

AVIATION INSURANCE CLAUSES GROUP

2 December 2022

Chair: Graham Spencer-Brown
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To: Bill Smith, Chair, LIIBA Aviation Executive Committee
Jette Varnals, Chair, IUA Aviation Technical Committee
Daniel Warburg, Chair, LMA Aviation Committee

[LETTER SENT BY EMAIL AND PUBLISHED ON THE AICG WEBSITE]

Dear Chairs,

AICG CONSULTATION DRAFT 65 ('CD65') GENERAL AVIATION WORDING

In August 2022, AICG received a request from a market participant to produce a model General Aviation (GA) wording. It had been recognised that there were a broad range of different GA wordings in operation in the market and suggested that a model AVN wording would provide value.

The AICG considered the request and agreed that it would be appropriate to draft a provision for market consultation. It was decided that it would be appropriate to build a GA wording which compiled a range of recognisable model AVN provisions.

This wording has been considered by the full AICG membership and the Chair has agreed that it should proceed to market consultation. The draft clause is attached to this letter for convenience and will shortly be added to the AICG website, accessible via this hyperlink: [AICG Activity](#).

We would welcome comments on the proposed wording – both on the specific drafting and its effect as appropriate. AICG consultation drafts are normally subject to 30-day consultations, however, in light of the busy December period for market participants, the AICG Chair has agreed a 45-day consultation period. As such, please could you provide any comments on the wording to the AICG Secretariat via the contact details above, addressed to either myself or the AICG Chair, or preferably to christopher.jones@iua.co.uk by close of business on Tuesday 17 January 2023.

Yours sincerely,



Christopher Jones on behalf of Graham Spencer-Brown
(Secretary, AICG)

c.c. Neil Roberts (LMA)
Geraldine Wright (LIIBA)
Tom Hughes (IUA)

GENERAL AVIATION INSURANCE POLICY

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GENERAL AVIATION INSURANCE POLICY

POLICY SCHEDULE

Policy Number: {Response}

Item 1. NAME AND ADDRESS OF THE INSURED:

{Response}

Item 2. PERIOD OF INSURANCE:

From: {Response}

To: {Response}

Both days {Response} Local Standard Time at the address of the Insured

Item 3. SCHEDULE OF AIRCRAFT:

(1) Make and Model	(2) Registration Marks	(3) Maximum Number of Passengers	(4) (for the purposes of Section 4) Maximum Number of:		(5) Agreed Value	(6) Risks Covered (Insert Flight, Taxiing, Moored Ground as applicable)
			Pilots	Crew		
{Response}	{Response}	{Response}	{Response}	{Response}	{Response}	{Response}

Additions and Deletions of Aircraft

All additions, deletions and changes in Aircraft Agreed Values are subject to prior agreement by Insurers.

Subject to a maximum Aircraft Agreed Value of {Response}

Item 4. LIMITS OF LIABILITY:

SECTION ONE – AIRCRAFT HULL AND LIABILITY INSURANCE

Coverage A – Physical Loss of or Damage to Aircraft

Agreed Values specified in Item 3 (5) above

Coverage B – Legal Liability to Third Parties (Other than Passengers)

Bodily Injury and Property Damage combined:

{Response} any one Occurrence

Coverage C - Legal Liability to Passengers (Including Passenger Baggage and Personal Effects):

Bodily Injury and Property Damage combined:

{Response} each passenger

Property Damage to Passenger Baggage and Personal Effects sub-limited to:

{Response} each passenger

OR

Coverage B and C Combined - Legal Liability to Third Parties and Passengers (Including Passenger Baggage and Personal Effects):

Bodily Injury and Property Damage combined:

{Response} any one Occurrence

Bodily Injury to Passengers sub-limited to:

{Response} each passenger

Property Damage to Passenger Baggage and Personal Effects sub-limited to:

{Response} each passenger

SECTION TWO – AVIATION SPARES AND/OR EQUIPMENT INSURANCE

Maximum Sum Insured {Response} any one Occurrence

SECTION THREE – AVIATION LIABILITY INSURANCE

Coverage A – Aviation Premises Liability

{Response} any one Occurrence

Coverage B – Hangarkeepers Liability

{Response} any one Occurrence

Coverage C – Aviation Products Liability

Response} any one Occurrence and in the aggregate arising out of all Occurrences during the Period of Insurance

OR

Sections A, B and C Combined Single Limit

{Response} any one Occurrence and in respect of Coverage C in the aggregate arising out of all Occurrences during the Period of Insurance

SECTION FOUR – Aviation Personal Accident (Air Travel Only)

Insured Persons:

Pilots*/crew members*/passengers* specified in Item 3 of the Policy Schedule whilst engaging in Air Travel.

*delete as applicable

Capital Sum Insured:

{Response} each Insured Person

In the event of an Accident involving more than one Insured Person travelling in the same Aircraft Insurers will not be liable for more than {Response} each Aircraft.

Schedule of Benefits:

The percentages specified below are percentages of the Capital Sum Insured and are applicable to each Insured Person.

1.	Death	100%
2.	Total and irrecoverable loss of sight of both eyes	100%
3.	Total and irrecoverable loss of sight of one eye	100%
4.	Loss of two limbs	100%
5.	Loss of one limb	100%
6.	Total and irrecoverable loss of sight of one eye and loss of one limb	100%
7.	Permanent Total Disablement (other than total and irrecoverable loss of sight of one or both eyes or loss of limb(s))	100%

Medical and Related Expenses:

{Response} each Insured Person

In the event of Medical and Related Expenses applying to more than one Insured Person travelling in the same Aircraft Insurers will not be liable for more than {Response} each Aircraft.

Item 5. DEDUCTIBLES:

SECTION ONE - Coverage A

{Response}

SECTION ONE - Coverage B

{Response}

SECTION ONE - Coverage C Passenger Baggage and Personal Effects only:

{Response}

SECTION TWO

{Response} any one occurrence but {Response} any one occurrence in respect of engineers' and mechanics' tools. However;

- (i) no Deductible shall apply to claims for loss or damage caused by {Response};
- (ii) claims in respect of ingestion damage to an aircraft engine sustained during the running thereof shall be subject to a Deductible of {Response}. No Deductible shall apply to loss or damage of any engine which is beyond economical repair and caused whilst such engine is running.

SECTION THREE

{Response}

Item 6. PURPOSE OF USE:

- (1) Standard Uses: *{Insert Private Pleasure, Business, Commercial or Rental as applicable}*
{Response}

- (2) Special Uses: {Response}

- (3) Special Rental Uses: {Response}

Item 7. PILOTS:

{Response}

Item 8. AVIATION BUSINESS OR OPERATIONS OF THE INSURED (FOR THE PURPOSES OF SECTION 3):

{Response}

Item 9. INSURED'S PREMISES (FOR THE PURPOSES OF SECTION 3):

{Response}

Item 10. GEOGRAPHICAL LIMITS:

{Response}

Item 11. PREMIUM:

{Response}

Item 12. CHOICE OF LAW AND JURISDICTION

This Policy shall be governed by and construed in accordance with the law of {Response} and each party agrees to submit to the exclusive jurisdiction of the Courts of {Response} in any dispute arising hereunder.

Item 13. ALL NOTIFICATIONS REQUIRED BY THIS POLICY SHALL BE GIVEN TO:

{Response}

AICG Consultation Draft 65

The terms set forth in Definitions below are deemed to have the same meaning whenever they appear in this Policy, if they commence with a capital letter:

DEFINITIONS

Accident	<p>in respect of Section Four, means a sudden, unexpected, specific event which occurs at an identifiable time and place during the Period of Insurance and shall also include:</p> <ul style="list-style-type: none">(a) Disappearance. If the Insured Person is not found within 90 days of disappearing, and sufficient evidence is produced satisfactory to the Insurers that leads them to the conclusion that the Insured Person has sustained Bodily Injury and that such injury has caused the Insured Person's death, the Insurers agree to pay the death benefit, provided that the person or persons to whom such sum is paid shall sign an undertaking to refund such sum to the Insurers if the Insured Person is subsequently found to be alive.(b) Hi-jack or any attempted Hi-jack. The cover shall continue whilst the Insured Person is subject to the control of the hi-jacker(s) or their associates, and during travel direct to the Insured Person's domicile or original destination after they cease to be under the control of the hi-jacker(s) or their associates, for a period not exceeding 12 months from the date of the Hi-jack.(c) Unavoidable exposure to the elements.
Aircraft	<p>means the aircraft specified in Item 3 of the Policy Schedule together with the engine(s) and standard instruments and equipment usually installed in or on the aircraft:</p> <ul style="list-style-type: none">(a) while installed in or on the aircraft;(b) while temporarily detached from the aircraft prior to being refitted;(c) while detached from the aircraft for replacement until the "commencement of the operation of fitting" the replacement item, at which time the replacement item shall be considered part of the aircraft. <p>"commencement of the operation of fitting" means from the moment the item ceases to be in contact with the ground or the trolley/stand on which it is located when the process of fitting it to the aircraft is commenced.</p>
Air Travel	<p>in respect of Section Four, means entering or being on board an Aircraft specified in Item 3 of the Policy Schedule for the purpose of flying therein or alighting therefrom following a flight or attempted flight.</p>
Aviation Business or Operations	<p>means the aviation business or operations of the Insured specified in Item 8 of the Policy Schedule.</p>
Bodily Injury	<p>means bodily injury, sickness or disease, including death at any time resulting therefrom.</p>

However, in respect of Section Four only Bodily Injury means identifiable physical injury which is caused by an Accident which, solely and independently of any other cause, results in the death or disablement of the Insured Person.

However, death or disablement of the Insured Person caused by:

- (a) illness, sickness or disease directly resulting from such injury, or
- (b) medical or surgical treatment rendered necessary by such injury

shall also be covered.

All death or disablement of the Insured Person must occur within 12 months from the date of the Accident.

Deductible	means the amount that is to be paid by the Insured and is deducted from each claim. If a claim is equal to or less than the amount of the Deductible then the Insured will bear all of the claim. The Deductible amount is specified in Item 5 of the Policy Schedule.
Flight	means from the time the Aircraft moves forward in taking off or attempting to take off, whilst in the air, and until the Aircraft completes its landing run. A rotary-wing aircraft shall be deemed to be in Flight when the rotors are in motion as a result of engine power, the momentum generated therefrom, or autorotation.
Geographical Limits	means the geographical limits specified in Item 10 of the Policy Schedule.
Ground	means whilst the Aircraft is not in Flight or Taxiing or Moored.
Hi-jack	in respect of Section Four, means unlawful seizure or wrongful control of the Aircraft specified in Item 3 of the Policy Schedule in which the Insured Person is travelling.
Insured	means the Insured specified in Item 1 of the Policy Schedule, however in respect of Section One Coverage B and C and Section Three shall include directors, officers and employees of the Insured while acting within the scope of their duties on behalf of the Insured.
Insured's Premises	means the premises specified in Item 9 of the Policy Schedule.
Limit of Liability	means the limit(s) of liability specified in Item 4 of the Policy Schedule.
Loss of a limb	in respect of Section Four, means permanent loss by physical separation of a hand at or above the wrist or of a foot at or above the ankle and includes permanent, total and irrecoverable loss of use of a hand, arm, leg or foot.
Medical and Related Expenses	in respect of Section Four, means all reasonable expenses incurred within 12 months from the date of the Accident for necessary medical, surgical, ambulance, hospital, professional nursing, repatriation and funeral expenses to or for each Insured Person who sustains Bodily Injury whilst such Insured Person is engaging in Air Travel.
Moored	means, in the case of aircraft designed to land on water, whilst the Aircraft is afloat and secured in place to a fixed object either on land or in the water including whilst being launched or hauled up.

