

Deluxe House Coverage

What Is Covered

This part of your Masterpiece Policy provides you with coverage against all risks of physical loss to your house unless stated otherwise or an exclusion applies. Exclusions to this coverage are described in What Is Not Covered.

"House" means the main one-family or two-family dwelling including the service pipes, cables and underground tanks supplying the dwelling at each location named in the Declarations page.

Extra Coverages

In addition to covering the physical loss to your house, we also provide many related coverages. These payments are in addition to the sum insured for your house unless stated otherwise or an exclusion applies. The deductible applies to Extra Coverages unless stated otherwise. Exclusions to these coverages are described in What Is Not Covered.

Other permanent structures

We cover other permanent structures on the grounds of your house. For a covered loss to these structures, we will pay up to 20% of the sum insured for the house at which the loss occurs, or any higher amount listed in the Declarations page for "other structures." The same payment basis applies to other permanent structures as to the house itself.

Additional living expense

Under certain conditions (described below), when your house becomes uninhabitable or when it cannot be lived in, we cover the loss of its use. There is no deductible for this coverage.

Extra living expenses. If your house cannot be lived in because of a covered loss, we cover any increase in your living expenses that is necessary and reasonable to maintain your household's normal standard of living. We cover these expenses for the reasonable amount of time it should take to repair or rebuild your house, or for your household to relocate up to a maximum of one year, even if the policy period of this insurance contract ends during that time.

Deluxe House Coverage

Extra Coverages

(continued)

Loss of rent. If a part of your house you generally rent to others cannot be lived in because of a covered loss, we cover its fair rental value. We will pay up to this amount for the reasonable amount of time it should take to repair or rebuild that part of your house up to a maximum of one year, even if the policy period of this insurance contract ends during that time.

Forced evacuation. If your house cannot be lived in because a government authority prohibits you from using it, we cover any increase in your living expenses that is necessary to maintain your household's normal standard of living. We also cover any loss in fair rental value if your house is normally held for rent. The prohibition must be a direct result of a loss to neighbouring premises that would be a covered loss under this policy. We cover these forced evacuation expenses for up to 30 days, even if the policy period ends during that time. We do not cover loss due to cancellation of a lease or agreement.

Land

Whenever there is a covered loss to your house or other permanent structure and the related repair or rebuilding requires excavation, replacement, or stabilisation of land under or around your house or other permanent structure, we will also pay up to 10% of the amount of the covered loss to your house or other permanent structure for the excavation, replacement, or stabilisation of the land.

Landscaping

We cover trees, shrubs, plants, and lawns at your house against certain kinds of perils. These are fire, lightning, explosion, civil disturbance, vandalism, malicious mischief, theft, and loss caused by a vehicle or aircraft.

We will pay up to a total of 5% of the sum insured for the house at which the loss occurs, but not more than \$1000 for any one

tree, shrub, or plant. If your payment basis is extended replacement cost, the 5% is applied to the increased sum insured.

This extra coverage applies only if you begin to repair or replace the lost or damaged property within 180 days of the date of loss.

Deluxe House Coverage

Extra Coverages

(continued)

Lock replacement

If the keys to your house are lost or stolen, we will pay the cost of replacing the locks, up to \$1,000. But you must notify us in writing within 72 hours of discovering the loss. There is no deductible for this coverage.

Debris removal

We cover the reasonable expenses you incur to remove debris of a covered loss and of the property that caused a covered loss up to 20% of the sum insured of the house shown in the Declarations page.

Precautionary repairs

We cover the reasonable expenses you incur for necessary repairs to protect your house against further damage after a covered loss. These payments do not increase the sum insured for your house.

Construction materials

We cover the building materials and construction supplies owned by you at each location listed in the Declarations page for use in the construction, alteration, and repair of your house or other permanent structures. These payments apply only to a covered loss, and they do not increase the sum insured for your house or other permanent structures.

Rebuilding to code

After a covered loss, we cover the cost of conforming to any law or of any ordinance that regulates the repair, rebuilding, or

demolition of your house or other permanent structure made necessary by the covered loss up to the sum insured of your house or other permanent structures listed in the Declarations page. If you do not repair your house or rebuild it at the same location, this coverage does not apply.

Deluxe House Coverage

What Is Not Covered

These exclusions apply to your Deluxe House Coverage, including the Extra Coverages, unless stated otherwise.

The words "caused by" mean any loss that is contributed to, made worse by, or in any way results from that peril.

Gradual or sudden loss. We do not cover any loss caused by wear and tear, gradual deterioration, rust, fungi, mold, rot, warping, insects, or vermin. We also do not cover any loss caused by inherent vice, latent defect, or mechanical breakdown. But we do insure ensuing covered loss unless another exclusion applies.

Contamination. We do not cover any loss caused by contamination, pollution, smog, or industrial or agricultural smoke.

Loss by animals. We do not cover any loss caused by vermin, insects or rodents except loss to glass that is part of a building. But we do insure ensuing covered loss unless another exclusion applies.

Structural movement. We do not cover any loss caused by the settling, cracking, shrinking, bulging, or expansion of pavements, patios, foundations, walls, floors, roofs, or ceilings except loss to glass that is part of a building. But we do insure ensuing covered loss unless another exclusion applies.

