change made to the Home, your Building or in circumstances which would increase the possibility of loss and pay necessary additional premium due if required. We reserve the right to adjust premium accordingly.

3. CONTRACTS (RIGHTS OF THIRD PARTIES) ORDINANCE CLAUSE

Any person or entity who is not a party to this Policy shall have no rights under the Contracts (Rights of Third Parties) Ordinance (Cap 623 of the Laws of Hong Kong) to enforce any terms of this Policy.

4. ARBITRATION

All differences arising out of this Policy shall be determined by arbitration in accordance with the prevailing Arbitration Ordinance as amended from time to time. If the parties fail to agree upon the choice of the arbitrator, then the choice shall be referred to the Chairman for the time being of the Hong Kong International Arbitration Centre. It is expressly stipulated that it shall be a condition precedent to any right of action or suit upon this Policy that an arbitration award shall be first obtained. If We shall disclaim liability to You for any claim hereunder and such claim shall not within twelve (12) calendar months from the date of such disclaimer have been referred to arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

5. SUBROGATION

We shall be entitled at its sole discretion to prosecute in the name of You and Your Family regarding any claim for damages costs indemnity contribution or otherwise against any person who may be liable to the Insured in respect of any liability on the part of You and Your Family for which indemnity is provided by this Policy and shall have full discretion in the conduct of any such proceedings and in the settlement of any such claim. You and Your Family shall give all such information and assistance as We may from time to time require and execute any necessary documents for the purpose of vesting such rights in Us.

Any moneys recovered pursuant to the exercise of such rights shall be applied firstly for the benefit of Us to the extent of the amount paid by Us in respect of any claim including any costs and expenses paid or incurred by Us and costs and expenses incurred in prosecuting such recovery action.

6. CLAIMS MISPRESENTATION

If You or anyone acting for You makes any false statement concerning a claim under this Policy, We will not pay the claim and this Policy will be terminated immediately.

7. SALVAGE

We have the right to the salvage of any insured property which is the subject of the claim.

8. RECKLESS OR WILFUL ACT/UNOCCUPIED

You or Your Family must not cause or facilitate loss to the insured property or liability by any reckless or wilful act and You must write to Us and have our acknowledgment in writing if the Home is to be unoccupied for more than 30 consecutive days. If these obligations are not fulfilled, We shall have the right to repudiate liability under this Policy.

9. CLAIMS CONDITIONS

When a claim occurs or is likely to occur, You must advise Us in writing within 14 days from the date of occurrence or date of discovery.

(a) For loss or damage claims You must:

- i) at your expense provide Us with all certified information and evidence as We may request;
- ii) notify the Police immediately of any items missing, loss by deception, burglary, theft, malicious acts or riot and provide us with the Police report.

(b) For liability claims You must:

- i) send to Us any letter, claim writ or summons immediately when it is received;
- ii) advise Us immediately when You have knowledge of any impending prosecution inquest or fatal inquiry;
- iii) not make any admission, offer or promise of payment without our consent and We shall be entitled if We do so desire to take over and conduct in your name the defence or settlement or handling of any claim and You shall give all such information and assistance as We may require.

(c) For bodily injury claims You must:

- i) forward at your own expense all certificates and information and evidence required by Us;
- ii) have medical examinations as often as required by Us at our expense.

10. OTHER INSURANCE

If at the time any claim arises under this Policy there be any other insurance indemnifying any of You who is entitled to be indemnified under this Policy, this Policy is not to be called on in contribution and, subject to Limit of Liability of this Policy, is only to pay any amount under this Policy if and so far as such amount is not covered by any indemnity under other insurance.

11. WAIVER OF CLAIMS

You shall not become a party to any agreement the effect of which is that You waive, limit or qualify any claim in any way which You would otherwise have against any person in respect of or arising out of any occurrence resulting in liability on your part for which indemnity is provided by this Policy.

12. JURISDICTION CLAUSE

The indemnity provided by this Policy which covers your legal liability 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 agreement or otherwise.

13. GOVERNING LAW

This Policy is subject to the exclusive jurisdiction of Hong Kong and is construed according to the Laws of Hong Kong.

14. RENEWAL

(a) This Policy is renewable from year to year by mutual agreement between the Insured and the Company but in any case will be subject to review or revision at the end of the Period of Insurance. The Company reserves the right to amend any terms and conditions, including but not limited to the premium rates or compensation benefits or exclusions of this Policy at the time of renewal of any policy year of this Policy. The Company will not be obliged to reveal the reasons for such amendments or non-renewal.

