MATERIAL DAMAGE AND BUSINESS INTERRUPTION POLICY

SECTION 1: MATERIAL DAMAGE | SECTION 2: BUSINESS INTERRUPTION

POLICY SCHEDULE

Reference	SBS 250128
The Company	AIG New Zealand Limited
Insured	Anzac House Body Corporate 66017 and the owner of each unit in the Insured Property and any management company acting on behalf of each unit owner.
Interested Parties	
Period Of Insurance	From 4:00pm Local Standard Time on 31 March 2024 To 4:00pm Local Standard Time on 31 March 2025 Or any other period for which the Company and the insured agree to renew the policy.
Insured Property (Section 1)	Buildings and Chattels, all while at the specified Location
Location (Section 1)	181-183 Willis Street, Wellington and as extended by this Policy
Business (Section 2)	All business of whatsoever kind conducted by the Insured, including but not limited to property owner of residential and/or commercial accommodation and landlord.
Premises (Section 2)	All premises owned or occupied by the Insured and all other places where Insured Property is used or to be used for the purpose of the Business, anywhere in New Zealand.
Indemnity Period (Section 2)	Alternative Residential Accommodation Indemnity Period: N/A Loss of Rents Indemnity Period: N/A Additional Costs Indemnity Period: N/A

SUMS INSURED

Section 1	Buildings	$ 9,721,000

Section 2	Gross Profit:	$ NOT INSURED
	Gross Revenue:	$ NOT INSURED
	Additional Costs:	$ NOT INSURED

Book Debts:	$ NOT INSURED	
Claim Preparation Costs:	$ NOT INSURED	
Fines or Damages:	$ NOT INSURED	
Redeployment Costs:	$ NOT INSURED	
Severance and Redundancy Payments	$ NOT INSURED	
Loss of Rents	$ NOT INSURED	
Alternative Residential Accommodation (per unit per month)	$ NOT INSURED	

SPECIAL LIMITS Section 1

Capital Additions Memorandum Limit at any one time:	Not Insured
Computer Breakdown Memorandum Limit any one loss or series of losses arising out of any one Event:	$ 5,000
Contractual Value Memorandum Limit any one loss or series of losses arising out of any one Event:	$ 10,000
Electric Current Damage Memorandum Limit any one loss or series of losses arising out of any one Event:	$ 10,000
Gradual Memorandum Limit any one loss or series of losses arising out of any one Event: Limit during the Period of Insurance:	$ 10,000 $ 20,000
Landslip Memorandum Limit any one loss or series of losses arising out of any one Event:	$ 1,000,000
Locating Damaged Internal Water Systems Memorandum Limit any one loss or series of losses arising out of any one Event: Limit during the Period of Insurance:	$ 10,000 $ 20,000
Lost or Stolen Keys Memorandum Limit any one loss or series of losses arising out of any one Event:	$ 10,000

	Money Memorandum Section A: Any one location or transit: Additional limit: Cumulative on the above in respect of any Christmas pay, back pay, and other extraordinary payments: Section B: Any one location:	$ 10,000 $ Not Insured $ 2,000
	Property to which the Contract Works Exclusion does not apply Specified maximum contract price:	$ 100,000
	Refrigerated Goods Memorandum Limit any one loss or series of losses arising out of any one Event:	$ 5,000
	Subsidence Memorandum Limit any one loss or series of losses arising out of any one Event:	$ 1,000,000
	Theft Limit any one loss or series of losses arising out of any one occurrence of theft, other than theft accompanied by violence or threat of violence to any person or violent and forcible entry to or exit from any enclosed building:	Full Sum Insured
	Transit Memorandum Limit any one loss or series of losses arising out of any one Event:	$ 20,000
	Unlawful Substances Memorandum Limit during the Period of Insurance: This limit does not apply to loss or damage by fire or explosion.	$ 100,000
SPECIAL LIMITS Section 2		
	Defective Drains or Sanitation Memorandum In respect of Loss of Rent only: Limit any one loss or series of losses arising out of any one Event:	$ 250,000
	Dependency Memorandum In respect of Loss of Rent only: Limit any one loss or series of losses arising out of any one Event:	10% of the Loss of Rent Sum Insured