Special rules for escaping water. If any of the excluded causes of loss previously described (gradual or sudden loss, contamination, loss by animals, or by structural movement) cause water to escape from a household appliance, swimming pool, or plumbing, heating, or air conditioning system, we cover the loss caused by the water. We also cover the cost of tearing out and replacing any part of a building necessary to repair the system or appliance. But we do not cover loss to the system or appliance itself.

Water damage to outside structures. We do not cover certain kinds of loss to a fence, pavement, patio, swimming pool, hot tub, foundation, retaining wall, bulkhead, pier, wharf, dock, or bridge. These are losses caused by the pressure or weight of water even if the water is driven by wind. But we do insure ensuing covered loss unless another exclusion applies. However, this exclusion does not apply to insured locations in the Republic of Singapore.

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Deluxe House Coverage

What Is Not Covered (continued)

Earth movement. We do not cover any loss caused by earth movement including landslides, mud flows, and the sinking, rising, or shifting of land. But we do cover ensuing covered loss due to fire, explosion, theft, or glass breakage unless another exclusion applies. However, this exclusion does not apply to losses arising from earthquake, volcanic eruption, subsidence and/or landslip resulting solely from flood, provided the insured location is in the Republic of Singapore.

Neglect. We do not cover any loss caused by your failure to use all reasonable means to protect property before, at, or after the time of a loss.

Intentional acts. We do not cover any loss caused intentionally by you or a family member, or by a person directed by you or a family member to cause a loss. But we do provide coverage for you or a family member who is not responsible for causing the intentional loss. An intentional act is one whose consequences could have been foreseen by a reasonable person.

Negligent planning, construction, or maintenance. We do not cover any loss caused by the negligent acts, errors, or omissions of you or any other person in planning, construction, or maintenance. This exclusion applies only when the loss is caused directly or indirectly by a peril excluded in this section. It does not matter whether the negligent acts, errors, or omissions take place on or off the insured property. "Planning" includes zoning, placing, surveying, designing, compacting, setting specifications, developing property, and establishing building codes or construction standards. "Construction" includes materials, workmanship, and parts or equipment used for construction or repair.

Acts of war. We do not cover any loss caused directly or indirectly by war, undeclared war, civil war, insurrection, rebellion, revolution, warlike acts by military forces or personnel, the destruction or seizure of property for a military purpose, or the consequences of any of these actions.

Nuclear or radiation hazard. We do not cover any loss caused directly or indirectly by nuclear reaction, radiation, or radioactive contamination, regardless of how it was caused. But we do insure ensuing covered loss due to fire resulting from a nuclear hazard unless another exclusion applies.

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How We Will Pay Your Claim

Sum insured

The sum insured for each house is shown in your Declarations page. You agree that we may change this amount when appraisals are conducted and when the policy is renewed, to reflect current costs and values.

For a covered loss to the house, we will pay up to sum insured for that house, for each occurrence.

Payment basis

The Declarations page indicates the payment basis for each house.

"Reconstruction cost" means the amount required at the time of loss to repair or rebuild the house whichever is less, at the same location, with the same quality of materials and workmanship which existed before the loss. "Reconstruction cost"

does not include payment for the excavation, replacement or stabilization of land.

Replacement cost. If the payment basis is replacement cost, we will pay the reconstruction cost up to the sum insured shown in the Declarations page whether or not you actually repair or rebuild your house.

If you have a partial loss to covered property, we will pay the reconstruction cost less depreciation, unless you begin to repair or replace the lost property within 12 months from the date of the loss.

Extended replacement cost. If the payment basis is extended replacement cost, we will pay the reconstruction cost up to 200% of the sum insured shown in the Declarations page. However, this payment basis is subject to the following limitations.

- . If you undertake the construction of your house, or additions, alterations, or renovations to your house that result in your living out of the house during construction, your payment basis is conditional replacement cost.

Your duty: To reduce the possibility of being underinsured, you must notify your agent or broker at the beginning of construction so that your house coverage amount can be adjusted to reflect its proper reconstruction cost. You may apply for extended replacement cost coverage when the construction is completed, by notifying your agent or broker.

- . If you do not repair or rebuild your house at the same location, the payment basis will be replacement cost.

How We Will Pay Your Claim

(continued)

- . If you cannot repair or rebuild your house because your primary mortgagee or its assignees has recalled your mortgage, we will pay up to amount of the sum insured shown in the Declarations page minus what is due to the mortgagee.

If you have a partial loss to covered property, we will pay the reconstruction cost less depreciation, unless you begin to repair or replace the lost or damaged property within 180 days from the date of loss.

Conditional replacement cost. If the payment basis is conditional replacement cost, we will pay a portion of the reconstruction cost. Our payment will be the greater of the following, but will not exceed the reconstruction cost or the sum insured shown in the Declarations page:

- . the reconstruction cost less depreciation; or
- . the portion of the covered loss determined by dividing the amount shown in the Declarations page, by 80% of the actual amount required to rebuild the house.

If you have a partial loss to covered property, we will pay the reconstruction cost less depreciation, unless you begin to repair or replace the lost or damaged property within 180 days from the date of loss.

Deductible

A deductible listed in the Declarations page applies to each occurrence. But it does not apply to a covered loss of more than \$50,000 unless the vacant house deductible of 5% as listed below applies.

Vacant house deductible. If the house has been empty of all furnishings and all contents or if it has been uninhabited by the Insured for more than 30 consecutive days at the time of a covered loss, and you did not notify us it would be vacant, the deductible will be increased to 5% of sum insured (unless it is already 5% or greater).