Occurrence	means an accident or a continued or repeated exposure to conditions occurring during the Period of Insurance, which results in Bodily Injury and/or Property Damage which is neither expected nor intended from the standpoint of the Insured. All liability arising out of the exposure to substantially the same general conditions shall be deemed to arise out of one Occurrence.
Overhaul Cost	means the costs of labour and materials which are or would be incurred in overhaul or replacement (whichever is necessary) at the end of the Overhaul Life of the damaged or a similar Unit.
Overhaul Life	means the life of a Unit, whether it is the amount of use or operational and/or calendar time which determines when overhaul or replacement of the Unit is required, assigned by the applicable airworthiness authority or the manufacturer, where applicable.
Period of Insurance	means the period specified in Item 2 of the Policy Schedule.
Permanent Total Disablement	in respect of Section Four, means disablement which entirely prevents the Insured Person from attending to any business or occupation for which they are reasonably suited by training, education or experience and which lasts 12 months and at the end of that period is beyond hope of improvement.
Products Hazard	means the possession, use, consumption or handling of goods or products manufactured, designed, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the Insured, but only in respect of such goods or products which form part of or are used in connection with aircraft and then only after such goods or products have ceased to be in the possession or under the control of the Insured.
Property Damage	means physical loss of or damage to or destruction of tangible property, including the resultant loss of use of such property.
Spares and/or Equipment	<p>means spare parts, engines or components to be fitted to or to form part of an aircraft and engineers' or mechanics' tools used in connection with the servicing, maintenance or repair of aircraft.</p> <p>A detached part which is intended to be replaced by a similar part shall be considered Spares and/or Equipment from the moment that the replacement part ceases to be in contact with the ground or the trolley/stand on which it is located and the process of fitting it to the aircraft has commenced.</p> <p>A detached part which is not intended to be refitted to or replaced on the aircraft shall be considered Spares and/or Equipment from the moment that such part comes in contact with the ground or the trolley/stand on which it is to be located and the process of removing it from the aircraft has been completed.</p>
Standard Uses	<p>means use of Aircraft within Definitions 1 to 4 below other than for Special Uses or Special Rental Uses.</p> <ol style="list-style-type: none"> 1. "Private Pleasure" means use of Aircraft for private and pleasure purposes but NOT for any business or professional purposes nor for hire or reward Private Pleasure includes continuation training of permitted pilots specified in Item 7. of the Policy Schedule. 2. "Business" means the uses specified in Private Pleasure and use of Aircraft for business or professional purposes including use for the transportation of executives, employees, guests of the Insured and their accompanying baggage and cargo but NOT use for hire or reward.

3. "Commercial" means the uses specified in Business and use of Aircraft for the carriage by the Insured of passengers, baggage accompanying passengers and cargo for hire or reward.
4. "Rental" means rental, lease, charter or hire of Aircraft by the Insured to any person, company or organisation for Private Pleasure and Business uses only, where the operation of the Aircraft is not under the control of the Insured.

Special Uses

means use of Aircraft for flight instruction (except continuation training as provided for in Standard Uses Definition 1 above), aerobatics, hunting, patrol, fire-fighting, the intentional dropping, spraying or release of anything, any form of experimental or competitive flying, and other use involving abnormal hazard. No cover is provided unless details of such use(s) are declared to Insurers and specified in Item 6 (2) of the Policy Schedule.

Special Rental Uses

means rental for any other purpose than stated in Standard Uses Definition 4 above. No cover is provided unless details of such use(s) are declared to Insurers and specified in Item 6 (3) of the Policy Schedule.

Taxiing

means movement of the Aircraft under its own power other than in Flight. Taxiing shall not be deemed to cease merely by reason of a temporary halting of the Aircraft.

Total Loss

means:

- (a) physical damage to the Aircraft where in the opinion of Insurers:
 - (i) the Aircraft is damaged to such an extent that it cannot be repaired; or
 - (ii) the cost of repairing the Aircraft is estimated to exceed its Agreed Value.
- (b) the disappearance of the Aircraft if it cannot be located 30 days after the commencement of Flight or date of theft report.

Unit

means a part or an assembly of parts (including any sub-assemblies) which has been assigned an Overhaul Life as a part or an assembly. An engine (complete with all parts normally attached when removed for the purpose of overhaul or replacement) shall constitute a single Unit.

SECTION ONE

AIRCRAFT HULL AND LIABILITY INSURANCE

COVERAGE A

PHYSICAL LOSS OF OR DAMAGE TO AIRCRAFT

- (a) The Insurers agree to pay for physical loss of or damage to the Aircraft occurring during the Period of Insurance, and arising from the risks covered specified in Item 3 (6) of the Policy Schedule, but not exceeding the Agreed Value specified in Item 3 (5) of the Policy Schedule less any applicable amount specified in Conditions (b) and (c) in Conditions applicable to Coverage A below.
- (b) In the event of an Aircraft making a forced landing, including as a result of force majeure, in any place where it is unable to take-off safely, even if no damage has been sustained, Insurers will pay for all reasonable costs, expenses or expenditure for the removal of the Aircraft to the nearest suitable take-off area provided always that the Insurers' liability for such costs, expenses or expenditure, and for any loss of or damage to the Aircraft does not exceed the Agreed Value of the Aircraft specified in Item 3 (5) of the Policy Schedule.
- (c) For any Aircraft covered for the risk of Flight, the Insurers will pay in addition any reasonable emergency expenses necessarily incurred by the Insured for the immediate safety of the Aircraft consequent upon damage or forced landing, up to 10% of the Agreed Value specified in Item 3 (5) of the Policy Schedule.

Exclusions applicable to Coverage A

This Coverage A does not apply:

- (a) To wear and tear, deterioration, breakdown, defect or failure howsoever caused;
- (b) To damage to any Unit by anything which has a progressive or cumulative effect, but damage attributable to a single recorded incident is covered under paragraph (a) of the insuring clause above. For a single recorded incident to be covered with respect to an engine Unit the damage must be of such severity that it requires the engine Unit to be immediately withdrawn from service upon first landing of the Aircraft it is attached to.

HOWEVER physical loss of or damage to the Aircraft consequent upon (a) or (b) above is covered.

- (c) Theft of an Aircraft by an Insured or with their knowledge or consent.

Conditions applicable to Coverage A

(a) Dismantling, Transport and Repairs

If the Aircraft is damaged

- (i) no dismantling or repairs shall be commenced without the consent of the Insurers except whatever is necessary in the interests of safety, or to prevent further damage, or to comply with orders issued by the appropriate authority;
- (ii) the Insurers will pay only for repairs and transport of labour and materials by the most economical method unless the Insurers agree otherwise with the Insured.

(b) **Partial Loss**

In the event that Insurers settle a claim on the basis other than a Total Loss the Insurers will pay the cost of repairing the Aircraft less

- (i) any applicable Deductible,
- (ii) such proportion of the Overhaul Cost of any Unit repaired or replaced as the used time bears to the Overhaul Life of the Unit.

(c) **Total Loss**

In the event that Insurers settle a claim on the basis of a Total Loss the Insurers will pay the Agreed Value of the Aircraft specified in Item 3 (5) of the Policy Schedule less any applicable Deductible.

(d) **Salvage**

If the Insurers settle a claim on the basis of a Total Loss, the Aircraft will no longer be insured hereunder, and the Insurers may take the Aircraft together with all documents of record, registration and title thereto as salvage.

(e) **No Abandonment**

Unless the Insurers elect to take the Aircraft as salvage the Aircraft shall at all times remain the property of the Insured who shall have no right of abandonment to the Insurers.

(f) **Theft of the Aircraft**

In the event of theft of the Aircraft the Insured shall report details to the police immediately. If the Aircraft is found undamaged before Insurers have paid any claim in relation to such theft, then Insurers will pay the cost of returning it to the Insured's home airport by the most economical means.

COVERAGE B

LEGAL LIABILITY TO THIRD PARTIES (OTHER THAN PASSENGERS)

The Insurers agree to pay on behalf of the Insured all sums which the Insured shall become legally liable to pay as compensatory damages for Bodily Injury and/or Property Damage to third parties caused by an Occurrence arising from the use of the Aircraft by the Insured.

The liability of the Insurers under this Coverage B shall not exceed the applicable Limit of Liability less any applicable Deductible.

Exclusions applicable to Coverage B

This Coverage B does not apply:

- (a) To Bodily Injury sustained by any director or employee of the Insured or partner in the Insured's business whilst acting in the course of their employment with or duties for the Insured;
- (b) To Bodily Injury sustained by any member of the flight, cabin or other crew whilst engaged in the operation of the Aircraft;
- (c) To Bodily Injury sustained by any passenger whilst entering, on board, or alighting from the Aircraft;

- (d) To Property Damage to any property belonging to or in the care, custody or control of the Insured;
- (e) To claims excluded by the attached Noise and Pollution and Other Perils Exclusion Clause AVN46B;
- (f) To claims excluded by the attached Asbestos Exclusion Clause 2488AGM00003.
- (g) To claims excluded by the attached Data Event Clause AVN124.

COVERAGE C

LEGAL LIABILITY TO PASSENGERS

The Insurers agree to pay on behalf of the Insured all sums which the Insured shall become legally liable to pay as compensatory damages for:

- (a) Bodily Injury to passengers whilst entering, on board, or alighting from the Aircraft caused by an Occurrence and
- (b) Property Damage to baggage and personal effects of passengers caused by an Occurrence whilst such baggage and personal effects are in the care, custody or control of the Insured for the purpose of carriage by air.

The liability of the Insurers under Coverage C shall not exceed the applicable Limit of Liability less any applicable Deductible.

Provided always that

- (i) before a passenger boards the Aircraft the Insured shall take such measures as are necessary to exclude or limit liability for claims under (a) and (b) above to the extent permitted by law;
- (ii) if the measures referred to in proviso (i) above include the issuance of a passenger ticket/baggage check, the same shall be delivered correctly completed to the passenger a reasonable time before the passenger boards the Aircraft.

In the event of failure to comply with proviso (i) or (ii) the liability of the Insurers under this Coverage C shall not exceed the amount of the legal liability, if any, that would have existed had the proviso been complied with.

Exclusions applicable to Coverage C

This Coverage C does not apply:

- (a) To Bodily Injury sustained by any director or employee of the Insured or partner in the Insured's business whilst acting in the course of their employment with or duties for the Insured;
- (b) To Bodily Injury sustained by any member of the flight, cabin or other crew whilst engaged in the operation of the Aircraft;
- (c) To claims excluded by the attached Asbestos Exclusion Clause 2488AGM00003.

GENERAL CONDITIONS APPLICABLE TO SECTION ONE

The Insured shall comply with all air navigation and airworthiness orders and requirements issued by any aviation authority having jurisdiction affecting the safe operation of the Aircraft and shall ensure that

- (a) the Aircraft is airworthy at the commencement of each Flight;
- (b) all log books and other records in connection with the Aircraft which are required by any official regulations in force from time to time shall be kept up to date and shall be produced to the Insurers or their agents on request;
- (c) the employees and agents of the Insured comply with such orders and requirements.
- (d) When two or more Aircraft are insured hereunder the terms of this Policy, including the Limit of Liability, shall apply separately to each Aircraft unless otherwise specified herein.

GENERAL EXCLUSIONS APPLICABLE TO SECTION ONE

This Section One does not apply:

- (a) Whilst the Aircraft is being used by the Insured for any purpose other than those specified in Item 6 of the Policy Schedule, or for any illegal purpose.
- (b) Whilst the Aircraft is outside the Geographical Limits unless due to a forced landing or as a result of force majeure.
- (c) Whilst the Aircraft is being piloted by any person other than specified in Item 7 of the Policy Schedule except that the Aircraft may be operated on the ground by any person competent for that purpose.
- (d) Whilst the Aircraft is being transported by any means of conveyance except as the result of an event giving rise to a claim under Coverage A of this Section One.
- (e) Whilst the Aircraft is landing on or taking off or attempting to do so from a place which does not comply with the recommendations laid down by the manufacturer of the Aircraft except as a result of force majeure.
- (f) Whilst the total number of passengers being carried in the Aircraft exceeds the maximum number of passengers specified in Item 3 (3) of the Policy Schedule.

SECTION TWO

AVIATION SPARES AND/OR EQUIPMENT INSURANCE

The Insurers agree to pay for physical loss of or damage to Spares and/or Equipment occurring during the Period of Insurance and within the Geographical Limits, being the property of the Insured or the property of others for which the Insured has agreed to be responsible subject to the Maximum Sum Insured less any applicable Deductible.