(b) Automatic Renewal

This Policy can be arranged to be automatically renewed with the consent of the Company provided that there is no outstanding premium payment and the relevant renewal premium has been debited from the bank account or credit card account according to the Company's record, before the effective date of next policy year. It is the duty of the Insured to ensure the bank account or credit card details given to the Company for paying the renewal premium have not changed and remain valid at the time of the renewal.

SECTION 1 HOUSEHOLD CONTENTS

DEFINITIONS

HOUSEHOLD CONTENTS

All your Valuable Property, Money, Household Improvements, furniture (including pianos), furnishings, home appliances, household and Personal Effects including household appliances hired by You or Your Family and are kept in the Home but exclude building items which are fixtures.

But We do not cover :

- a) Motor vehicles (other than lawnmowers and pedestrian controlled gardening implements for home use only), motorcycles, caravans, trailers or their spare parts and accessories when on them;
- b) Livestock, pets and animals;
- c) Standing timber, growing crops and plants;
- d) Watercraft (other than hand-propelled), hovercraft, boats and outboard motors or their spare parts and accessories;
- e) Any aerial or spatial device (including but not limited to aircraft and/or aeroplane) and their accessories and spare parts including but not limited to satellite antennae;
- f) Mobile/portable radio telecommunication equipments e.g. mobile/portable telephones and pagers;
- g) Property in the course of removal or transit;
- h) Specially Held Items;
- i) Loss of or damage to films, tapes, cassettes, cartridges, discs or diskettes other than for their value as unused material, unless purchased pre-recorded where We will pay up to the market's latest price list;
- j) Replacement cost/fee of personal documents;
- k) Contents on roof or in open area;
- l) Any item falls under the definition of "Building".

VALUABLE PROPERTY

Jewellery, items of gold, silver or other precious metals, items of crystal and precious stones, watches, photographic equipment, binoculars, works of art, chinaware, curios, furs, musical instruments (excluding pianos).

HOUSEHOLD IMPROVEMENTS

Improvements and betterments on walls, windows, ceilings, floors and doors made by You.

WHAT IS INSURED

We will cover You and Your Family in respect of the Household Contents while in the Home against any unforeseen sudden accidental physical loss or physical damage unless the cause is specifically excluded.

EXCLUSIONS UNDER SECTION 1

1. This section does not cover loss or damage caused by:
 - a) Wear and tear;
 - b) Mildew, rot, corrosion, rust, gradual deterioration;
 - c) Insects, vermin;
 - d) Cleaning, repairing, restoring;
 - e) Scratching or denting;
 - f) Domestic animals which You own or are in your care, custody or control;
 - g) Mechanical breakdown and/or malfunction of electrical appliances and computer equipment;
 - h) Inherent fault or defective workmanship, defective material or design;
 - i) Mysterious disappearance or unexplained loss;
 - j) Malicious acts committed by You or Your Family or any of your employees;
 - k) Loss of or damage to electrical equipment and wiring caused by artificially generated electrical current;
 - l) Infidelity or dishonesty on the part of You, Your Family or any of your employees;
 - m) Landslip, subsidence or erosion.
2. This section does not cover cost and expenses arising from loss or destruction or damage caused by pollution or contamination except destruction or damage to the property insured caused by pollution or contamination resulting from a peril hereby insured against.

LIMITATION OF COVER

If the Home is not occupied by You and Your Family at the time of loss or damage, We will only pay for loss caused by fire, explosion, lightning, typhoon, storm, flood, riot, labour disturbance, any aerial or spatial devices (including but not limited to aircraft and/or aeroplane) or articles dropped from them, burglary, impact by land vehicle or horse or cattle, water discharged or overflowing or leaking from any water system or installation in or about the Home.

EXCESS

The first HK\$250 of each and every claim under Section 1 unless specifically mentioned.

BASIS OF SETTLEMENT OF CLAIMS

Settlement of claims may be made at our option by payment or reinstatement or repair or replacement as new. Unless shown separately in the Schedule, We will not pay more than

1. HK\$15,000 for any one piece, set or collection of Valuable Property subject to an aggregate limit of one-third of the Limit of Indemnity during each Period of Insurance.
2. HK\$1,000 for Money subject to an aggregate limit of HK\$5,000 during each Period of Insurance.
3. HK\$100,000 for any one piece, pair or set of Household Contents item (other than those mentioned in Item 1 and 2).