	Prevention of Access Memorandum In respect of Loss of Rent only: Limit any one loss or series of losses arising out of any one Event:	10% of the Loss of Rent Sum Insured
	Public Authorities Memorandum In respect of Loss of Rent only: Limit any one loss or series of losses arising out of any one Event:	10% of the Loss of Rent Sum Insured
	Loss of Rents Maximum payable any one unit owner any one Event:	$ N/A
EVENT (Definition)	'Event' means an event or series of events arising from any one cause during any period of 72 consecutive hours.	
DEDUCTIBLE AMOUNT		
Section 1	In respect of loss indemnified under the Protection Costs Memorandum:	$ 100
	In respect of loss indemnified under the Landslip Memorandum	$ 10,000
	In respect of loss indemnified under the Subsidence Memorandum	$ 10,000
	In respect of loss by Natural Disaster – 5% of the natural disaster site sum insured, subject to a minimum of :	$ 5,000
	In respect of any loss for which no other deductible is specified:	$ 10,000
Section 2		$ Nil
ADDITIONAL INFORMATION	It is noted and agreed the Section 1 building sum insured is Indemnity plus Demolition. The Reinstatement Memorandum will continue to apply to all losses.	
POLICY WORDING	MDBI Policy eDIT V2 AIG V2 310816	

ENDORSEMENTS	AIG BodyCorp V2 011017 clauses Natural Disaster Deductibles Endorsement AIG BodyCorp V1 010418 Communicable Disease Endorsement LMA5393 Cyber & Data Endorsement MDBI

AIG BodyCorp V2 011017 clauses

SECTION 2 – INSURED INTERESTS

ALTERNATIVE RESIDENTIAL ACCOMMODATION

Where any residential accommodation insured by this Policy is made uninhabitable by Damage, Section 2 of this Policy is extended to cover the reasonable cost of alternative accommodation necessarily incurred by the Insured who normally occupies the accommodation unit during the Indemnity Period.

Provided that:

(a) the cost is not otherwise insured;

(b) the period for which the costs are covered will be limited to the Alternative Residential Accommodation Indemnity Period;

(c) the Company may deduct a reasonable allowance for costs reduced or avoided as a result of the accommodation being uninhabitable.

The Company's liability under this Insured Interest any one unit owner for each month of the Alternative Residential Accommodation Indemnity Period will not exceed the Alternative Residential Accommodation Sum Insured.

The Alternative Residential Accommodation Indemnity Period is the period reasonably required for reinstatement of the Damaged accommodation during which the accommodation remains uninhabitable in consequence of the Damage, beginning with the occurrence of the Damage and continuing for not more than the period stated in the Schedule.

LOSS OF RENT

Where any Insured earns rent by leasing all or any part of the premises insured under this Policy, the Company will indemnify the Insured for loss of any such rent incurred as a result of Damage to the Premises. The amount payable under this clause will be the difference between:

(a) the rent due to the Insured during the Loss of Rent Indemnity Period; and

(b) the rent that would have been due to the Insured during the Loss of Rent Indemnity Period had the Damage not occurred.

The Company will also indemnify the Insured for any additional expenditure reasonably incurred for the sole purpose of avoiding or diminishing the loss of rent during the Loss of Rent Indemnity Period, but not exceeding the loss of rent thereby avoided. If any costs payable out of rent cease or are reduced during the Loss of Rent Indemnity Period in consequence of the Damage, the amount so saved will be deducted from the difference between the rent due and the rent that would have been due had the Damage not occurred.

The Company's liability under this Insured Interest will not exceed the Loss of Rent Sum Insured.

Unless stated otherwise in the Schedule, the maximum payable any one unit owner during the Loss of Rent Indemnity Period is $500,000.

The Loss of Rent Indemnity Period is the period, during which revenue derived from rents is affected in consequence of the Damage, beginning with the occurrence of the Damage and continuing for not more than the period stated in the Schedule.

CONDITIONS (SECTIONS 1 & 2)

INSURED

The text "and any subsidiary company, more than half the nominal value of whose equity share capital is owned by the named Insured either directly or through other subsidiaries; and any entity over which an Insured exercises management control" is deemed to be deleted from the Schedule and replaced by "The Body Corporate named in the Schedule and the owner of each unit in the Insured Property and any management company acting on behalf of each unit owner."