Salvage Charges

The Insurers, subject to their consent, agree to pay salvage charges incurred by or on behalf of the Insured for the recovery of the Spares and/or Equipment and such salvage charges shall be payable by the Insurers in addition to any other claim under this Section.

Cost of Repairs

In the event of damage to Spares and/or Equipment the Insurers will pay the cost of repairs less:

- (a) any applicable Deductible, and
- (b) such proportion of the Overhaul Cost of any Unit repaired or replaced as the used time bears to the Overhaul Life of the Unit.

The cost of repairs shall include the cost of transportation of personnel, materials, tools and equipment required to effect the repairs to and from the place where the repairs are carried out and/or the cost of transporting the damaged Spares and/or Equipment to and from the place where repairs are to be carried out.

Unless the Insurers agree otherwise, repairs and transportation shall be by the most economical method.

In no event shall the amount payable with respect to repairs exceed the amount which would be paid in the event of loss or damage beyond economical repair, less the applicable Deductible.

No repairs may be commenced without the consent of the Insurers except whatever is necessary in the interests of safety, or to prevent any or further damage, or to comply with orders issued by an appropriate authority.

Physical Loss or Damage Beyond Economical Repair

If, in the opinion of the Insurers, any Spares and/or Equipment are damaged beyond economical repair or, in the event of theft, cannot be located within 30 days of the theft report the Insurers will pay, less any applicable Deductible, either:

- (a) the replacement cost (plus insurance and transportation costs incurred in connection with their delivery to the Insured) plus any applicable import taxes and/or duties, or
- (b) the insured value of such Spares and/or Equipment recorded by the Insured

whichever shall be the least amount subject always to the Maximum Sum Insured.

However, where an Agreed Value has been agreed between the Insured and the Insurers the amount payable hereunder shall be the Agreed Value.

In such event the Spares and/or Equipment, in respect of which the claim has been paid, will no longer be insured under this Policy and the Insurers may take such Spares and/or Equipment together with their documents of record and title, as salvage.

Unless the Insurers elect to take such Spares and/or Equipment as salvage the Spares and/or Equipment shall at all times remain the property of the Insured who shall have no right of abandonment to the Insurers.

Exclusions applicable to Section Two

This Section Two does not apply:

- (a) To loss of or damage to any property which has been temporarily detached from an aircraft and which is intended to be refitted to the aircraft and not replaced by other property.
- (b) To loss of or damage to property installed in or forming part of an aircraft.
- (c) To loss of or damage to any property occurring from the moment such property ceases to be in contact with the ground or the trolley/stand on which it is located and the process of fitting it to an aircraft has commenced.
- (d) To loss of or damage to any property which is carried in an aircraft as part of a spare parts kit.
- (e) To loss of or damage to any property caused by wear and tear, deterioration, depreciation, breakdown, defect or failure however caused.
- (f) To loss of or damage to an engine caused by the ingestion of stones, grit, dust, sand, ice or any corrosive or abrasive material or any other substance which has a progressive or cumulative engine damage effect. Such loss or damage shall be deemed to be wear, tear or deterioration and shall be excluded.

This exclusion shall not apply to ingestion causing sudden loss or damage attributable to a single recorded incident necessitating the immediate shutdown of an engine.

- (g) To loss of or damage to any property which may be sustained whilst the same is under any process and directly resulting therefrom. For the purposes of this exclusion engine running is deemed not to be a process.
- (h) To mysterious disappearance, unexplained loss or shortage of any property disclosed upon taking an inventory.
- (i) To loss of or damage to the property of others carried or stored for hire or reward.
- (j) To theft of any property by an Insured or with their knowledge or consent.

Conditions applicable to Section Two

(a) Theft of Spares and/or Equipment

In the event of theft of Spares and/or Equipment the Insured shall report details to the police as soon as possible. If the Spares and/or Equipment are found undamaged before the Insurers have paid any claim in relation to such theft, then Insurers will pay the cost of returning such Spares and/or Equipment to the Insured by the most economical means.

(b) Salvage

All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this Section shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made between the Insured and the Insurers.

(c) Records

The Insured shall keep a proper record of all Spares and/or Equipment covered by this Policy and their associated values.

SECTION THREE

AVIATION LIABILITY INSURANCE

COVERAGE A

AVIATION PREMISES LIABILITY

The Insurers agree to pay on behalf of the Insured all sums, up to but not exceeding the Limit of Liability, less any applicable Deductible, which the Insured shall become legally liable to pay as damages for Bodily Injury and/or Property Damage caused by an Occurrence arising in or about any premises used by the Insured in connection with their Aviation Business or Operations and subject to the Geographical Limits.

Exclusions applicable to Coverage A

This Coverage A does not apply:

- (a) To Property Damage to property owned, rented, leased or occupied by; whilst in the care, custody or control of; whilst being handled, serviced or maintained by the Insured. This exclusion does not apply to Property Damage to
 - (i) vehicles that are not owned, rented or leased by the Insured, whilst such vehicles are in the Insured's care, custody or control on the Insured's Premises.
 - (ii) baggage and/or cargo not owned by the Insured, while such baggage and/or cargo is in their care, custody or control.
- (b) To Bodily Injury or Property Damage caused by
 - (i) the use of any vehicle in such a manner as to require insurance or security under any domestic or international law governing road traffic or, in the absence of any applicable law, to liability arising from the use of any vehicle on the public highway. This exclusion does not apply in respect of any such liability arising from Occurrences within the confines of an airport or airfield:
 - i. if there is no such applicable law;
 - ii. to the liability of the Insured to pay an amount which is in excess of:
 - a) any prescribed limit that is required to be insured where insurance may be effected to comply with the law whether the Insured effects an insurance policy in respect of such liability or not
 - b) the limit of liability of the insurance policy effected by the Insured in respect of such liabilitywhichever is the greater.
 - (ii) any ships, vessels, watercraft or aircraft owned, chartered, used or operated by or on account of the Insured. This exclusion does not apply to aircraft owned by others which are not in Flight and for which indemnity is granted under Coverage B of this Section, whether such Section is insured hereunder or not.
- (c) To Bodily Injury or Property Damage arising out of any airmeet, air race, or air show, nor any stand used for the accommodation of spectators in connection therewith.

- (d) To Bodily Injury or Property Damage arising out of construction of, demolition of or alterations to buildings, runways or installations. This exclusion does not apply to routine maintenance operations.
- (e) To Bodily Injury or Property Damage arising out of any goods or products manufactured, designed, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the Insured after such goods or products have ceased to be in the possession or under the control of the Insured. This exclusion does not apply to the supply, by the Insured, of food or drink at the Insured's Premises.

COVERAGE B

HANGARKEEPERS LIABILITY

The Insurers agree to pay on behalf of the Insured all sums, up to but not exceeding the Limit of Liability, less any applicable Deductible, which the Insured shall become legally liable to pay as damages for Property Damage caused by an Occurrence to aircraft or aircraft equipment being the property of others, in the care, custody or control of or whilst being serviced, handled or maintained by the Insured in connection with their Aviation Business or Operations and subject to the Geographical Limits.

Exclusions applicable to Coverage B

This Coverage B does not apply:

- (a) To Property Damage to personal effects or merchandise of any description.
- (b) To Property Damage to aircraft or aircraft equipment hired or leased by or loaned to the Insured.
- (c) To Property Damage to aircraft whilst in Flight.

COVERAGE C

AVIATION PRODUCTS LIABILITY

The Insurers agree to pay on behalf of the Insured all sums, up to but not exceeding the Limit of Liability, less any applicable Deductible, which the Insured shall become legally liable to pay as damages for Bodily Injury and/or Property Damage caused by an Occurrence arising out of the Products Hazard in connection with their Aviation Business or Operations.

Exclusions applicable to Coverage C

This Coverage C does not apply:

- (a) To Property Damage to property owned, rented, leased or occupied by the Insured or in their care, custody or control.
- (b) To the cost of repairing or replacing any defective goods or products manufactured, designed, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the Insured or any defective part or parts thereof.
- (c) To loss arising out of improper or inadequate performance, design or specification, but this exclusion shall not apply to Bodily Injury or Property Damage resulting therefrom.
- (d) To loss of use of any aircraft which has not been physically lost, damaged or destroyed in an Occurrence giving rise to a claim hereunder.

GENERAL EXCLUSIONS APPLICABLE TO SECTION THREE

1. This Section Three does not apply:
 - (a) To liability arising out of the operation of an airfield control tower or the provision of air traffic control services.
 - (b) To the cost of correcting any faulty workmanship or of improving any work undertaken by the Insured.
 - (c) To claims excluded by the attached Noise and Pollution and Other Perils Exclusion Clause AVN46B. However, paragraph 1(b) of AVN46B does not apply to pollution or contamination of goods or products sold or supplied by the Insured.
 - (d) To claims excluded by the attached Asbestos Exclusion Clause 2488AGM00003.
 - (e) To Bodily Injury to any person who at the time of sustaining such Bodily Injury is engaged in the service of the Insured, or liability for which the Insured or their insurer may be held liable under any employer's liability, workers' compensation, unemployment compensation or disability benefits law or any similar law.
 - (f) To claims excluded by the attached Data Event Clause AVN124.
2. Each Coverage under this Section Three excludes liability which is or would be covered under any other Coverage of this Section Three, whether such other Coverage is insured hereunder or not.

DEFENCE AND SETTLEMENT PAYMENTS

APPLICABLE TO SECTION ONE COVERAGE B AND C AND SECTION THREE

With respect to such coverage as is afforded under Section One Coverage B and C and Section Three of this Policy:

1. The Insurers shall have the right and obligation to
 - (a) investigate, evaluate and settleor
 - (b) defend to discontinuance or judgmentany claim or legal proceedings against the Insured, even if groundless, false or fraudulent.

Nevertheless, the Insurers retain the right to tender the applicable Limit of Liability in settlement of a claim if they consider this to be appropriate and in this event, the Insurers' obligations under this Policy will cease as regards the claim.
2. The amount payable by Insurers in respect of any settlement or judgment requiring payment by the Insured shall include any costs and expenses assessed against the Insured and interest accruing after entry of judgment and shall not exceed the applicable Limit of Liability.
3. The Insurers agree to pay any costs and expenses
 - (a) of any legal or other person whom they appoint, that are incurred for the purpose of investigation, evaluation, settlement or defence of such claim or legal proceedings;

- (b) of the Insured (other than the salaries of the Insured's employees and the Insured's normal expenses) that are incurred with the Insurers' prior approval.

These costs and expenses are payable by the Insurers in addition to any settlement or judgment. However, the Insurers' liability is limited in case of settlement(s) and/or judgment(s) that exceed the applicable Limit of Liability. In such case Insurers' liability is limited to such proportion of those costs and expenses as the applicable Limit of Liability bears to the total amount for which the Insured is adjudged liable and/or which it has agreed to pay in settlement of any such claim(s) or legal proceedings. The Insured is liable to reimburse the Insurers for that proportion of any costs and expenses as they may have paid which exceed the Limit of Liability.

With respect to any coverage which is subject to an aggregate Limit of Liability hereunder the Insurers' obligations under this Policy will cease as regards such coverage once the applicable aggregate has been exhausted and in this event the Insured shall have the responsibility to take over control of any claim(s) or legal proceedings from the Insurers.

AICG Consultation Draft 6/2016

SECTION FOUR

AVIATION PERSONAL ACCIDENT (AIR TRAVEL ONLY) INSURANCE

If any Insured Person sustains Bodily Injury whilst such Insured Person is engaging in Air Travel, the Insurers agree to pay to the Insured the amount stated in the Schedule of Benefits after the total claim has been substantiated under this Section, subject to the following:

1. Benefit shall not be payable under more than one of the items contained in the Schedule of Benefits in respect of the consequences of one Accident to any one Insured Person.
2. The total sum payable under this Policy in respect of one or more Accidents to any one Insured Person shall not exceed in total the largest benefit under any one of the items contained in the Schedule of Benefits.
3. If an Accident causes the death of the Insured Person within 12 months following the date of the Accident and prior to the definite settlement of the benefit for disablement provided for under items 2 to 7 of the Schedule of Benefits, Insurers shall only pay the death benefit.
4. Medical and Related Expenses shall be payable in addition to items 1 to 7 of the Schedule of Benefits. However, if in respect of such Medical and Related Expenses, the Insured or the Insured Person shall receive any payment under any other insurance in respect of the same Accident, the Insurers hereon shall only be liable for the difference between such recovery and the total cost of Medical and Related Expenses incurred, not exceeding the limit shown under Item 4 of the Policy Schedule with respect to Medical and Related Expenses.

