

# SELF-STORAGE MASTER POLICY

Name of Insured (storage provider): SpaceMax Self Storage Limited

Location of Premises: 245-251 Lincoln Road, Henderson

Period of Insurance: 21 August 2015 to 21 August 2016

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# SELF STORAGE MASTER POLICY

## OPERATIVE CLAUSE

In consideration of the payment of premium QBE Insurance (International) Limited ("QBE") agrees to indemnify the Insured's Customers who have elected to take up the storage insurance, subject to the terms, conditions and exclusions of this Master Policy for:

unintended and unforeseen physical loss or damage directly caused by any Specified Event occurring during the Period of Insurance to any Insured Property while stored at the Insured's Premises, in compliance with the conditions of the storage hire agreement and the Insurance Summary which the Insured will provide to those Customers who have elected to take up the storage insurance under this Master Policy.

The indemnity will be by payment or, at the option of QBE, by repair or replacement of the Insured Property and by the payment of any insured costs.

## MAXIMUM LIABILITY

QBE's maximum liability will be:

### For the Master Policy

the sum insured for all Customer claims in the annual aggregate, as stated in the Insurance Summary.

### For each Customer whose property is in storage at the Premise

the maximum sum allowed is NZD 60,000 for any one claim and in the aggregate for the period of insurance chosen by the Customer (not more than twelve (12) months), subject to any pro-rata that is applicable should the annual aggregate of all Customer claims exceed the sum insured under the Master Policy. For motor vehicles or water craft, the maximum liability shall be the market value of the motor vehicle or watercraft immediately prior to the loss, damage or destruction or NZD 60,000, whichever is the lesser amount, subject to any pro-rata that is applicable should the annual aggregate of all Customer claims exceed the sum insured under this Master Policy.

This Master Policy is based upon the information declared and disclosed by the Insured and its Customers to QBE, whether on a questionnaire or any other documents, which are incorporated into this Master Policy.

## EARTHQUAKE COMMISSION

QBE will pay only the difference between the cost of reinstatement and the amount received by the Insured under the Earthquake Commission Act 1993 (the Act).

## AUTOMATIC EXTENSION

### 1. Acts of Civil Authorities

Subject otherwise to the terms, conditions and exclusions of this Master Policy insofar as they can apply, this Master Policy is extended to indemnify the Insured for acts of destruction undertaken at the order of any lawfully constituted civil authority for the prevention or restriction of imminent loss or damage from causes insured by this Master Policy to property, whether insured by this Master Policy or not.

Provided always that:

- (a) the indemnity excludes such acts of destruction as may be ordered or exercised by the Canterbury Earthquake Recovery Authority (or any equivalent Authority) pursuant to the Canterbury Earthquake Recovery Act 2011, relevant regulations, or any similar or substituted legislation, except to the extent that the Insured is otherwise indemnified under this Master Policy or this clause;
- (b) this Master Policy will not extend to indemnify the Insured for compulsory acquisition (whether by notice, proclamation or otherwise) of property insured by this Master Policy by any civil or other authority, whether or not lawfully constituted.

## OPTIONAL EXTENSION

### 1. Natural Disaster

Where it is stated in the Insurance Summary that this extension applies, then the Specified Perils will include Natural Disaster as defined.

## DEFINITIONS

### 1. "Customer" means:

the Insured's Customer who has elected to take up storage insurance under this Master Policy for property stored by the Insured who is the storage provider at the Premises shown in the Insurance Summary. The indemnity under this Master Policy extends to the Customers who will be the beneficiaries of any proceeds arising from their claim accepted by QBE.

### 2. "Excess" means:

the amount specified in this Master Policy and the Insurance Summary payable by each Customer on each and every claim arising out of any one event. Should more than one Excess be payable for any claim or series of claims arising from one event, such Excesses shall not be aggregated and the highest single Excess shall apply.

3. **“Insurance Summary”** means:  
the document issued by the storage provider on behalf of QBE to each Customer who takes up the optional storage insurance under this Master Policy.
4. **“Insured”** means:  
the storage provider who has offered to its Customers storage insurance under this Master Policy. The Insured has agreed to waive any entitlement to indemnity under this Master Policy and will credit any payment it has received from any government authority to the Insurer for distribution to all Customers claims in respect of this Master Policy.
5. **“Insured Property”** means:  
the Customer’s property which are stored at the Premises and which are not excluded by this Master Policy or the storage hire agreement.
6. **“Master Policy”** means:  
this policy wording, the application form completed by the Insured and its Customers, the Insurance Summary and any endorsement(s) issued by QBE which attaches to this Master Policy.
7. **“Natural Disaster”** means:  
earthquake, tsunami, volcanic eruption, hydrothermal or geothermal activity or fire following any of these and subterranean fire.
8. **“Period of Insurance”** means:  
the period stated in this Master Policy and remains in force until the earlier of:  
such time as the Insured, the Owner, or QBE cancels the Policy, or  
the storage provider’s material damage policy covering the self-storage facility ends.  
  