If a damage item can be repaired but the repair is not carried out, We will pay the reduction in the value of the item as a result of the loss or damage but not exceeding the estimated cost of repair.

If an item has been totally lost or destroyed or cannot be satisfactorily repaired and replacement is not carried out, We will pay the value of the item at the time of the loss or damage.

In the case of loss of or damage to any article or articles, whether scheduled or unscheduled, which are a part of a pair or a set, the measure of loss of or damage to such article or articles shall be the rateable proportion of the total value of the pair or the set, and in no event such loss or damage be construed to mean total loss of the pair or the set.

In the case of loss of or damage to any part of the Household Contents whether scheduled or unscheduled consisting, when complete for use, of several parts, We shall only be liable for the value of the part lost or damaged, including the cost of installation.

We do not have to repair or replace your Household Contents exactly as they were but will ensure that they are reasonably comparable with their original condition as long as it is practicable to do so.

OTHER BENEFITS PROVIDED

1. ALTERNATIVE ACCOMMODATION

In the event of the Home being rendered uninhabitable due to accidental loss or damage insured under the Household Contents section, We will pay the cost incurred for reasonable temporary accommodation for as long as it is reasonably required.

The maximum claim payment amount will not be more than HK\$1,500 per day and in the aggregate not more than HK\$50,000 during each Period of Insurance.

We will not pay this benefit if You have already obtained the same benefit under the Building section.

2. FATAL ACCIDENT BENEFIT

We will pay a maximum claim payment amount of HK\$50,000 in the event of death within three (3) calendar months of either You or your spouse resulting from an injury caused in the Home by fire or thieves.

No excess is applicable.

3. BURGLARY/ROBBERY HARM ALLOWANCE

We will pay a maximum claim payment amount of HK\$5,000 for each person in the event of either You or your spouse sustaining injury caused by burglars or robbers within the Home, against which a medical practitioner has granted a sick leave of not less than 4 consecutive days or for medical expenses resulting from such injury.

No excess is applicable.

4. LOCK

We will pay the reasonable cost incurred for the replacement and installation of windows and external door locks and/or keys of the Home with items that are similar but not better, following loss of or damage to keys or locks due to burglary or attempted theft subject to a maximum claim payment amount of HK\$2,500 during each Period of Insurance.

5. FROZEN FOOD & DRINKS

We will pay the cost of replacing food and drinks which are spoilt in your deep freeze unit in the Home by:

- a) accidental breakdown of the deep freeze unit which is less than 5 years old.
- b) accidental failure of the electricity supply provided such failure is not caused by the deliberate act of the supply authority or its employees.

The maximum claiming payment amount will not be more than HK\$5,000 in the aggregate during each Period of Insurance.

6. PERSONAL EFFECTS IN YOU AND YOUR SPOUSE OFFICE

This Policy is extended to cover Personal Effects belonging to You or your spouse against accidental loss or theft whilst kept in office in Hong Kong up to the maximum claim payment amount of HK\$2,500.

A notice of loss to the employer and Police will be necessary in the event of a claim.

7. PERSONAL MONEY/PERSONAL EFFECTS ON BUSINESS TRIPS

We will indemnify You or your spouse against accidental loss or theft of Money or Personal Effects whilst You or your spouse is away from Hong Kong on business, but We do not cover loss:

- a) which is not reported within 24 hours of discovery to the local Police Authority;
- b) caused by depreciation, confiscation or shortage due to errors or omissions.

The maximum claim payment amount will not be more than HK\$2,500 for each and every occurrence.

8. TEMPORARY REMOVAL

We will cover the Household Contents whilst temporarily removed from the Home to any other premises for cleaning, renovation, repair, modification, or dyeing within Hong Kong subject to the terms, conditions and exceptions of this policy.

The maximum claim payment amount will not be more than HK\$50,000 in the aggregate during each Period of Insurance.

9. REMOVAL OF DEBRIS

We will pay the cost actually incurred in the necessary demolition shoring up or propping of the building and the removal of debris including the removal of Household Contents whether damaged or undamaged following destruction or damage by any of the perils hereby insured against provided that such cost is not recoverable under any other policy of insurance.

We will not pay for any costs or expenses incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site.

The maximum claim payment amount will not be more than HK\$10,000 and in the aggregate during each Period of Insurance.

10. DOMESTIC SERVANT PROPERTY

We will pay for accidental loss of or damage to personal

belongings (excluding Money and Valuable Property) of your domestic servant normally residing in the Home with You whilst such properties are contained in the Home but We do not cover loss due to failure to observe the terms and conditions of this Policy by your domestic servant as if he or she were You.