Exclusions applicable to Section Four

This Section does not cover:

1. death or disablement (including Medical and Related Expenses) in any way caused or contributed to by:
 - (a) war, whether war be declared or not, hostilities or any act of war or civil war;
 - (b) (i) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
 - (ii) ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever;
 - (c) the Insured Person's suicide or attempted suicide or intentional self-injury or the Insured Person being in a state of insanity;
 - (d) illness, sickness or disease unless such illness, sickness or disease results from Bodily Injury as insured hereunder;
 - (e) the Insured Person's deliberate exposure to danger (except in an attempt to save human life);
 - (f) the Insured Person's own criminal act;
 - (g) the Insured Person being under the influence of alcohol;
 - (h) the Insured Person being under the influence of drugs, except those drugs taken on the advice of, or as directed by, a duly qualified medical practitioner.

2. claims excluded by the attached Contracts (Rights of Third Parties) Act 1999 Exclusion Clause AVN72.

Conditions applicable to Section Four

1. Pre-Existing Conditions

No benefit will be payable for any condition for which the Insured Person has sought advice, diagnosis, treatment or counselling or of which the Insured Person was or should reasonably have been aware at inception of this Policy or for which the Insured Person has been treated at any time prior to inception, unless such condition has been declared to and agreed by the Insurers.

2. Medical Records

All medical records, notes and correspondence referring to the subject of a claim or a related pre-existing condition shall be made available on request to any medical adviser appointed by or on behalf of the Insurers and such medical adviser or advisers shall, for the purpose of reviewing the claim, be allowed so often as may be deemed necessary to make an examination of the Insured Person.

3. Notification of any Accident

Notice must be given to the Insurers as soon as possible of any Accident which causes or may cause a claim within the meaning of this Section Four, and the Insured Person must as early as possible seek the attention of a duly qualified medical practitioner.

Notice must be given to the Insurers as soon as possible in the event of the death of the Insured Person resulting or alleged to result from an Accident.

All notices specified above shall be given by the Insured to Insurers via the firm named for the purpose in Item 13 of the Policy Schedule.

GENERAL EXCLUSIONS APPLICABLE TO ALL POLICY SECTIONS EXCEPT SECTION FOUR

This Policy does not apply:

- (a) To liability assumed or rights waived by the Insured under any agreement (other than a passenger ticket/baggage check issued under Section One Coverage C hereof) except to the extent that such liability would have attached to the Insured in the absence of such agreement.
- (b) To claims excluded by the attached Contracts (Rights of Third Parties) Act 1999 Exclusion Clause AVN72.
- (c) To claims excluded by the attached War, Hi-Jacking and Other Perils Exclusion Clause (Aviation) AVN48B (amended).
- (d) To claims excluded by the attached Date Recognition Exclusion Clause AVN2000A.
- (e) To claims excluded by the attached Nuclear Risks Exclusion Clause AVN38B.

GENERAL CONDITIONS APPLICABLE TO ALL POLICY SECTIONS EXCEPT SECTION FOUR

1. Notification of Event or Claim

Notice of any event likely to give rise to a claim under this Policy shall be given to Insurers as soon as possible via the firm named for the purpose specified in Item 13 of the Policy Schedule. In all cases the Insured shall:

- (a) furnish full particulars in writing of such event and forward as soon as possible notice of any claim with any letters or documents relating thereto;
- (b) give notice of any impending prosecution;
- (c) provide such further information and assistance as the Insurers may reasonably require;
- (d) not act in any way to the detriment or prejudice of the interest of the Insurers.

2. No Admission of Liability

The Insured shall not make any admission of liability, payment, offer or promise of payment without the written consent of the Insurers.

3. Assistance and Co-operation of the Insured

The Insured shall co-operate with the Insurers and, upon the Insurers' request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of legal proceedings.

4. Reasonable Care

The Insured shall at all times exercise reasonable care in seeing that the ways, implements, plant, machinery and appliances used in their Aviation Business or Operations are substantial and sound and in proper order and fit for the purpose for which they are used, and that all reasonable safeguards and precautions against Occurrences are provided and used.

5. Due Diligence

The Insured shall at all times use due diligence and do and concur in doing everything reasonably practicable to avoid or diminish any loss hereon.

6. Other Insurance

The coverage afforded under Section One Coverage A and Section Two of this Policy shall be proportional with any other valid and collectible insurance available to the Insured. The coverage afforded under Sections One Coverage B and C and Section Three of this Policy shall be excess insurance over any other valid and collectible insurance available to the Insured.

7. Subrogation

Upon a payment being made under this Policy, the Insurers shall be subrogated to the rights and remedies of the Insured who shall co-operate with and do all things necessary to assist the Insurers to exercise such rights and remedies.

8. Regulatory Compliance

The Insured shall comply with all applicable international and government regulations and civil instructions.

9. Limit of Liability

Notwithstanding the inclusion herein of more than one Insured, whether by endorsement or otherwise, the total liability of the Insurers in respect of any or all Insureds shall not exceed the Limit of Liability.

10. Reasonable Acts

The coverage provided by this Policy shall not be invalidated by any reasonable act by or on behalf of the Insured for the purpose of protecting persons or property.

GENERAL CONDITIONS APPLICABLE TO ALL POLICY SECTIONS

1. Law and Jurisdiction

The law and jurisdiction applicable to this Policy is specified in Item 12 of the Policy Schedule.

2. Fraudulent Claims

An Insured or an Insured Person shall not in the presentation and furtherance of any claim:

- (a) deliberately or recklessly conceal from Insurers any information which they know or ought to know might be material to Insurers' consideration of any claim;
- (b) provide to Insurers information, which they know to be false, with respect either to any event relied upon as a cause of loss or as to the amount claimed; nor
- (c) otherwise use fraudulent means or devices, including suppressing a known defence to Insurers' liability.

In any such event the Insurers shall have the option to refuse to pay the whole or any part of the claim.

In the circumstances set out in sub-paragraph (b) above, Insurers shall also have the option to:

- (i) terminate the cover provided by the Policy to the Insured or Insured Person with effect from the date of the event relied upon for the claim;
- (ii) recover any sums paid to the Insured in respect of losses occurring on or after the date of the event relied upon for the claim; and
- (iii) retain any and all premium paid by the Insured.

If any provision of this condition is in conflict with the law governing the Policy it shall be of no effect to the extent of such conflict.

3. Cancellation

This Policy may be cancelled at any time at the written request of the Insured. This Policy may be cancelled by or on behalf of the Insurers provided 30 days notice in writing be given. (Where 30 days notice is contrary to law or statute then the minimum period that is permitted shall be substituted therefor).

If the Policy shall be cancelled by the Insured, the Insurers shall be entitled to the proportion of the premium calculated in accordance with the following scale.

1 month on risk	- 20% annual premium
2 months on risk	- 30% annual premium
3 months on risk	- 40% annual premium
4 months on risk	- 50% annual premium
5 months on risk	- 60% annual premium
6 months on risk	- 70% annual premium
7 months on risk	- 75% annual premium
8 months on risk	- 80% annual premium
9 months on risk	- 85% annual premium
Over 9 months	equivalent to annual.

If the Policy shall be cancelled by Insurers, they shall be entitled to the premium for the period that this Policy has been in force, calculated pro-rata. Notice of cancellation by the Insurers shall be effective even though the Insurers make no payment or tender of return premium.

There will be no return of premium in respect of any Aircraft on which a loss is paid or is payable under this Policy.

4. Sanctions and Embargos

Notwithstanding anything to the contrary in the Policy the following shall apply:

1. If, by virtue of any law or regulation which is applicable to an Insurer at the inception of this Policy or becomes applicable at any time thereafter, providing coverage to the Insured is or would be unlawful because it breaches an embargo or sanction, that Insurer shall provide no coverage and have no liability whatsoever nor provide any defence to the Insured or make any payment of defence costs or provide any form of security on behalf of the Insured, to the extent that it would be in breach of such law or regulation.
2. In circumstances where it is lawful for an Insurer to provide coverage under the Policy, but the payment of a valid and otherwise collectable claim may breach an embargo or sanction, then the Insurer will take all reasonable measures to obtain the necessary authorisation to make such payment.
3. In the event of any law or regulation becoming applicable during the Policy period which will restrict the ability of an Insurer to provide coverage as specified in paragraph 1, then both the Insured and the Insurer shall have the right to cancel its participation on this Policy in accordance with the laws and regulations applicable to the Policy provided that in respect of cancellation by the Insurer a minimum of 30 days notice in writing be given. In the event of cancellation by either the Insured or the Insurer, the Insurer shall retain the pro rata proportion of the premium for the period that the Policy has been in force. However, in the event that the incurred claims at the effective date of cancellation exceed the earned or pro rata premium (as applicable) due to the Insurer, and in the absence of a more specific provision in the Policy relating to the return of premium, any return premium shall be subject to mutual agreement. Notice of cancellation by the Insurer shall be effective even though the Insurer makes no payment or tender of return premium.

5. Assignment

This Policy shall not be assigned in whole or in part except with the prior agreement of the Insurers.

6. Notification of Changes

The Insured shall be under a continuing duty, during the Period of Insurance, to notify the Insurers of any changes which increase the risks which have been presented to the Insurers. Such changes shall be subject to agreement by Insurers and may require an additional premium to be charged. There shall be no coverage for any claims resulting from any changed element of the risk unless the changed element of the risk has been notified to and agreed by Insurers.

AVN Reference

Date

ATTACHMENTS FORMING A PART OF THIS POLICY

ATTACHMENT NUMBER 1

NOISE AND POLLUTION AND OTHER PERILS EXCLUSION CLAUSE

1. This Policy does not cover claims directly or indirectly occasioned by, happening through or in consequence of:-
 - (a) noise (whether audible to the human ear or not), vibration, sonic boom and any phenomena associated therewith,
 - (b) pollution and contamination of any kind whatsoever,
 - (c) electrical and electromagnetic interference,
 - (d) interference with the use of property;

unless caused by or resulting in a crash fire explosion or collision or a recorded in-flight emergency causing abnormal aircraft operation.
2. With respect to any provision in the Policy concerning any duty of Insurers to investigate or defend claims, such provision shall not apply and Insurers shall not be required to defend
 - (a) claims excluded by Paragraph 1 or
 - (b) a claim or claims covered by the Policy when combined with any claims excluded by Paragraph 1 (referred to below as "Combined Claims").
3. In respect of any Combined Claims, Insurers shall (subject to proof of loss and the limits of the Policy) reimburse the Insured for that portion of the following items which may be allocated to the claims covered by the Policy:
 - (i) damages awarded against the Insured and
 - (ii) defence fees and expenses incurred by the Insured.
4. Nothing herein shall override any radioactive contamination or other exclusion clause attached to or forming part of this Policy.

ATTACHMENT NUMBER 2

ASBESTOS EXCLUSION CLAUSE

This Policy does not cover any claims of any kind whatsoever directly or indirectly relating to, arising out of or in consequence of:

- (1) the actual, alleged or threatened presence of asbestos in any form whatsoever, or any material or product containing, or alleged to contain, asbestos; or
- (2) any obligation, request, demand, order, or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, neutralize, protect against or in any other way respond to the actual, alleged or threatened presence of asbestos or any material or product containing, or alleged to contain, asbestos.

However, this exclusion shall not apply to any claim caused by or resulting in a crash fire explosion or collision or a recorded in-flight emergency causing abnormal aircraft operation.