Unless QBE agrees in writing, no one Period of Insurance shall be greater than twelve (12) months.
9. **“Premises”** means:  
the storage location facility shown in this Master Policy and the Insurance Summary.
10. **“Specified Events”** means:  
(a) fire, explosion or lightning;  
(b) storm and/or flood and/or damage caused by water from broken or burst pipes;  
(c) impact by motor vehicles, or other mechanically propelled vehicles or animals, aircraft and other aerial devices and articles dropped from them;  
(d) theft following violent and forcible entry to or exit from a securely locked building or storage unit;  
(e) theft of motor vehicles and/or watercraft less than nine (9) metres in length and/or trailers whilst stored in the open yard of the storage facility.  
All trailers (including boat trailers) must be locked with an axle, wheel or tow bar lock;  
(f) landslip, or rockslide or other natural movement of earth;  
(g) windstorm, hail, snow, frost or ice;  
(h) malicious damage or vandalism;  
(i) Natural Disaster.

## EXCLUSIONS

1. This Master Policy does not insure loss, damage, liability, death, injury, illness, cost or expense of whatsoever nature directly or indirectly caused by, resulting from, or in connection with:
- (a) (i) war, invasion, act of foreign enemies, hostilities or warlike operation (whether war be declared or not), civil war;  
(ii) mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power;
- (b) (i) ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;  
(ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;  
(iii) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;  
(iv) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.
- (c) any Act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.
- For the purpose of this exclusion an “Act of Terrorism” means an act, including but not limited to the use of force or violence and/or threat thereof, by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is done for, or in connection with political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or the public, or any section of the public, in fear.
- This Master Policy also excludes loss, damage, death, injury, illness, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any Act of Terrorism.
2. Confiscation, requisition, or destruction of or damage to property by order of Government or Local Authority unless the order is given for the purpose of controlling fire or other peril for which insurance is provided by this Master Policy.
3. Normal settlement, shrinkage or expansion of buildings, foundations, walls, pavements, roads and other structural improvements.
4. Subsidence.