The maximum claim payment amount will not be more than HK\$5,000 in the aggregate during each Period of Insurance.

11. HOUSEHOLD REMOVAL

We will cover the Household Contents in the course of removal by professional removers from the Home to your new permanent residence within Hong Kong but we do not cover:

- a) Money
- b) Valuable Property
- c) Glass earthenware and other items of a fragile nature which are insufficiently and unsuitably packed by professional packers/removers
- d) the first HK\$1,000 of each and every loss

The maximum claim payment amount will not be more than HK\$100,000 in the aggregate during each Period of Insurance.

12. EMIGRATION EXTENDED COVER

This Policy will be extended to cover your Personal Effects whilst kept in the hotel or at an alternative accommodation for a maximum period of one month counting from the date You vacate the insured premises pending emigration overseas.

The maximum claim payment amount will not be more than HK\$2,500 any one item subject to the HK\$50,000 in the aggregate during each Period of Insurance.

13. LANDSLIP AND SUBSIDENCE CLAUSE

It is hereby agreed and declared that notwithstanding anything in the within written policy contained to the contrary the insurance under this Policy shall extend to cover:

Loss of or damage to the property insured 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 loss or damage or any kind or description.
- vi) The first HK\$10,000 or 10% (ten percent) 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.

YOU WARRANT THAT:

- 1) You shall maintain the Home and/or insured property in sound repair and shall take all responsible steps to prevent damage from the perils covered hereby.
- 2) You shall maintain any man-made slope and retaining wall for which they are responsible in accordance with laws regulations codes and guides issued by Hong Kong Government including the guideline stipulated in the GEOGUIDE 5 – GUIDE TO SLOPE MAINTENANCE published by the Geotechnical Engineering Office, Civil Engineering Department, Hong Kong.
- 3) You shall notify Us in writing immediately:
 - i) If any excavations are commenced beneath, around or in the vicinity of the insured property. In such event We shall have the right to vary or cancel the cover provided under this Policy.
 - ii) If the operation of an insured peril affecting any part of the site (whether or not the insured property is involved) or its nearby surroundings.

LIMIT OF INDEMNITY

The maximum claim payment amount We will pay under Household Contents section during the Period of Insurance is the Limit of Indemnity shown on the Schedule and is inclusive of the above sub-limits on "Other Benefits Provided" section.

<p>SECTION 2 PERSONAL & OCCUPIER'S LIABILITY</p>

DEFINITION

GEOGRAPHICAL LIMITS

- a) Hong Kong and/or Macau
- b) Worldwide (excluding USA and Canada) in respect of temporary visits with each visit not exceeding 60 consecutive days. For this purpose, visit means a round trip commencing in Hong Kong.

WHAT IS INSURED

We will indemnify You and Your Family against all sums for which You and Your Family become legally liable:

- a) as a private householder occupying the Home
- b) as an owner of the Home if it is occupied by You and Your Family only
- c) as owner of your Building if insurance on Section 3 "Building" is effected
- d) in a personal capacity other than as an occupier or owner

in respect of:

- i) accidental death or bodily injury including disease or illness of any person;
- ii) accidental loss of or damage to property. Property shall mean physical property;

occurring during the Period of Insurance and within the Geographical Limits.

We shall also pay the legal costs and expenses recoverable by any claimant from You and Your Family and all costs and expenses incurred with our written consent.

EXCLUSIONS UNDER SECTION 2

This section does not cover any liability for:

1. Bodily injury to You or Your Family or any person in the service of You;
2. Loss of or damage to property belonging to or in the custody or control of You or Your family or any person in the service of You;
3. The ownership, occupation or use of any land or building other than the Home specified in the Schedule;
4. Any agreement to make payment by way of indemnity or otherwise unless such liability would have attached in the absence of such agreement;
5. The exercise of any trade, profession or employment other than the employment of domestic servant in your service;
6. The ownership, possession, driving or use of mechanically-propelled vehicles, any aerial or spatial device (including but not limited to aircraft and/or aeroplane) or watercraft or their accessories and spare parts;
7. The ownership, use of or possession of any animals other than domestic dogs or cats;
8. Personal injury or bodily injury or loss of, damage to, or loss of use of property directly or indirectly caused by seepage, pollution or contamination;
9. The cost of removing, nullifying or cleaning-up seeping, polluting or contaminating substances;
10. Fines, penalties, punitive or exemplary damages;
11. The carrying out of alterations, additions or repairs by an independent contractor unless the contract value is less than HK\$200,000;
12. The ownership or occupation of any additions, reconstruction, structural change of buildings without the approval of the relevant government authority(ies).