Notwithstanding any other provisions of this Policy, Insurers will have no duty to investigate, defend or pay defence costs in respect of any claim excluded in whole or in part under paragraphs (1) or (2) hereof.

All other terms and conditions of the policy remain unchanged.

2488AGM00003

ATTACHMENT NUMBER 3

DATA EVENT CLAUSE

This Policy does not cover any loss, damage, expense or liability arising out of a Data Event.

Data Event means any access to, inability to access, loss of, loss of use of, damage to, corruption of, alteration to or disclosure of Data.

Data means any information, text, figures, voice, images or any machine readable data, software or programs including any person's or organisation's confidential, proprietary or personal information.

This exclusion does not apply to:

1. physical loss of or physical damage to an aircraft or spares and equipment; and/or
2. bodily injury and/or property damage caused by an aircraft accident; and/or
3. bodily injury and/or damage to tangible property including resultant loss of use of such property arising out of the Insured's aviation operations caused other than by an aircraft accident.

Within sub-paragraph 3:

- i. solely for the purposes of this sub-paragraph and without prejudice to the meaning of the words in any other context, "bodily injury" shall mean only physical corporeal injury, fatal or otherwise, and unless arising directly therefrom shall not include mental anguish, fright or shock; and
 - ii. Data shall not be considered as tangible property.
4. the following coverages afforded by the Policy: none (unless specified below).

Nothing herein shall override any other exclusion clause attached to or forming part of this Policy.

AVN124 16.02.2018

ATTACHMENT NUMBER 4

CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 EXCLUSION CLAUSE

The rights of a person who is not a party to this insurance or reinsurance to enforce a term of this insurance or reinsurance and/or not to have this insurance or reinsurance rescinded, varied or altered without his consent by virtue of the provisions of the Contracts (Rights of Third Parties) Act 1999 are excluded from this insurance or reinsurance.

AVN 72 9.2.2000

ATTACHMENT NUMBER 5

WAR, HI-JACKING AND OTHER PERILS EXCLUSION CLAUSE (AVIATION)

This Policy does not cover claims caused by:

- (a) War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power.
- (b) Any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- (c) Strikes, riots, civil commotions or labour disturbances.
- (d) Any act of one or more persons, whether or not agents of a sovereign Power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional.
- (e) Any malicious act or act of sabotage.
- (f) Confiscation, nationalisation, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any Government (whether civil military or de facto) or public or local authority.
- (g) Hi-jacking or any unlawful seizure or wrongful exercise of control of the Aircraft or crew in Flight (including any attempt at such seizure or control) made by any person or persons on board the Aircraft acting without the consent of the Insured.

Furthermore this Policy does not cover claims arising whilst the Aircraft, Spares and / or Equipment are outside the control of the Insured by reason of any of the above perils. The Aircraft, Spares and / or Equipment shall be deemed to have been restored to the control of the Insured:

- (a) on the safe return of Aircraft, to the Insured at an airfield not excluded by the Geographical Limits, and entirely suitable for the operation of the Aircraft (such safe return shall require that the Aircraft be parked with engines shut down and under no duress).
- (b) on the safe return of the Spares and / or Equipment to the Insured at a location not excluded by the Geographical Limits.

AVN 48B (Amended)

ATTACHMENT NUMBER 6

DATE RECOGNITION EXCLUSION CLAUSE

This Policy does not cover any claim, damage, injury, loss, cost, expense or liability (whether in contract, tort, negligence, product liability, misrepresentation, fraud or otherwise) of any nature whatsoever arising from or occasioned by or in consequence of (whether directly or indirectly and whether wholly or partly):

- (a) the failure or inability of any computer hardware, software, integrated circuit, chip or information technology equipment or system (whether in the possession of the Insured or of any third party) accurately or completely to process, exchange or transfer year, date or time data or information in connection with any change of year, date or time;

whether on or before or after such change of year, date or time;

- (b) any implemented or attempted change or modification of any computer hardware, software, integrated circuit, chip or information technology equipment or system (whether in the possession of the Insured or of any third party) in anticipation of or in response to any such change of year, date or time, or any advice given or services performed in connection with any such change or modification;
- (c) any non-use or unavailability for use of any property or equipment of any kind whatsoever resulting from any act, failure to act or decision of the Insured or of any third party related to any such change of year, date or time;

and any provision in this Policy concerning any duty of Insurers to investigate or defend claims shall not apply to any claims so excluded.

AVN 2000A 14.03.01

ATTACHMENT NUMBER 7

NUCLEAR RISKS EXCLUSION CLAUSE

1. This Policy does not cover:
 - (i) loss of or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
 - (ii) any legal liability of whatsoever naturedirectly or indirectly caused by or contributed to by or arising from:
 - (a) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
 - (b) the radioactive properties of, or a combination of radioactive properties with toxic, explosive or other hazardous properties of, any other radioactive material in the course of carriage as cargo, including storage or handling incidental thereto;
 - (c) ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.
2. It is understood and agreed that such radioactive material or other radioactive source in paragraph 1(b) and (c) above shall not include:
 - (i) depleted uranium and natural uranium in any form;
 - (ii) radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial, educational or industrial purpose.
3. This Policy, however, does not cover loss of or destruction of or damage to any property or any consequential loss or any legal liability of whatsoever nature with respect to which:
 - (i) the Insured under this Policy is also an insured or an additional insured under any other insurance policy, including any nuclear energy liability policy; or
 - (ii) any person or organization is required to maintain financial protection pursuant to legislation in any country; or
 - (iii) the Insured under this Policy is, or had this Policy not been issued would be, entitled to indemnification from any government or agency thereof.
4. Loss, destruction, damage, expense or legal liability in respect of the nuclear risks not excluded by reason of paragraph 2 shall (subject to all other terms, conditions, limitations, warranties and exclusions of this Policy) be covered, provided that:
 - (i) in the case of any claim in respect of radioactive material in the course of carriage as cargo, including storage or handling incidental thereto, such carriage shall in all respects have complied with the full International Civil Aviation Organization "Technical Instructions for the Safe Transport of Dangerous Goods by Air", unless the carriage shall have been subject to any more restrictive legislation, when it shall in all respects have complied with such legislation;
 - (ii) this Policy shall only apply to an incident happening during the period of this Policy and where any claim by the Insured against the Insurers or by any claimant against the Insured arising out of such incident shall have been made within three years after the date thereof;

- (iii) in the case of any claim for the loss of or destruction of or damage to or loss of use of an aircraft caused by or contributed to by radioactive contamination, the level of such contamination shall have exceeded the maximum permissible level set out in the following scale:

Emitter (IAEA Health and Safety Regulations)	Maximum permissible level of non-fixed radioactive surface contamination (Averaged over 300 cm²)
Beta, gamma and low toxicity alpha emitters	Not exceeding 4 Becquerels/cm ² (10 ⁻⁴ microcuries/cm ²)
All other emitters	Not exceeding 0.4 Becquerels/cm ² (10 ⁻⁵ microcuries/cm ²)

- (iv) the cover afforded hereby may be cancelled at any time by the Insurers giving seven days' notice of cancellation.

ENDORSEMENTS

[Response]

GENERAL AVIATION INSURANCE POLICY

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GENERAL AVIATION INSURANCE POLICY

POLICY SCHEDULE

Policy Number: {Response}

Item 1. NAME AND ADDRESS OF THE INSURED:

{Response}

Item 2. PERIOD OF INSURANCE:

From: {Response}

To: {Response}

Both days {Response} Local Standard Time at the address of the Insured

Item 3. SCHEDULE OF AIRCRAFT:

(1) Make and Model	(2) Registration Marks	(3) Maximum Number of Passengers	(4) (for the purposes of Section 4) Maximum Number of:		(5) Agreed Value	(6) Risks Covered (Insert Flight, Taxiing, Moored Ground as applicable)
			Pilots	Crew		
{Response}	{Response}	{Response}	{Response}	{Response}	{Response}	{Response}

Additions and Deletions of Aircraft

All additions, deletions and changes in Aircraft Agreed Values are subject to prior agreement by Insurers.

Subject to a maximum Aircraft Agreed Value of {Response}

Item 4. LIMITS OF LIABILITY:

SECTION ONE – AIRCRAFT HULL AND LIABILITY INSURANCE

Coverage A – Physical Loss of or Damage to Aircraft

Agreed Values specified in Item 3 (5) above

Coverage B – Legal Liability to Third Parties (Other than Passengers)

Bodily Injury and Property Damage combined:

{Response} any one Occurrence

Coverage C - Legal Liability to Passengers (Including Passenger Baggage and Personal Effects):

Bodily Injury and Property Damage combined:

{Response} each passenger

Property Damage to Passenger Baggage and Personal Effects sub-limited to:

{Response} each passenger

OR

Coverage B and C Combined - Legal Liability to Third Parties and Passengers (Including Passenger Baggage and Personal Effects):

Bodily Injury and Property Damage combined:

{Response} any one Occurrence

Bodily Injury to Passengers sub-limited to:

{Response} each passenger

Property Damage to Passenger Baggage and Personal Effects sub-limited to:

{Response} each passenger

SECTION TWO – AVIATION SPARES AND/OR EQUIPMENT INSURANCE

Maximum Sum Insured {Response} any one Occurrence

SECTION THREE – AVIATION LIABILITY INSURANCE

Coverage A – Aviation Premises Liability

{Response} any one Occurrence

Coverage B – Hangarkeepers Liability

{Response} any one Occurrence

Coverage C – Aviation Products Liability

Response} any one Occurrence and in the aggregate arising out of all Occurrences during the Period of Insurance

OR

Sections A, B and C Combined Single Limit

{Response} any one Occurrence and in respect of Coverage C in the aggregate arising out of all Occurrences during the Period of Insurance

SECTION FOUR – Aviation Personal Accident (Air Travel Only)

Insured Persons:

Pilots*/crew members*/passengers* specified in Item 3 of the Policy Schedule whilst engaging in Air Travel.

*delete as applicable

Capital Sum Insured:

{Response} each Insured Person

In the event of an Accident involving more than one Insured Person travelling in the same Aircraft Insurers will not be liable for more than {Response} each Aircraft.

Schedule of Benefits:

The percentages specified below are percentages of the Capital Sum Insured and are applicable to each Insured Person.

1. Death	100%
2. Total and irrecoverable loss of sight of both eyes	100%
3. Total and irrecoverable loss of sight of one eye	100%
4. Loss of two limbs	100%
5. Loss of one limb	100%
6. Total and irrecoverable loss of sight of one eye and loss of one limb	100%
7. Permanent Total Disablement (other than total and irrecoverable loss of sight of one or both eyes or loss of limb(s))	100%

Medical and Related Expenses:

{Response} each Insured Person

In the event of Medical and Related Expenses applying to more than one Insured Person travelling in the same Aircraft Insurers will not be liable for more than {Response} each Aircraft.

Item 5. DEDUCTIBLES:

SECTION ONE - Coverage A

{Response}

SECTION ONE - Coverage B

{Response}

SECTION ONE - Coverage C Passenger Baggage and Personal Effects only:

{Response}

SECTION TWO

{Response} any one occurrence but {Response} any one occurrence in respect of engineers' and mechanics' tools. However;

- (i) no Deductible shall apply to claims for loss or damage caused by {Response};
- (ii) claims in respect of ingestion damage to an aircraft engine sustained during the running thereof shall be subject to a Deductible of {Response}. No Deductible shall apply to loss or damage of any engine which is beyond economical repair and caused whilst such engine is running.

SECTION THREE

{Response}

Item 6. PURPOSE OF USE:

- (1) Standard Uses: *{Insert Private Pleasure, Business, Commercial or Rental as applicable}*

{Response}

- (2) Special Uses: {Response}

- (3) Special Rental Uses: {Response}

Item 7. PILOTS:

{Response}

Item 8. AVIATION BUSINESS OR OPERATIONS OF THE INSURED (FOR THE PURPOSES OF SECTION 3):

{Response}

Item 9. INSURED'S PREMISES (FOR THE PURPOSES OF SECTION 3):

{Response}

Item 10. GEOGRAPHICAL LIMITS:

{Response}

Item 11. PREMIUM:

{Response}

Item 12. CHOICE OF LAW AND JURISDICTION

This Policy shall be governed by and construed in accordance with the law of {Response} and each party agrees to submit to the exclusive jurisdiction of the Courts of {Response} in any dispute arising hereunder.