GOODS AND SERVICES TAX

The Goods and Services Tax Condition is deemed to be deleted and replaced by the following.

All Sums Insureds and Special Limits contained within this Policy exclude GST. All Deductible Amounts within this Policy include GST.

For any indemnity payable under this Policy the Company shall pay the relevant amount of GST in excess of such payment. Such payment of GST is in addition to the indemnity otherwise payable and will not be subject to any sum insured or other limit of the Company's liability. For the purpose of this clause, 'GST' means tax payable under Section 5(13) of the Goods and Services Tax Act 1985, or under any statutory amendment to or re-enactment of the Section or Act.

CONDITIONS (SECTION 1)

DEFINITIONS

'Buildings' means:

(a) buildings and structures of any kind and their appurtenances situated at the Location;

(b) plant, fixtures and fittings, pipes and cables pertaining to or located in or about (a) above; and

(c) any and all site improvements including but not limited to signs, tanks, poles, walls, gates, fences, landscaping, gardens, ornamental trees and shrubs, roads, paths, yards and the like, situated at the Location;

all owned by the insured Body Corporate and/or in which ownership is shared by the unit owners.

Buildings also includes all fitted floor coverings (including but not limited to glued, smooth edge or tacked carpet and floating floors) owned by the insured Body Corporate and/or in which ownership is shared by the unit owners and/or owned by the individual unit owner in whose unit the property is located.

Buildings does not include Chattels or Landlord Fixtures and Fittings whether belonging to the Insured or to any other party.

'Chattels' means all chattels situated at the Location owned by the insured Body Corporate and/or in which ownership is shared by the unit owners but does not include fitted floor coverings. Chattels also includes Landlord Fixtures and Fittings.

‘Landlord Fixtures and Fittings’:

(a) in respect of residential property means whiteware, curtains, blinds drapes and light fittings owned by or the responsibility of the individual unit owner in whose unit the property is located;

(b) in respect of commercial property means fixtures and fittings provided by the landlord;

at the Location while contained in an individual unit owner’s unit that is occupied by tenants, subject to:

(i) if the property is occupied at the time of loss, a Tenancy Agreement (as defined by the Residential Tenancies Act 1986) or a commercial lease agreement being in place at the time of loss; and

(ii) such property not being otherwise insured.

INSURED PROPERTY (Section 1)

The Insured Property (Section 1) definition stated in the Schedule is deemed to be deleted and replaced by “Buildings and Chattels, all while at the specified Location.”

MEMORANDA (SECTION 1)

ALTERNATIVE RESIDENTIAL ACCOMMODATION

The Alternative Residential Accommodation Memorandum is deemed to be deleted.

ADDITIONAL COST OF SUSTAINABLE PRODUCTS

Where a claim is payable under this Policy for Reinstatement of a Destroyed building, then, to the extent permitted by law, the Company will pay the additional cost of including Sustainable Products in the Reinstatement of that building. The most that the Company will pay for this under Section 1 of this Policy is 5% of the cost of Reinstatement that would otherwise be incurred; but not more than $250,000 any one Event. The limit does not apply to any cost that would be covered without the benefit of this clause.

‘Reinstatement’ and ‘Destroyed have the meanings given to them in the Reinstatement Memorandum.

‘Sustainable Products’ are products that have reduced environmental impact or will enable more efficient use of energy or water. Products that fall within the scope of this clause include:

(a) Wall and ceiling insulation (as recommended by Standards New Zealand);

(b) Double glazed windows;

(c) Solar water heating systems;

(d) Heat pumps;

(e) Rainwater collection tanks;

(f) Low volatile organic paint;

(g) Home sprinkler systems (but only where the Destroyed building is a stand alone unit);

(h) Any building material that would have a lesser impact on the environment.

The Company reserves the right to approve the use of any of these products before they are installed. Such approval will not be unreasonably withheld.

CHATTELS

The Company’s liability for physical loss of or damage to Chattels under Section 1 of this Policy will not exceed $2,000,000 any one Event – this limit is within the Buildings sum insured and not in addition to it.