INDEPENDENT CONTRACTOR'S LIABILITY

We will also cover the legal liability of You and Your Family as the occupier and/or owner (where applicable) of the Home for claims arising out of or in connection with or resulting from the carrying out of alterations, additions or repairs by an independent contractor provided that the total aggregate contract value of such alterations, additions or repairs during the Period of Insurance shall not exceed HK\$200,000 in respect of:

- i) accidental death or bodily injury including disease or illness of any person;
- ii) accidental loss of or damage to property. Property shall mean physical property;

occurring during the Period of Insurance and within the Geographical Limits.

We shall also pay the legal costs and expenses recoverable by any claimant from You and Your Family and all costs and expenses incurred with our written consent.

This extension applies only when You and/or Your Family are not entitled to indemnify under any other insurance policy.

TENANTS' LIABILITY EXTENSION

We will also cover your legal liability as tenant of the Home for claims

arising out of or in connection with damage caused by or resulting from fire, explosion, storm and typhoon:

- i) to the Home or part thereof not belonging to You but whilst under your occupation;
- ii) to the Household Contents of the Home or part thereof not belonging to but in charge of/by You or under your control but in no case is your legal liability as bailee included.

OWNER'S LIABILITY IN COMMON AREAS EXTENSION

We will also cover You against your proportional legal liability as a part Owner of the Common Parts of the Building of which the Home/Building forms part.

For the purpose of this extension, the expressions "Common Parts", "Building", and "Owner(s)" have the same meaning as assigned to those expressions in the Building Management Ordinance Chapter 344 of the Laws of Hong Kong (referred to hereinafter as "the Ordinance").

The indemnity is provided only under the following conditions:

- i) this cover is operative only if there is no public liability insurance policy being taken out by or on behalf of the Joint-Owners of the Building (referred to hereafter as "the Primary Policy") in relation to such Common Parts of Building; or
- ii) where a Primary Policy has been taken out, this extension applies only in respect of any excess liability beyond and above the amount paid or payable under such Primary Policy.

subject to a limit of HK\$1,000,000 for all sums payable by Us including legal costs and expenses arising out of one occurrence or series of occurrence consequent on one source or original cause.

We will only indemnify You in respect of your separate proportional share of liability (and, for the avoidance of doubt, not joint liability) as an Owner in the undivided parts of the Building as determined in accordance with Section 39 of the Ordinance.

LIMIT OF INDEMNITY

Unless specifically mentioned, our liability under this section for all sums payable arising out of one occurrence or series of occurrences consequent on one source or original cause will not be more than HK\$5,000,000.

We may in connection with any one claim or number of claims arising out of one occurrence pay to You the Limit of Indemnity (after deduction of any sum or sums already paid as compensation) or any less amount for which such claim or claims can be settled and thereafter We shall be under no further liability under this section in connection with such claim or claims except for costs and expenses of litigation recoverable or incurred in respect of the conduct of such claim or claims prior to the date of such payment.

SECTION 3 – BUILDING

WHAT IS INSURED

We will cover You against any unforeseen sudden accidental physical loss or physical damage to the Building unless the cause is specifically excluded.

EXCLUSIONS UNDER SECTION 3

1. This section does not cover loss or damage caused by:

- a) Wear and tear;
- b) Mildew, rot, corrosion, rust, gradual deterioration;
- c) Insects, vermin;
- d) Domestic animals which You own or are in your care, custody or control;
- e) Mechanical breakdown and/or malfunction of machinery, electrical appliances and computer equipment;
- f) Inherent fault or defective workmanship, defective material or design;
- g) Consequential loss or damage of any kind;
- h) Loss of or damage to electrical equipment and wiring caused by artificially generated electrical current;
- i) Alterations or repairs involving the removal of structural support;
- j) Mysterious disappearance or unexplained loss;
- k) Deliberate acts by You or Your Family or any of your employee;
- l) Landslip, subsidence or erosion.

2. This section does not cover cost and expenses arising from loss or destruction or damage caused by pollution or contamination except destruction or damage to the property insured caused by pollution or contamination resulting from a peril hereby insured against.