Item 13. ALL NOTIFICATIONS REQUIRED BY THIS POLICY SHALL BE GIVEN TO:

{Response}

The terms set forth in Definitions below are deemed to have the same meaning whenever they appear in this Policy, if they commence with a capital letter:

DEFINITIONS

Accident in respect of Section Four, means a sudden, unexpected, specific event which occurs at an identifiable time and place during the Period of Insurance and shall also include:

- (a) Disappearance. If the Insured Person is not found within 90 days of disappearing, and sufficient evidence is produced satisfactory to the Insurers that leads them to the conclusion that the Insured Person has sustained Bodily Injury and that such injury has caused the Insured Person's death, the Insurers agree to pay the death benefit, provided that the person or persons to whom such sum is paid shall sign an undertaking to refund such sum to the Insurers if the Insured Person is subsequently found to be alive.
- (b) Hi-jack or any attempted Hi-jack. The cover shall continue whilst the Insured Person is subject to the control of the hi-jacker(s) or their associates, and during travel direct to the Insured Person's domicile or original destination after they cease to be under the control of the hi-jacker(s) or their associates, for a period not exceeding 12 months from the date of the Hi-jack.
- (c) Unavoidable exposure to the elements.

Aircraft means the aircraft specified in Item 3 of the Policy Schedule together with the engine(s) and standard instruments and equipment usually installed in or on the aircraft:

- (a) while installed in or on the aircraft;
- (b) while temporarily detached from the aircraft prior to being refitted;
- (c) while detached from the aircraft for replacement until the "commencement of the operation of fitting" the replacement item, at which time the replacement item shall be considered part of the aircraft.

"commencement of the operation of fitting" means from the moment the item ceases to be in contact with the ground or the trolley/stand on which it is located when the process of fitting it to the aircraft is commenced.

Air Travel in respect of Section Four, means entering or being on board an Aircraft specified in Item 3 of the Policy Schedule for the purpose of flying therein or alighting therefrom following a flight or attempted flight.

Aviation Business or Operations means the aviation business or operations of the Insured specified in Item 8 of the Policy Schedule.

Bodily Injury means bodily injury, sickness or disease, including death at any time resulting therefrom.

However, in respect of Section Four only Bodily Injury means identifiable physical injury which is caused by an Accident which, solely and independently of any other cause, results in the death or disablement of the Insured Person.

However, death or disablement of the Insured Person caused by:

- (a) illness, sickness or disease directly resulting from such injury, or
- (b) medical or surgical treatment rendered necessary by such injury

shall also be covered.

All death or disablement of the Insured Person must occur within 12 months from the date of the Accident.

Deductible	means the amount that is to be paid by the Insured and is deducted from each claim. If a claim is equal to or less than the amount of the Deductible then the Insured will bear all of the claim. The Deductible amount is specified in Item 5 of the Policy Schedule.
Flight	means from the time the Aircraft moves forward in taking off or attempting to take off, whilst in the air, and until the Aircraft completes its landing run. A rotary-wing aircraft shall be deemed to be in Flight when the rotors are in motion as a result of engine power, the momentum generated therefrom, or autorotation.
Geographical Limits	means the geographical limits specified in Item 10 of the Policy Schedule.
Ground	means whilst the Aircraft is not in Flight or Taxiing or Moored.
Hi-jack	in respect of Section Four, means unlawful seizure or wrongful control of the Aircraft specified in Item 3 of the Policy Schedule in which the Insured Person is travelling.
Insured	means the Insured specified in Item 1 of the Policy Schedule, however in respect of Section One Coverage B and C and Section Three shall include directors, officers and employees of the Insured while acting within the scope of their duties on behalf of the Insured.
Insured's Premises	means the premises specified in Item 9 of the Policy Schedule.
Limit of Liability	means the limit(s) of liability specified in Item 4 of the Policy Schedule.
Loss of a limb	in respect of Section Four, means permanent loss by physical separation of a hand at or above the wrist or of a foot at or above the ankle and includes permanent, total and irrecoverable loss of use of a hand, arm, leg or foot.
Medical and Related Expenses	in respect of Section Four, means all reasonable expenses incurred within 12 months from the date of the Accident for necessary medical, surgical, ambulance, hospital, professional nursing, repatriation and funeral expenses to or for each Insured Person who sustains Bodily Injury whilst such Insured Person is engaging in Air Travel.
Moored	means, in the case of aircraft designed to land on water, whilst the Aircraft is afloat and secured in place to a fixed object either on land or in the water including whilst being launched or hauled up.
Occurrence	means an accident or a continued or repeated exposure to conditions occurring during the Period of Insurance, which results in Bodily Injury and/or Property Damage which is neither expected nor intended from the standpoint of the Insured. All liability arising out of the exposure to substantially the same general conditions shall be deemed to arise out of one Occurrence.

Overhaul Cost	means the costs of labour and materials which are or would be incurred in overhaul or replacement (whichever is necessary) at the end of the Overhaul Life of the damaged or a similar Unit.
Overhaul Life	means the life of a Unit, whether it is the amount of use or operational and/or calendar time which determines when overhaul or replacement of the Unit is required, assigned by the applicable airworthiness authority or the manufacturer, where applicable.
Period of Insurance	means the period specified in Item 2 of the Policy Schedule.
Permanent Total Disablement	in respect of Section Four, means disablement which entirely prevents the Insured Person from attending to any business or occupation for which they are reasonably suited by training, education or experience and which lasts 12 months and at the end of that period is beyond hope of improvement.
Products Hazard	means the possession, use, consumption or handling of goods or products manufactured, designed, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the Insured, but only in respect of such goods or products which form part of or are used in connection with aircraft and then only after such goods or products have ceased to be in the possession or under the control of the Insured.
Property Damage	means physical loss of or damage to or destruction of tangible property, including the resultant loss of use of such property.
Spares and/or Equipment	<p>means spare parts, engines or components to be fitted to or to form part of an aircraft and engineers' or mechanics' tools used in connection with the servicing, maintenance or repair of aircraft.</p> <p>A detached part which is intended to be replaced by a similar part shall be considered Spares and/or Equipment from the moment that the replacement part ceases to be in contact with the ground or the trolley/stand on which it is located and the process of fitting it to the aircraft has commenced.</p> <p>A detached part which is not intended to be refitted to or replaced on the aircraft shall be considered Spares and/or Equipment from the moment that such part comes in contact with the ground or the trolley/stand on which it is to be located and the process of removing it from the aircraft has been completed.</p>
Standard Uses	<p>means use of Aircraft within Definitions 1 to 4 below other than for Special Uses or Special Rental Uses.</p> <ol style="list-style-type: none"> 1. "Private Pleasure" means use of Aircraft for private and pleasure purposes but NOT for any business or professional purposes nor for hire or reward Private Pleasure includes continuation training of permitted pilots specified in Item 7. of the Policy Schedule. 2. "Business" means the uses specified in Private Pleasure and use of Aircraft for business or professional purposes including use for the transportation of executives, employees, guests of the Insured and their accompanying baggage and cargo but NOT use for hire or reward. 3. "Commercial" means the uses specified in Business and use of Aircraft for the carriage by the Insured of passengers, baggage accompanying passengers and cargo for hire or reward.

4. "Rental" means rental, lease, charter or hire of Aircraft by the Insured to any person, company or organisation for Private Pleasure and Business uses only, where the operation of the Aircraft is not under the control of the Insured.

Special Uses

means use of Aircraft for flight instruction (except continuation training as provided for in Standard Uses Definition 1 above), aerobatics, hunting, patrol, fire-fighting, the intentional dropping, spraying or release of anything, any form of experimental or competitive flying, and other use involving abnormal hazard. No cover is provided unless details of such use(s) are declared to Insurers and specified in Item 6 (2) of the Policy Schedule.

Special Rental Uses

means rental for any other purpose than stated in Standard Uses Definition 4 above. No cover is provided unless details of such use(s) are declared to Insurers and specified in Item 6 (3) of the Policy Schedule.

Taxiing

means movement of the Aircraft under its own power other than in Flight. Taxiing shall not be deemed to cease merely by reason of a temporary halting of the Aircraft.

Total Loss

means:

- (a) physical damage to the Aircraft where in the opinion of Insurers:
 - (i) the Aircraft is damaged to such an extent that it cannot be repaired; or
 - (ii) the cost of repairing the Aircraft is estimated to exceed its Agreed Value.
- (b) the disappearance of the Aircraft if it cannot be located 30 days after the commencement of Flight or date of theft report.

Unit

means a part or an assembly of parts (including any sub-assemblies) which has been assigned an Overhaul Life as a part or an assembly. An engine (complete with all parts normally attached when removed for the purpose of overhaul or replacement) shall constitute a single Unit.

SECTION ONE

AIRCRAFT HULL AND LIABILITY INSURANCE

COVERAGE A

PHYSICAL LOSS OF OR DAMAGE TO AIRCRAFT

- (a) The Insurers agree to pay for physical loss of or damage to the Aircraft occurring during the Period of Insurance, and arising from the risks covered specified in Item 3 (6) of the Policy Schedule, but not exceeding the Agreed Value specified in Item 3 (5) of the Policy Schedule less any applicable amount specified in Conditions (b) and (c) in Conditions applicable to Coverage A below.
- (b) In the event of an Aircraft making a forced landing, including as a result of force majeure, in any place where it is unable to take-off safely, even if no damage has been sustained, Insurers will pay for all reasonable costs, expenses or expenditure for the removal of the Aircraft to the nearest suitable take-off area provided always that the Insurers' liability for such costs, expenses or expenditure, and for any loss of or damage to the Aircraft does not exceed the Agreed Value of the Aircraft specified in Item 3 (5) of the Policy Schedule.
- (c) For any Aircraft covered for the risk of Flight, the Insurers will pay in addition any reasonable emergency expenses necessarily incurred by the Insured for the immediate safety of the Aircraft consequent upon damage or forced landing, up to 10% of the Agreed Value specified in Item 3 (5) of the Policy Schedule.

Exclusions applicable to Coverage A

This Coverage A does not apply:

- (a) To wear and tear, deterioration, breakdown, defect or failure howsoever caused;
- (b) To damage to any Unit by anything which has a progressive or cumulative effect, but damage attributable to a single recorded incident is covered under paragraph (a) of the insuring clause above. For a single recorded incident to be covered with respect to an engine Unit the damage must be of such severity that it requires the engine Unit to be immediately withdrawn from service upon first landing of the Aircraft it is attached to.

HOWEVER physical loss of or damage to the Aircraft consequent upon (a) or (b) above is covered.

- (c) Theft of an Aircraft by an Insured or with their knowledge or consent.

Conditions applicable to Coverage A

(a) Dismantling, Transport and Repairs

If the Aircraft is damaged

- (i) no dismantling or repairs shall be commenced without the consent of the Insurers except whatever is necessary in the interests of safety, or to prevent further damage, or to comply with orders issued by the appropriate authority;
- (ii) the Insurers will pay only for repairs and transport of labour and materials by the most economical method unless the Insurers agree otherwise with the Insured.

(b) **Partial Loss**

In the event that Insurers settle a claim on the basis other than a Total Loss the Insurers will pay the cost of repairing the Aircraft less

- (i) any applicable Deductible,
- (ii) such proportion of the Overhaul Cost of any Unit repaired or replaced as the used time bears to the Overhaul Life of the Unit.

(c) **Total Loss**

In the event that Insurers settle a claim on the basis of a Total Loss the Insurers will pay the Agreed Value of the Aircraft specified in Item 3 (5) of the Policy Schedule less any applicable Deductible.

(d) **Salvage**

If the Insurers settle a claim on the basis of a Total Loss, the Aircraft will no longer be insured hereunder, and the Insurers may take the Aircraft together with all documents of record, registration and title thereto as salvage.

(e) **No Abandonment**

Unless the Insurers elect to take the Aircraft as salvage the Aircraft shall at all times remain the property of the Insured who shall have no right of abandonment to the Insurers.