This limit does not apply where a Chattels sum insured is recorded in the Schedule.

COMPUTER BREAKDOWN

In the event of computer Breakdown of any Building or Chattels being Insured Property, Section 1 of this Policy is extended to indemnify the Insured for the reasonable and necessary cost to repair or replace the item.

‘Breakdown’ means the sudden and unforeseen mechanical, electrical or electronic malfunction or failure which becomes apparent at the time it occurs and requires immediate repair or replacement to enable normal operation to continue.

The Company’s liability under this Memorandum under Section 1 of this Policy will not exceed $5,000 any one Event.

DECLARED VALUES

1. Where the Buildings sum insured is supported by a valuation no more than 36 months old at the date of inception of this Policy the Company’s liability for loss of or damage to any item of Buildings will not exceed 125% of the Buildings sum insured.

2. Where the Buildings sum insured is not supported by a valuation no more than 36 months old at the date of inception of this Policy the Company’s liability for loss of or damage to any item of Buildings will not exceed the Buildings sum insured.

For the sake of clarity, “supported by a valuation” includes any value that is equal to or greater than the value stated in the most recent valuation, including but not limited to any increases to reflect actual or perceived increased building costs.

EMPLOYEES’ EFFECTS

The Employees and Directors Effects Memorandum is deemed to be deleted and replaced by the following.

Personal effects of:

(a) employees of the Body Corporate listed as the Insured in the Schedule; and

(b) employees of any management company acting on behalf of each unit owner of the Body Corporate listed as the Insured in the Schedule;

are deemed to be included in the description of Insured Property as if they were owned by the Insured, but only while the effects are in or about premises owned or occupied by the Insured, or elsewhere while being worn, kept, carried or used by employees acting in the course of their employment with the Insured. This Memorandum will not operate to the benefit of any person who is otherwise insured.

GRADUAL INTERNAL WATER DAMAGE

Section 1 of this Policy is extended to cover damage caused by the action of micro-organisms or by gradual deterioration where such damage results from the accidental leaking or overflowing of any permanently connected water pipe, waste disposal pipe, water cylinder or water storage tank within the confines of any insured building.

Where a claim for such damage is payable under this extension, the Policy also extends to cover the reasonable cost of:

(a) searching for and gaining access to the source of the damage; and

(b) reinstating the property or part to a condition the same as, but not better nor more extensive than, its condition immediately prior.

Where the date upon which the damage commenced cannot be determined, the damage will be deemed to have occurred at the time the Insured first had reason to suspect that damage had occurred.

The Company's liability under this Memorandum under Section 1 of this Policy will not exceed $10,000 any one Event and $20,000 during the Period of Insurance.

HAZARDOUS SUBSTANCE EMERGENCIES LIMIT

The Company's liability under the Hazardous Substance Emergencies Memorandum under Section 1 of this Policy will not exceed $90,000 during the Period of Insurance.

LOCATING DAMAGED INTERNAL WATER SYSTEMS

Section 1 of this Policy is extended to cover the reasonable cost of:

(a) searching for and gaining access to any part of a cracked, leaking, broken or overflowing Internal Water System that has caused loss or damage insured under this Policy; and

(b) reinstating any property or part damaged under (a) above to a condition the same as, but not better nor more extensive than, its condition immediately prior.

Provided that this Memorandum does not insure the cost of repairing or replacing any part of a cracked, leaking, broken or overflowing Internal Water System.

'Internal Water System' means any permanently connected water pipe, waste disposal pipe, water cylinder or water storage tank within the confines of any building insured under this Policy.

This Memorandum does not apply to any loss for which indemnity would be payable under the Policy in the absence of this Memorandum.

The Company's liability under this Memorandum under Section 1 of this Policy will not exceed $10,000 any one Event and $20,000 during the Period of Insurance.

MACHINERY BREAKDOWN – REINSTATEMENT BASIS

Subject to the Special Provisions set out below and to all other terms of this Policy in so far as they can apply, Section 1 of this Policy extends to cover Building or Chattels being Insured Property comprising any Machine against damage caused by Breakdown, but only after its successful initial commissioning at the place where the Machine is or will be used.