5. This Master Policy does not insure:
- (a) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data;
  - (b) error in creating, amending, entering, deleting or using Electronic Data; or
  - (c) total or partial inability or failure to receive, send, access or use Electronic Data for any time or at all, from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur.
- "Electronic Data" means facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programs, software and other coded instructions for such equipment.
- However, in the event that a peril listed below (being a peril insured by this Master Policy but for this exclusion) is caused by any of the matters described in paragraph (a) above, this Master Policy, subject to all its provisions, will insure:
- (i) physical loss of or damage to Insured Property directly caused by such listed peril, and/or
  - (ii) consequential loss insured by this Master Policy.
- Further, this exclusion does not apply in the event that a peril listed below (being a peril insured by this Master Policy but for this exclusion) causes any of the matters described in paragraph (a) above:
- Fire, explosion, lightning, windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, flood, freezing, weight of snow, impact by aircraft or other aerial objects dropped there from, impact by any road vehicle or animal, bursting overflowing discharging or leaking or water tanks apparatus or pipes, or theft of Electronic Data solely where such theft is accompanied by theft of the computer hardware, firmware, medium, microchip, integrated circuit or similar device containing such Electronic Data.
- For the purposes of the basis of settlement provision in this Master Policy, a computer system's records include Electronic Data as defined in paragraph (a) above.
- Any Terrorism exclusion in this Master Policy or endorsement thereto prevails over this exclusion.
6. QBE will not indemnify any Insured or storage provider or fulfill any obligation otherwise owed to any Insured or storage provider in respect of any building or structure where that indemnity or obligation arises from, is consequent upon or is in connection with the failure of that building or structure to contain:
- (a) materials; or
  - (b) a design; or
  - (c) a system; or
  - (d) a standard of workmanship,
- which effectively prevents or manages the presence or penetration of moisture or water to which the building or structure might reasonably be subjected.
7. This Master Policy does not insure the cost of rectifying:
- (a) or repairing or replacing faulty materials; or
  - (b) faulty workmanship; or
  - (c) work performed to a faulty defective design, plan or specification; or
  - (d) faulty or defective work where the fault or defect results from an error or omission in design plan or design specification.
- But this exclusion does not apply to any consequential loss or damage occurring as a result of the faulty or defective materials, workmanship, design plan, design specification or work not otherwise excluded.
8. This Master Policy does not insure:
- (a) Consequential loss of any kind including consequential loss due to delay, lack of performance, loss of contract or depreciation of the insured property;
  - (b) Unexplained disappearance, shortage revealed only by taking of an inventory, shortages due to clerical or accounting errors;
  - (c) Theft by the insured or by any of the Insured's employees;
  - (d) Any fraudulent scheme, trick or false device practiced upon the Insured or on any other person having care of the Insured Property;
  - (e) the action or effects of any micro-organism, protozoa, mould, mildew, rot, fungi, vermin or insects;
  - (f) any gradual deterioration.
9. This Master Policy will not cover, nor will QBE be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover or the payment of such claim would contravene any sanction, prohibition or restriction under any United Nations resolution or the trade or economic sanctions, laws or regulations of New Zealand, the United States of America or the European Union or any other sanction, prohibition or restriction with which QBE is obligated to comply.
10. This Master Policy does not insure:
- (a) any flammable liquid or gas, except for small amounts of petrol, oil or diesel fuel incidental to the storage of cars & boats;
  - (b) any corrosive chemical or nitrate;
  - (c) tobacco or cigarettes;
  - (d) wine, beer or other alcohol if the total value exceeds NZD 5,000;
  - (e) paint;
  - (f) tyres, if the total value exceeds NZD 1,000;
  - (g) perishable goods;
  - (h) money, coin and/or stamp collections, deeds, securities or other negotiable instruments;
  - (i) jewellery, watches or furs;
  - (j) property that is not contained in a securely locked storage unit, other than motor vehicles and/or trailers and/or watercraft less than nine (9) metres in length stored in the open but within the storage facility perimeter and in accordance with the storage hire agreement;
  - (k) theft of any part of or the accessories to any motor vehicle, trailer or watercraft unless the entire motor vehicle, trailer or watercraft has been stolen;
  - (l) any artwork, curio or painting if the insured value of such property exceeds NZD 5,000;
  - (m) photographic equipment, video and/or audio equipment, computers or any other electronic equipment if the insured value of such property exceeds NZD 5,000.

## CONDITIONS

### 1. Basis of Settlement

In the event of loss or damage the basis of settlement shall be:

- (a) **Repairable Damage**  
repair or the cost to restore the damaged Insured Property to its condition immediately before the occurrence of the loss or damage;
- (b) **Total Loss**  
QBE may at its option:
  - (i) replace the Insured Property with equivalent property; or
  - (ii) pay the cost to acquire an equivalent new replacement item if the Insured Property was no more than five (5) years old; or
  - (iii) pay the indemnity value of the Insured Property immediately before the occurrence of the Loss or Damage if such Insured Property was more than five (5) years old.
- (c) **Maximum amount payable**  
QBE's maximum liability under this Master Policy shall be:
  - (i) for Insured Property indemnifiable under (a) or (b) above; the lesser of the sum insured as specified in the Insurance Summary, or NZD 60,000 in total for any one Customer in any one Period of Insurance, subject to any pro-rata of the aggregate of Customer claims to the sum insured if total Customer claims exceed the sum insured under this Master Policy;
  - (ii) Master Policy; for motor vehicles, trailers or watercraft; the lesser of the market value immediately prior to the loss, damage or destruction, or NZD 60,000, in total for any one Customer in any one Period of Insurance, subject to any pro-rata of the aggregate of Customer claims to the sum insured if total Customer claims exceed the sum insured under this Master Policy;
  - (iii) in total for all Customer claims indemnifiable under this Master Policy during any one Period of Insurance, the amount specified in the Insurance Summary for the Premises,

### 2. Material Facts

The full disclosure and truth of any statements and answers in any:

- (a) claim form;
- (b) proposal or underwriting information provided for the purpose of obtaining this insurance or any renewal or extension thereof, given to QBE by or on behalf of the Customer by the storage provider shall be a condition precedent to any liability of QBE to make payment under this Master Policy.