(f) **Theft of the Aircraft**

In the event of theft of the Aircraft the Insured shall report details to the police immediately. If the Aircraft is found undamaged before Insurers have paid any claim in relation to such theft, then Insurers will pay the cost of returning it to the Insured's home airport by the most economical means.

COVERAGE B

LEGAL LIABILITY TO THIRD PARTIES (OTHER THAN PASSENGERS)

The Insurers agree to pay on behalf of the Insured all sums which the Insured shall become legally liable to pay as compensatory damages for Bodily Injury and/or Property Damage to third parties caused by an Occurrence arising from the use of the Aircraft by the Insured.

The liability of the Insurers under this Coverage B shall not exceed the applicable Limit of Liability less any applicable Deductible.

Exclusions applicable to Coverage B

This Coverage B does not apply:

- (a) To Bodily Injury sustained by any director or employee of the Insured or partner in the Insured's business whilst acting in the course of their employment with or duties for the Insured;
- (b) To Bodily Injury sustained by any member of the flight, cabin or other crew whilst engaged in the operation of the Aircraft;
- (c) To Bodily Injury sustained by any passenger whilst entering, on board, or alighting from the Aircraft;

- (d) To Property Damage to any property belonging to or in the care, custody or control of the Insured;
- (e) To claims excluded by the attached Noise and Pollution and Other Perils Exclusion Clause AVN46B;
- (f) To claims excluded by the attached Asbestos Exclusion Clause 2488AGM00003.
- (g) To claims excluded by the attached Data Event Clause AVN124.

COVERAGE C

LEGAL LIABILITY TO PASSENGERS

The Insurers agree to pay on behalf of the Insured all sums which the Insured shall become legally liable to pay as compensatory damages for:

- (a) Bodily Injury to passengers whilst entering, on board, or alighting from the Aircraft caused by an Occurrence and
- (b) Property Damage to baggage and personal effects of passengers caused by an Occurrence whilst such baggage and personal effects are in the care, custody or control of the Insured for the purpose of carriage by air.

The liability of the Insurers under Coverage C shall not exceed the applicable Limit of Liability less any applicable Deductible.

Provided always that

- (i) before a passenger boards the Aircraft the Insured shall take such measures as are necessary to exclude or limit liability for claims under (a) and (b) above to the extent permitted by law;
- (ii) if the measures referred to in proviso (i) above include the issuance of a passenger ticket/baggage check, the same shall be delivered correctly completed to the passenger a reasonable time before the passenger boards the Aircraft.

In the event of failure to comply with proviso (i) or (ii) the liability of the Insurers under this Coverage C shall not exceed the amount of the legal liability, if any, that would have existed had the proviso been complied with.

Exclusions applicable to Coverage C

This Coverage C does not apply:

- (a) To Bodily Injury sustained by any director or employee of the Insured or partner in the Insured's business whilst acting in the course of their employment with or duties for the Insured;
- (b) To Bodily Injury sustained by any member of the flight, cabin or other crew whilst engaged in the operation of the Aircraft;
- (c) To claims excluded by the attached Asbestos Exclusion Clause 2488AGM00003.

GENERAL CONDITIONS APPLICABLE TO SECTION ONE

The Insured shall comply with all air navigation and airworthiness orders and requirements issued by any aviation authority having jurisdiction affecting the safe operation of the Aircraft and shall ensure that

- (a) the Aircraft is airworthy at the commencement of each Flight;
- (b) all log books and other records in connection with the Aircraft which are required by any official regulations in force from time to time shall be kept up to date and shall be produced to the Insurers or their agents on request;
- (c) the employees and agents of the Insured comply with such orders and requirements.
- (d) When two or more Aircraft are insured hereunder the terms of this Policy, including the Limit of Liability, shall apply separately to each Aircraft unless otherwise specified herein.

GENERAL EXCLUSIONS APPLICABLE TO SECTION ONE

This Section One does not apply:

- (a) Whilst the Aircraft is being used by the Insured for any purpose other than those specified in Item 6 of the Policy Schedule, or for any illegal purpose.
- (b) Whilst the Aircraft is outside the Geographical Limits unless due to a forced landing or as a result of force majeure.
- (c) Whilst the Aircraft is being piloted by any person other than specified in Item 7 of the Policy Schedule except that the Aircraft may be operated on the ground by any person competent for that purpose.
- (d) Whilst the Aircraft is being transported by any means of conveyance except as the result of an event giving rise to a claim under Coverage A of this Section One.
- (e) Whilst the Aircraft is landing on or taking off or attempting to do so from a place which does not comply with the recommendations laid down by the manufacturer of the Aircraft except as a result of force majeure.
- (f) Whilst the total number of passengers being carried in the Aircraft exceeds the maximum number of passengers specified in Item 3 (3) of the Policy Schedule.

SECTION TWO

AVIATION SPARES AND/OR EQUIPMENT INSURANCE

The Insurers agree to pay for physical loss of or damage to Spares and/or Equipment occurring during the Period of Insurance and within the Geographical Limits, being the property of the Insured or the property of others for which the Insured has agreed to be responsible subject to the Maximum Sum Insured less any applicable Deductible.

Salvage Charges

The Insurers, subject to their consent, agree to pay salvage charges incurred by or on behalf of the Insured for the recovery of the Spares and/or Equipment and such salvage charges shall be payable by the Insurers in addition to any other claim under this Section.

Cost of Repairs

In the event of damage to Spares and/or Equipment the Insurers will pay the cost of repairs less:

- (a) any applicable Deductible, and
- (b) such proportion of the Overhaul Cost of any Unit repaired or replaced as the used time bears to the Overhaul Life of the Unit.

The cost of repairs shall include the cost of transportation of personnel, materials, tools and equipment required to effect the repairs to and from the place where the repairs are carried out and/or the cost of transporting the damaged Spares and/or Equipment to and from the place where repairs are to be carried out.

Unless the Insurers agree otherwise, repairs and transportation shall be by the most economical method.

In no event shall the amount payable with respect to repairs exceed the amount which would be paid in the event of loss or damage beyond economical repair, less the applicable Deductible.

No repairs may be commenced without the consent of the Insurers except whatever is necessary in the interests of safety, or to prevent any or further damage, or to comply with orders issued by an appropriate authority.

Physical Loss or Damage Beyond Economical Repair

If, in the opinion of the Insurers, any Spares and/or Equipment are damaged beyond economical repair or, in the event of theft, cannot be located within 30 days of the theft report the Insurers will pay, less any applicable Deductible, either:

- (a) the replacement cost (plus insurance and transportation costs incurred in connection with their delivery to the Insured) plus any applicable import taxes and/or duties, or
- (b) the insured value of such Spares and/or Equipment recorded by the Insured

whichever shall be the least amount subject always to the Maximum Sum Insured.

However, where an Agreed Value has been agreed between the Insured and the Insurers the amount payable hereunder shall be the Agreed Value.

In such event the Spares and/or Equipment, in respect of which the claim has been paid, will no longer be insured under this Policy and the Insurers may take such Spares and/or Equipment together with their documents of record and title, as salvage.

Unless the Insurers elect to take such Spares and/or Equipment as salvage the Spares and/or Equipment shall at all times remain the property of the Insured who shall have no right of abandonment to the Insurers.

Exclusions applicable to Section Two

This Section Two does not apply:

- (a) To loss of or damage to any property which has been temporarily detached from an aircraft and which is intended to be refitted to the aircraft and not replaced by other property.
- (b) To loss of or damage to property installed in or forming part of an aircraft.
- (c) To loss of or damage to any property occurring from the moment such property ceases to be in contact with the ground or the trolley/stand on which it is located and the process of fitting it to an aircraft has commenced.
- (d) To loss of or damage to any property which is carried in an aircraft as part of a spare parts kit.
- (e) To loss of or damage to any property caused by wear and tear, deterioration, depreciation, breakdown, defect or failure however caused.
- (f) To loss of or damage to an engine caused by the ingestion of stones, grit, dust, sand, ice or any corrosive or abrasive material or any other substance which has a progressive or cumulative engine damage effect. Such loss or damage shall be deemed to be wear, tear or deterioration and shall be excluded.

This exclusion shall not apply to ingestion causing sudden loss or damage attributable to a single recorded incident necessitating the immediate shutdown of an engine.

- (g) To loss of or damage to any property which may be sustained whilst the same is under any process and directly resulting therefrom. For the purposes of this exclusion engine running is deemed not to be a process.
- (h) To mysterious disappearance, unexplained loss or shortage of any property disclosed upon taking an inventory.
- (i) To loss of or damage to the property of others carried or stored for hire or reward.
- (j) To theft of any property by an Insured or with their knowledge or consent.

Conditions applicable to Section Two

(a) Theft of Spares and/or Equipment

In the event of theft of Spares and/or Equipment the Insured shall report details to the police as soon as possible. If the Spares and/or Equipment are found undamaged before the Insurers have paid any claim in relation to such theft, then Insurers will pay the cost of returning such Spares and/or Equipment to the Insured by the most economical means.

(b) Salvage

All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this Section shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made between the Insured and the Insurers.

(c) Records

The Insured shall keep a proper record of all Spares and/or Equipment covered by this Policy and their associated values.

SECTION THREE

AVIATION LIABILITY INSURANCE

COVERAGE A

AVIATION PREMISES LIABILITY

The Insurers agree to pay on behalf of the Insured all sums, up to but not exceeding the Limit of Liability, less any applicable Deductible, which the Insured shall become legally liable to pay as damages for Bodily Injury and/or Property Damage caused by an Occurrence arising in or about any premises used by the Insured in connection with their Aviation Business or Operations and subject to the Geographical Limits.

Exclusions applicable to Coverage A

This Coverage A does not apply:

- (a) To Property Damage to property owned, rented, leased or occupied by; whilst in the care, custody or control of; whilst being handled, serviced or maintained by the Insured. This exclusion does not apply to Property Damage to
 - (i) vehicles that are not owned, rented or leased by the Insured, whilst such vehicles are in the Insured's care, custody or control on the Insured's Premises.
 - (ii) baggage and/or cargo not owned by the Insured, while such baggage and/or cargo is in their care, custody or control.
- (b) To Bodily Injury or Property Damage caused by
 - (i) the use of any vehicle in such a manner as to require insurance or security under any domestic or international law governing road traffic or, in the absence of any applicable law, to liability arising from the use of any vehicle on the public highway. This exclusion does not apply in respect of any such liability arising from Occurrences within the confines of an airport or airfield:
 - i. if there is no such applicable law;
 - ii. to the liability of the Insured to pay an amount which is in excess of:
 - a) any prescribed limit that is required to be insured where insurance may be effected to comply with the law whether the Insured effects an insurance policy in respect of such liability or not
 - b) the limit of liability of the insurance policy effected by the Insured in respect of such liabilitywhichever is the greater.
 - (ii) any ships, vessels, watercraft or aircraft owned, chartered, used or operated by or on account of the Insured. This exclusion does not apply to aircraft owned by others which are not in Flight and for which indemnity is granted under Coverage B of this Section, whether such Section is insured hereunder or not.
- (c) To Bodily Injury or Property Damage arising out of any airmeet, air race, or air show, nor any stand used for the accommodation of spectators in connection therewith.

- (d) To Bodily Injury or Property Damage arising out of construction of, demolition of or alterations to buildings, runways or installations. This exclusion does not apply to routine maintenance operations.
- (e) To Bodily Injury or Property Damage arising out of any goods or products manufactured, designed, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the Insured after such goods or products have ceased to be in the possession or under the control of the Insured. This exclusion does not apply to the supply, by the Insured, of food or drink at the Insured's Premises.

COVERAGE B

HANGARKEEPERS LIABILITY

The Insurers agree to pay on behalf of the Insured all sums, up to but not exceeding the Limit of Liability, less any applicable Deductible, which the Insured shall become legally liable to pay as damages for Property Damage caused by an Occurrence to aircraft or aircraft equipment being the property of others, in the care, custody or control of or whilst being serviced, handled or maintained by the Insured in connection with their Aviation Business or Operations and subject to the Geographical Limits.