'Machine' means any contrivance for the conversion and direction of motion or energy, or for the performance of any electronic process, and includes any protective device in connection with that contrivance.

'Breakdown' means the sudden and accidental breaking, seizing, deformation, or burning out of any part of the Machine while in use; the cause being a defect in the Machine; the result being a stoppage in the function of the Machine; and repair or replacement being necessary before the Machine can resume working.

'Pre-Breakdown Value' means the new installed replacement value of the Machine (of its nearest available equivalent having not less than the same capacity or functions of the original Machine) subject to a reasonable deduction for use.

‘Reinstatement’ means replacement of the damaged Machine by a Machine as nearly as practicable the same as or equivalent to the damaged Machine, having regard to the current state of technology, and having an equivalent capacity to that of the damaged Machine, but not greater capacity unless a Machine with an equivalent capacity is not available and the replacement Machine has the nearest to an equivalent capacity. The words ‘Reinstate’ and ‘Reinstating’ have corresponding meanings.

Basis of Settlement

Where the damage can be repaired, the basis of settlement under this Memorandum will be the cost of restoring of the Machine to its former state of serviceability, based on the customary daily labour cost in the district, together with normal freight and erection and customs dues net of Maintenance Agreement benefits used.

Except in respect of excluded parts (as defined in the Excluded Parts Exclusion), no deduction will be made for depreciation of parts replaced, but account will be taken on any salvage value in those parts. Where any excluded part is damaged in circumstances where the exclusion does not apply, due allowance will be made for the working life of that part expended at the time of the damage.

In the event of repair costs equalling or exceeding the Pre-Breakdown Value, the Machine will be deemed to be destroyed.

Where the Machine is destroyed or deemed to be destroyed, the basis on which the amount payable under this Memorandum is to be calculated will be the cost of Reinstating the Machine plus the cost of removing the damaged Machine, less any salvage value of the damaged Machine. However, this basis will not apply if the Insured elects not to reinstate the Machine or if the work of Reinstatement is not commenced and carried out with reasonable despatch.

Where the Reinstatement basis does not apply the basis of indemnity will be the Pre-Breakdown value of the Machine together with the cost of removing the damage Machine, less any salvage value of the Machine.

Exclusions

1. This Memorandum does not insure against damage that is otherwise insured under this Policy or under any other memorandum incorporated in this Policy including Maintenance Agreement recoveries. In respect of Machinery a Service Contract must be in force at all times. Any Machinery maintenance requirements must be attended to by properly qualified servicing Agents.

2. This Memorandum does not insure against damage resulting from experiments, overload, or similar tests, requiring the imposition of abnormal conditions; but this exclusion does not apply where the imposition of abnormal conditions is for the purpose of checking the correct working of the Machine or of its safety installations.

3. This Memorandum does not insure against damage due to faults or defects known to the Insured prior to breakdown.

4. This Memorandum does not cover the cost of alterations, additions, improvements or overhauls carried out on the occasion of a repair.

5. This Memorandum does not cover the cost of any temporary repairs, except to the extent that the temporary repairs form part of permanent repairs including temporary repairs to the Machinery pending replacement parts etc becoming available.

6. This Policy does not cover any part described below except where it is physically damaged as a direct result of other insured damage to the Machinery with which the part is used.

   (a) Any expendable part such as a shear pin, rupture disc or fuse.

   (b) Any die, mould, pattern, block, stamp, punch or any coating or engraving on a cylinder or roll.

   (c) Any part made of glass, rubber or textile.

   (d) Any part that, by its use or nature, suffers a high rate of wear or depreciation, such as any: bit, drill, knife, or saw blade; crushing or grinding surface; ball or hammer; screen, sieve or filter cloth; wear plate; elevator or conveyor belt or band; flexible pipe; jointing or packing material; rope, belt, strap, chain or cable (other than any electrical conductor); electrical brush or battery; tyre, track, blade bucket or similar attachment to mobile plant; refractory material, grate bar or burner jet.

   (e) Any masonry.

   (f) Any operating medium such as any fuel, chemical, catalyst, filter substance, heat transfer medium, cleansing agent or lubricant.