### 3. Reasonable Precautions

The Customer and the Insured must take all reasonable precautions to:

- (a) avoid or minimise any loss or damage;
- (b) maintain Premises, appliances and equipment in safe and sound condition;
- (c) secure the Premises and storage units with good quality locks or locking mechanisms;
- (d) comply with all relevant statutory obligations, by-laws and regulations imposed by any public or local authority, for the safety of persons or property.

### 4. Duties in the Event of Claim

If anything occurs which could give rise to a claim under this Master Policy, the Customer and the Insured must:

- (a) promptly take all reasonable steps to prevent further loss or damage;
- (b) inform the police as soon as possible if any property is lost or if theft or fraud is suspected;
- (c) notify QBE as soon as practicable;
- (d) forward to QBE a completed claim form, written details of the loss or damage, receipts, repair invoices, statements of claim and any other documents required in connection with the claim;
- (e) assist QBE in all measures which QBE considers necessary to minimise the loss and enable it to investigate or settle the claim.

### 5. Other Insurance

If at the time of any claim arising under the Customer insurance, there is other valid and collectable insurance covering all or part of the same loss, the Customer storage insurance will apply only to the amount of any loss in excess of that recoverable under the other insurance.

### 6. Subrogation

In the event of a payment under this Master Policy to or on behalf of the Customer, QBE shall be subrogated to and/or receive assignment of all the Insured's and Customer's rights of recovery against all persons and organisations. The Insured and the Customer shall execute and deliver any and all appropriate instruments and papers and do all that is necessary to assist QBE in the exercise of such rights including prosecuting proceedings in the Customer's name at QBE's expense. Any such amount so recovered shall first be apportioned to pay the Customer's Excess and secondly to reimburse QBE to the extent of its actual payment hereunder.

### 7. New Zealand Jurisdiction

All disputes arising out of or under this Master Policy shall be subject to determination by any court of law in New Zealand.

### 8. Fraud

If any claim under this Master Policy is in any respect fraudulent or if any fraudulent means or devices are used to obtain any benefit under this Policy, or if any loss, destruction or damage be occasioned by wilful act or with the Customer's and/or the Insured's connivance, all benefit otherwise payable for such claim shall be forfeited.

## 9. Cancellation

This Master Policy, or any insurance issued under this Master Policy, may be cancelled:

- (a) **by the Insured:** in respect of any insurance issued under this Master Policy,  
at any time by giving notice in writing to QBE stating when the cancellation shall be effective. In the event of such cancellation, QBE will be entitled to a pro-rata proportion of the premium for the time during which this Master Policy has been in force but QBE will not allow any refund of premium for the early removal of Customer's Property.  
However, this Master Policy is automatically cancelled without further notice if the premium is in arrears for more than thirty (30) calendar days following the Monthly Due Date. Monthly Due Date means the day of the month when the premium and storage hire charges are due to be paid. If this date falls on a public holiday or a weekend, the next working day shall be the Monthly Due Date. QBE shall not be liable to indemnify the Customer and/or Insured for any loss or damage after the date of cancellation.
- (b) **by the Customer:** in respect of the Insurance Summary issued under this Master Policy,  
at any time by either:  
(i) giving notice in writing to QBE stating when the cancellation shall be effective; or  
(ii) permitting the period of storage insurance to expire without giving instructions for renewal.  
In the event of such cancellation, QBE will be entitled to premium in respect of all Insurance Summaries issued during the time the storage insurance has been in force.
- (c) **by QBE:**  
at any time by giving notice in writing to the Insured of QBE's intention to cancel this Master Policy. The notice may be delivered personally or posted to the Insured's last known postal address, or by facsimile transmission (fax), or e-mail. The cancellation will take effect at 4:00pm on the 7<sup>th</sup> day after the notice has been delivered or posted. In the event of such cancellation and if QBE confirms that the cancellation includes all current Insurance Summaries, then QBE shall refund to the Insured a pro-rata proportion of the premium if such proportion exceeds NZD 100. In any event QBE will be entitled to premium in respect of all Insurance Summaries issued for Customers during the time their storage insurance has been in force.

## 10. Excess

In the event of any claim for loss or damage under this Master Policy the following Excesses shall apply:

- Natural Disaster NZD 2,500 per Customer per storage location (Premises);
- Theft of motor vehicles, trailers, or watercraft from within the perimeter of the Premises, but not locked in a storage unit: NZD 2,500.
- All other losses: NZD 500.