LIMITATION OF COVER

If the Building is not occupied by You and Your Family at the time of loss or damage, We will only pay for loss caused by fire, explosion, lightning, typhoon, storm, flood, labour disturbance, riot, any aerial or spatial devices (including but not limited to aircraft and/or aeroplane) or articles dropped from them, burglary, impact by land vehicle or horse or cattle, water discharged or overflowing or leaking from any water system or installation in or about the Building.

AVERAGE CLAUSE

In the event of under-insurance where the Sum Insured is less than 80% of full rebuilding costs at the time of loss or damage, the amount payable by Us under this loss or damage is the proportion which the sum insured bears to the total current rebuilding costs of the Building so insured as at the time of the loss. You are considered as being your own insurer for such under-insurance and bear a rateable proportion of the loss.

EXCESS

The first HK\$250.00 of each and every claim under Section 3 unless specifically mentioned.

BASIS OF SETTLEMENT OF CLAIMS

We will pay the costs actually incurred to rebuild or repair your Building to the same condition and extent it was when new. We will use building materials and construction methods which are commonly used at the time.

We will also pay:

- a) any additional amount of costs for making the changes to comply with the Government or local by-laws requirements;
- b) architects, engineers and surveyors fees in respect of the rebuilding or repairs where authorised by Us;
- c) the cost to demolish and remove the debris.

However, we will not pay for:

- a) Fees exceeding those authorised under the scale of the various Institutions and/or Bodies regulating such fees prevailing at the time of the destruction or damage;

- b) Costs incurred in complying with Regulations under which notice has been served upon You prior to the loss or damage, or in respect of undamaged portions of your Building.

You must ensure that any repairs or works which We have approved are carried out promptly.

If You do not rebuild or repair your Building, We will only pay You the indemnity value immediately before the loss, and the reasonable costs of demolition and removal of debris.

If the Building is mortgaged, payment in respect of any loss will be made to the mortgagee whose receipt will discharge Us completely.

We have the option of making You a cash payment or meeting the cost of the actual repairs or rebuilding.

OTHER BENEFITS PROVIDED

1. ALTERNATIVE ACCOMMODATION

In the event of the Home being rendered uninhabitable due to accidental loss or damage insured under this section, We will pay the cost incurred for reasonable temporary accommodation for as long as it is reasonably required.

The maximum claim payment amount will not be more than HK\$1,500 per day and in the aggregate not more than HK\$50,000 during each Period of Insurance.

We will not pay this benefit if You have already obtained the same benefit under the Household Contents section.

2. REMOVAL OF DEBRIS EXTENSION

We will cover the cost actually incurred in the necessary demolition shoring up or propping of the Building and the removal of debris including the removal of Household Contents whether damaged or undamaged following destruction or damage by any of the perils hereby insured against provided that such cost is not recoverable under any other policy of insurance.

We will not pay for any costs or expenses incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site.

The maximum claim payment amount will not be more than HK\$10,000 in the aggregate during the Period of Insurance.

3. LANDSLIP AND SUBSIDENCE CLAUSE

It is hereby agreed and declared that notwithstanding anything in the within written policy contained to the contrary the insurance under this Policy shall extend to cover:

Loss of or damage to your Building 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 your Building.

- iv) Loss or damage directly occasioned by or through defective design or workmanship or the use of defective materials.

- v) Consequential loss or damage of any kind or description.

- vi) The first HK\$10,000 or 10% (ten percent) 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.

YOU WARRANT THAT:

- 1) You shall maintain the Building in sound repair and shall take all responsible steps to prevent damage from the perils covered hereby.
- 2) You shall maintain any man-made slope and retaining wall for which they are responsible in accordance with laws regulations codes and guides issued by the Hong Kong Government including the guideline stipulated in the GEOGUIDE 5 – GUIDE TO SLOPE MAINTENANCE published by the Geotechnical Engineering Office, Civil Engineering Department, Hong Kong.
- 3) You shall notify Us in writing immediately:
 - (i) If any excavations are commenced beneath, around or in the vicinity of the Building. In such event We shall have the right to vary or cancel the cover provided under this Policy.
 - (ii) If the operation of an insured peril affecting any part of the site (whether or not the insured property is involved) or its nearby surroundings.

LIMIT OF INDEMNITY

The maximum claim payment amount We will pay under this Section during the Period of Insurance is the Sum Insured shown on the Schedule and is inclusive of the above sub-limits on the "Other Benefits Provided" sub-section.

招商永隆保險有限公司
CMB Wing Lung Insurance Company Limited

招商局集團成員公司
A Member Company of China Merchants Group

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