Other Damage

For the avoidance of doubt, this Memorandum does not apply to any Insured Property other than a Machine, regardless of whether the other Insured Property has been damaged as a result of the Breakdown of any Machine.

Repairs

Providing the Company has been notified of the damage in accordance with the Claims condition of this Policy, the Insured may proceed with the repair of any Machine. However, any damaged part must be kept for inspection by the Company.

STRESS PAYMENT

Where a claim is payable under this Policy for Reinstatement of a Destroyed building, Section 1 of this Policy is extended to pay a benefit of $2,000 to each residential unit owner that occupies their residential unit for the stress caused.

The Company's liability under this Memorandum under Section 1 of this Policy during the Period of Insurance will not exceed $50,000. Where this limit is reached, the payment per residential unit owner will be apportioned evenly.

'Reinstatement' and 'Destroyed have the meanings given to them in the Reinstatement Memorandum.

UNLAWFUL SUBSTANCES

The Unlawful Substances Memorandum is deemed to be deleted and replaced by the following.

This Policy extends to include any loss or damage, unintended and unforeseen by the Insured that occurs during the Period of Insurance to a unit that is tenanted, consequent upon the Use, Manufacture, Storage or Distribution of Illegal Substances.

The Company's liability under this Memorandum under Section 1 of this Policy will not exceed $100,000 during the Period of Insurance, unless stated otherwise in the Schedule.

No claim is payable under this benefit unless the Landlords Obligations have been met.

Definitions

'High-Use Areas' and 'Limited-Use Areas' have the meanings described in the NZS8510-0217 Testing and decontamination of methamphetamine properties standard.

'Landlord's Obligations' means the Insured or the person who manages the tenancy on the Insured's behalf must:

(a) Exercise reasonable care in the selection of tenant(s) by at least obtaining a satisfactory written or verbal references, and

(b) Complete an internal and external inspection of the property at a minimum of four monthly intervals and upon every change of tenant(s), and

(c) Keep a written record of the outcome of each inspection, and provide to the insurer a copy of the record if the insurer requests it.

'Illegal Substances' means methamphetamine or any controlled drug as defined in the Misuse of Drugs Act 1975.

'Use, Manufacture, Storage or Distribution' means loss or damage caused by the use of any Illegal Substance that results in contamination of Insured Property exceeding:

(i) for High-Use Areas of a property: 1.5 micrograms per 100 square centimetres as measured by a competent tester.

(ii) for Limited-Use Areas of a property: 3.8 micrograms per 100 square centimetres as measured by a competent tester.

This Memorandum does not apply to any loss for which indemnity would be payable under this Policy in the absence of this Memorandum.

MEMORANDA (SECTION 2)

DEFECTIVE DRAINS OR SANITATION EXTENSION

Where, in consequence of defective drains or sanitation at any of the leased premises, action taken by a competent public authority prevents continued tenancy of the premises, thereby causing a loss of rent, the Insured will be indemnified for Loss of Rent as if the loss had resulted from Damage.

In respect of Loss of Rent only, the Company's liability under this Memorandum will not exceed $250,000 any one Event.

DEFERMENT OF THE INDEMNITY PERIOD

1. In respect of Damage to EQC Residential Property the Insured may elect to defer the commencement of the Indemnity Period for a period of up to 24 months, subject to the Company having not paid any claim in consequence of Damage to EQC Residential Property (other than for the reconstitution of records or for Claims Preparation Costs) under any Section 2 insured interest subject to the Indemnity Period.

2. In respect of Damage to Insured Property other than EQC Residential Property the Insured may elect to defer the commencement of the Indemnity Period for a period of up to 12 months subject to the Company having not paid any claim in consequence of Damage to Insured Property other than EQC Residential Property (other than for the reconstitution of records or for Claims Preparation Costs) under any Section 2 insured interest subject to the Indemnity Period.

PROVIDED THAT the period between the occurrence of the Damage and the end of the Indemnity Period will not exceed 48 months.

'EQC Residential Property' has the meaning given to it in the Earthquake – Residential Property clause of this Policy.

Where the Insured elects to defer the commencement of the Indemnity Period and meets the conditions above, when used with any Section 2 insured interest the words "beginning with the occurrence of the Damage" are deemed to be deleted from the Indemnity Period description in the Schedule and replaced by "beginning when elected by the Insured (but not before the occurrence of the Damage)".

DEPENDENCY

The Dependency Memorandum is deemed to be deleted and replaced by the following.

Loss, as insured by this Policy and resulting from Damage to any property whatsoever but excluding any Maui, Kapuni or offshore gas fields:

(a) at any place anywhere in New Zealand and occupied by any direct customer of the Insured; or

(b) at any place anywhere in New Zealand and occupied by any direct supplier of goods or services to the Insured; or

(c) at any port installation, railway warehouse or airport anywhere in New Zealand; or

(d) that prevents or hinders the public supply of water or gas or electricity to the terminal ends of the supplier's service feeders at the Premises; or

(e) that prevents or hinders the discharge of effluent from the Premises; or

(f) that prevents or hinders any telecommunication with the Premises,

is deemed to be loss resulting from Damage to property used by the Insured at the Premises for the purpose of the Business.

In respect of Loss of Rent only, the Company's liability under this Memorandum will not exceed 10% of the Loss of Rent Sum Insured any one Event, unless stated otherwise in the Schedule.

INFECTIOUS NOTIFIABLE HUMAN DISEASE

The Infectious Notifiable Human Disease Memorandum is deemed to be deleted from this Policy.

PREVENTION OF ACCESS

The Prevention of Access Memorandum is deemed to be deleted and replaced by the following.

Loss, as insured by this Policy and resulting from Damage to any property within five kilometre of the Premises, that prevents or hinders the use of or access to the Premises will be deemed to be loss resulting from Damage to property used by the Insured at the Premises for the purpose of the Business.

In respect of Loss of Rent only, the Company's liability under this Memorandum will not exceed 10% of Loss of Rent Sum Insured any one Event, unless stated otherwise in the Schedule.

PUBLIC AUTHORITIES

The Public Authority Memorandum is deemed to be deleted and replaced by the following.

Loss, as insured by this Policy, and resulting from any action of a public authority consequent upon:

(a) Damage to any property whatsoever;

(b) bodily injury to any person on or within five kilometre of the Premises;

(c) vermin, pests, fumes, escape of any hazardous material, defective sanitation or effluent system;

or the threat or fear of any of them, is deemed to be loss resulting from Damage to property used by the Insured at the Premises for the purpose of the Business.

For the purpose of any claim under this Memorandum, the Alternative Residential Accommodation Indemnity Period and/or Loss of Rent Indemnity Period will commence 24 hours after the action is first taken by the Public Authority.

In respect of Loss of Rent only, the Company's liability under this Memorandum will not exceed 10% of Loss of Rent Sum Insured any one Event, unless stated otherwise in the Schedule.

NATURAL DISASTER DEDUCTIBLES ENDORSEMENT

This endorsement does not apply to EQC Residential Property as defined in the Earthquake – Residential Property clause of this Policy.

If this Policy includes Natural Disaster cover and unless stated otherwise in the Schedule, the Deductible Amount that will apply to a Natural Disaster Event will be as follows.

Where the loss arises from damage to Insured Property located on any Site within the Local Government Regions of Northland, Auckland, Waikato, Otago and Southland:

(a) 1% of the Site Value, subject to a minimum Deductible of $2,500

(b) for Pre-1935 Risks, 5% of the Site Value, subject to a minimum Deductible of $5,000.

Where the loss arises from damage to Insured Property located on any Site within the Local Government Region of Bay of Plenty:

(a) 2.5% of the Site Value, subject to a minimum Deductible of $2,500

(b) for Pre-1935 Risks, 5% of the Site Value, subject to a minimum Deductible of $5,000.

Where the loss arises from damage to Insured Property located on any Site within New Zealand, but not detailed above:

(a) 5% of the Site Value, subject to a minimum Deductible of $5,000

(b) for Pre-1935 Risks, 10% of the Site Value, subject to a minimum Deductible of $10,000.

Combined Material Damage and Business Interruption Loss

The deduction will be made from the combined Material Damage and Business Interruption loss arising from damage to Insured Property at the Site. If damage at more than one Site contributes to the same Business Interruption loss, then, for the purpose of the Deductible, the whole of the Business Interruption loss will be deemed to have arisen from the contributing Site at which the damage has been greatest.

Definitions

'Local Government Regions' means districts or regions as defined in the Local Government Act 2002 or any amending legislation.

'Pre-1935 Risks' means any building, and/or other property including stock located in any building that was constructed prior to 1935.

'Site' means a location of Insured Property as declared in a schedule of assets that the Insured has provided to the Company. If the Insured Property is not at a location so declared, 'Site' will mean a physical location where property is linked to achieve a common business purpose at that location.

'Site Value' means the insured value of all Insured Property located at the Site.

[AIG BodyCorp V1 010418]

COMMUNICABLE DISEASE ENDORSEMENT
(For use on property policies)

1. This policy, subject to all applicable terms, conditions and exclusions, covers losses attributable to direct physical loss or physical damage occurring during the period of insurance. Consequently and notwithstanding any other provision of this policy to the contrary, this policy does not insure any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

2. For the purposes of this endorsement, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:

    2.1. for a Communicable Disease, or

    2.2. any property insured hereunder that is affected by such Communicable Disease.

3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

    3.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

    3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

    3.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.

4. This endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

All other terms, conditions and exclusions of the policy remain the same.

LMA5393
25 March 2020

CYBER LOSS LIMITED EXCLUSION CLAUSE ENDORSEMENT

This endorsement modifies insurance provided by this Policy:

1. Subject to paragraphs 2 and 3 below and notwithstanding any provision to the contrary within this Policy or any endorsement thereto, this Policy excludes all loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

   1.1 any loss of, alteration of, or damage to or a reduction in the functionality, availability or operation of a **Computer System**, unless subject to the provisions of paragraph 2;

   1.2 any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any **Data**, including any amount pertaining to the value of such **Data**, unless subject to the provisions of paragraph 3.

2. Subject to the other terms, conditions and exclusions contained in this Policy or any endorsement thereto, this Policy will cover physical loss or physical damage to property insured under this Policy and any **Time Element Loss** directly resulting therefrom, where such physical loss or physical damage is directly occasioned by any of the following perils:

   avalanche, fire, bush fire, forest fire, water damage, flood, landslide, landslip, looting, theft, burglary, mudslide, lightning, explosion, aircraft or vehicle impact, falling objects, meteorite/asteroid impact, sinkhole, windstorm or hail, tornado, cyclone, hurricane, seismic and/or volcanic disturbance, tsunami, seaquake, rain, storm surge, liquefaction, volcanic eruption, solar flares, ice storm, winter storm, sleet, freeze or weight of snow, smoke, riot, strike, civil commotion, collapse, earth movement.

3. Subject to all the terms, conditions, limitations and exclusions of this Policy or any endorsement thereto, should **Data Processing Media** owned or operated by the Insured suffer physical loss or physical damage insured by this Policy, then this Policy will cover the cost to repair or replace the **Data Processing Media** itself plus the costs of copying the **Data** from back-ups or from originals of a previous generation. These costs will not include any research and engineering nor any costs of recreating, gathering or assembling the **Data**. If such media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank **Data Processing Media**. However, this Policy excludes any amount pertaining to the value of such **Data**, to the Insured or any other party, even if such data cannot be recreated, gathered or assembled.

4. <u>Definitions</u>

   Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

   Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**.

   Time Element Loss means business interruption, contingent business interruption or any other consequential losses.

   Data Processing Media means any property insured by this Policy on which **Data** can be stored but not the **Data** itself.

All other terms and conditions of the Policy remain the same.

LMA138060 (07.21)

DISCLOSURE STATEMENT

1. The following information has been supplied to Capital Commercial (2013) Limited ("Bayleys") to be made available for distribution on the vendor's behalf to potential purchasers to assist purchasers with their due diligence and to use at the purchaser's discretion.
2. Bayleys and the Vendor do not warrant the accuracy or completeness of the information and recommends that all recipients undertake their own due diligence, obtain their own reports to their satisfaction and seek independent advice prior to committing to purchaser.