Exclusions applicable to Coverage B

This Coverage B does not apply:

- (a) To Property Damage to personal effects or merchandise of any description.
- (b) To Property Damage to aircraft or aircraft equipment hired or leased by or loaned to the Insured.
- (c) To Property Damage to aircraft whilst in Flight.

COVERAGE C

AVIATION PRODUCTS LIABILITY

The Insurers agree to pay on behalf of the Insured all sums, up to but not exceeding the Limit of Liability, less any applicable Deductible, which the Insured shall become legally liable to pay as damages for Bodily Injury and/or Property Damage caused by an Occurrence arising out of the Products Hazard in connection with their Aviation Business or Operations.

Exclusions applicable to Coverage C

This Coverage C does not apply:

- (a) To Property Damage to property owned, rented, leased or occupied by the Insured or in their care, custody or control.
- (b) To the cost of repairing or replacing any defective goods or products manufactured, designed, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the Insured or any defective part or parts thereof.
- (c) To loss arising out of improper or inadequate performance, design or specification, but this exclusion shall not apply to Bodily Injury or Property Damage resulting therefrom.
- (d) To loss of use of any aircraft which has not been physically lost, damaged or destroyed in an Occurrence giving rise to a claim hereunder.

GENERAL EXCLUSIONS APPLICABLE TO SECTION THREE

1. This Section Three does not apply:
 - (a) To liability arising out of the operation of an airfield control tower or the provision of air traffic control services.
 - (b) To the cost of correcting any faulty workmanship or of improving any work undertaken by the Insured.
 - (c) To claims excluded by the attached Noise and Pollution and Other Perils Exclusion Clause AVN46B. However, paragraph 1(b) of AVN46B does not apply to pollution or contamination of goods or products sold or supplied by the Insured.
 - (d) To claims excluded by the attached Asbestos Exclusion Clause 2488AGM00003.
 - (e) To Bodily Injury to any person who at the time of sustaining such Bodily Injury is engaged in the service of the Insured, or liability for which the Insured or their insurer may be held liable under any employer's liability, workers' compensation, unemployment compensation or disability benefits law or any similar law.
 - (f) To claims excluded by the attached Data Event Clause AVN124.
2. Each Coverage under this Section Three excludes liability which is or would be covered under any other Coverage of this Section Three, whether such other Coverage is insured hereunder or not.

DEFENCE AND SETTLEMENT PAYMENTS

APPLICABLE TO SECTION ONE COVERAGE B AND C AND SECTION THREE

With respect to such coverage as is afforded under Section One Coverage B and C and Section Three of this Policy:

1. The Insurers shall have the right and obligation to
 - (a) investigate, evaluate and settleor
 - (b) defend to discontinuance or judgmentany claim or legal proceedings against the Insured, even if groundless, false or fraudulent.

Nevertheless, the Insurers retain the right to tender the applicable Limit of Liability in settlement of a claim if they consider this to be appropriate and in this event, the Insurers' obligations under this Policy will cease as regards the claim.
2. The amount payable by Insurers in respect of any settlement or judgment requiring payment by the Insured shall include any costs and expenses assessed against the Insured and interest accruing after entry of judgment and shall not exceed the applicable Limit of Liability.
3. The Insurers agree to pay any costs and expenses
 - (a) of any legal or other person whom they appoint, that are incurred for the purpose of investigation, evaluation, settlement or defence of such claim or legal proceedings;

- (b) of the Insured (other than the salaries of the Insured's employees and the Insured's normal expenses) that are incurred with the Insurers' prior approval.

These costs and expenses are payable by the Insurers in addition to any settlement or judgment. However, the Insurers' liability is limited in case of settlement(s) and/or judgment(s) that exceed the applicable Limit of Liability. In such case Insurers' liability is limited to such proportion of those costs and expenses as the applicable Limit of Liability bears to the total amount for which the Insured is adjudged liable and/or which it has agreed to pay in settlement of any such claim(s) or legal proceedings. The Insured is liable to reimburse the Insurers for that proportion of any costs and expenses as they may have paid which exceed the Limit of Liability.

With respect to any coverage which is subject to an aggregate Limit of Liability hereunder the Insurers' obligations under this Policy will cease as regards such coverage once the applicable aggregate has been exhausted and in this event the Insured shall have the responsibility to take over control of any claim(s) or legal proceedings from the Insurers.

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SECTION FOUR

AVIATION PERSONAL ACCIDENT (AIR TRAVEL ONLY) INSURANCE

If any Insured Person sustains Bodily Injury whilst such Insured Person is engaging in Air Travel, the Insurers agree to pay to the Insured the amount stated in the Schedule of Benefits after the total claim has been substantiated under this Section, subject to the following:

1. Benefit shall not be payable under more than one of the items contained in the Schedule of Benefits in respect of the consequences of one Accident to any one Insured Person.
2. The total sum payable under this Policy in respect of one or more Accidents to any one Insured Person shall not exceed in total the largest benefit under any one of the items contained in the Schedule of Benefits.
3. If an Accident causes the death of the Insured Person within 12 months following the date of the Accident and prior to the definite settlement of the benefit for disablement provided for under items 2 to 7 of the Schedule of Benefits, Insurers shall only pay the death benefit.
4. Medical and Related Expenses shall be payable in addition to items 1 to 7 of the Schedule of Benefits. However, if in respect of such Medical and Related Expenses, the Insured or the Insured Person shall receive any payment under any other insurance in respect of the same Accident, the Insurers hereon shall only be liable for the difference between such recovery and the total cost of Medical and Related Expenses incurred, not exceeding the limit shown under Item 4 of the Policy Schedule with respect to Medical and Related Expenses.

Exclusions applicable to Section Four

This Section does not cover:

1. death or disablement (including Medical and Related Expenses) in any way caused or contributed to by:
 - (a) war, whether war be declared or not, hostilities or any act of war or civil war;
 - (b)
 - (i) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
 - (ii) ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever;
 - (c) the Insured Person's suicide or attempted suicide or intentional self-injury or the Insured Person being in a state of insanity;
 - (d) illness, sickness or disease unless such illness, sickness or disease results from Bodily Injury as insured hereunder;
 - (e) the Insured Person's deliberate exposure to danger (except in an attempt to save human life);
 - (f) the Insured Person's own criminal act;
 - (g) the Insured Person being under the influence of alcohol;
 - (h) the Insured Person being under the influence of drugs, except those drugs taken on the advice of, or as directed by, a duly qualified medical practitioner.

2. claims excluded by the attached Contracts (Rights of Third Parties) Act 1999 Exclusion Clause AVN72.

Conditions applicable to Section Four

1. Pre-Existing Conditions

No benefit will be payable for any condition for which the Insured Person has sought advice, diagnosis, treatment or counselling or of which the Insured Person was or should reasonably have been aware at inception of this Policy or for which the Insured Person has been treated at any time prior to inception, unless such condition has been declared to and agreed by the Insurers.

2. Medical Records

All medical records, notes and correspondence referring to the subject of a claim or a related pre-existing condition shall be made available on request to any medical adviser appointed by or on behalf of the Insurers and such medical adviser or advisers shall, for the purpose of reviewing the claim, be allowed so often as may be deemed necessary to make an examination of the Insured Person.

3. Notification of any Accident

Notice must be given to the Insurers as soon as possible of any Accident which causes or may cause a claim within the meaning of this Section Four, and the Insured Person must as early as possible seek the attention of a duly qualified medical practitioner.

Notice must be given to the Insurers as soon as possible in the event of the death of the Insured Person resulting or alleged to result from an Accident.

All notices specified above shall be given by the Insured to Insurers via the firm named for the purpose in Item 13 of the Policy Schedule.

GENERAL EXCLUSIONS APPLICABLE TO ALL POLICY SECTIONS EXCEPT SECTION FOUR

This Policy does not apply:

- (a) To liability assumed or rights waived by the Insured under any agreement (other than a passenger ticket/baggage check issued under Section One Coverage C hereof) except to the extent that such liability would have attached to the Insured in the absence of such agreement.
- (b) To claims excluded by the attached Contracts (Rights of Third Parties) Act 1999 Exclusion Clause AVN72.
- (c) To claims excluded by the attached War, Hi-Jacking and Other Perils Exclusion Clause (Aviation) AVN48B (amended).
- (d) To claims excluded by the attached Date Recognition Exclusion Clause AVN2000A.
- (e) To claims excluded by the attached Nuclear Risks Exclusion Clause AVN38B.

GENERAL CONDITIONS APPLICABLE TO ALL POLICY SECTIONS EXCEPT SECTION FOUR

1. Notification of Event or Claim

Notice of any event likely to give rise to a claim under this Policy shall be given to Insurers as soon as possible via the firm named for the purpose specified in Item 13 of the Policy Schedule. In all cases the Insured shall:

- (a) furnish full particulars in writing of such event and forward as soon as possible notice of any claim with any letters or documents relating thereto;
- (b) give notice of any impending prosecution;
- (c) provide such further information and assistance as the Insurers may reasonably require;
- (d) not act in any way to the detriment or prejudice of the interest of the Insurers.

2. No Admission of Liability

The Insured shall not make any admission of liability, payment, offer or promise of payment without the written consent of the Insurers.

3. Assistance and Co-operation of the Insured

The Insured shall co-operate with the Insurers and, upon the Insurers' request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of legal proceedings.

4. Reasonable Care

The Insured shall at all times exercise reasonable care in seeing that the ways, implements, plant, machinery and appliances used in their Aviation Business or Operations are substantial and sound and in proper order and fit for the purpose for which they are used, and that all reasonable safeguards and precautions against Occurrences are provided and used.

5. Due Diligence

The Insured shall at all times use due diligence and do and concur in doing everything reasonably practicable to avoid or diminish any loss hereon.

6. Other Insurance

The coverage afforded under Section One Coverage A and Section Two of this Policy shall be proportional with any other valid and collectible insurance available to the Insured. The coverage afforded under Sections One Coverage B and C and Section Three of this Policy shall be excess insurance over any other valid and collectible insurance available to the Insured.

7. Subrogation

Upon a payment being made under this Policy, the Insurers shall be subrogated to the rights and remedies of the Insured who shall co-operate with and do all things necessary to assist the Insurers to exercise such rights and remedies.

8. Regulatory Compliance

The Insured shall comply with all applicable international and government regulations and civil instructions.

9. Limit of Liability

Notwithstanding the inclusion herein of more than one Insured, whether by endorsement or otherwise, the total liability of the Insurers in respect of any or all Insureds shall not exceed the Limit of Liability.

10. Reasonable Acts

The coverage provided by this Policy shall not be invalidated by any reasonable act by or on behalf of the Insured for the purpose of protecting persons or property.

GENERAL CONDITIONS APPLICABLE TO ALL POLICY SECTIONS

1. Law and Jurisdiction

The law and jurisdiction applicable to this Policy is specified in Item 12 of the Policy Schedule.

2. Fraudulent Claims

An Insured or an Insured Person shall not in the presentation and furtherance of any claim:

- (a) deliberately or recklessly conceal from Insurers any information which they know or ought to know might be material to Insurers' consideration of any claim;
- (b) provide to Insurers information, which they know to be false, with respect either to any event relied upon as a cause of loss or as to the amount claimed; nor
- (c) otherwise use fraudulent means or devices, including suppressing a known defence to Insurers' liability.

In any such event the Insurers shall have the option to refuse to pay the whole or any part of the claim.

In the circumstances set out in sub-paragraph (b) above, Insurers shall also have the option to:

- (i) terminate the cover provided by the Policy to the Insured or Insured Person with effect from the date of the event relied upon for the claim;
- (ii) recover any sums paid to the Insured in respect of losses occurring on or after the date of the event relied upon for the claim; and
- (iii) retain any and all premium paid by the Insured.

If any provision of this condition is in conflict with the law governing the Policy it shall be of no effect to the extent of such conflict.

3. Cancellation

This Policy may be cancelled at any time at the written request of the Insured. This Policy may be cancelled by or on behalf of the Insurers provided 30 days notice in writing be given. (Where 30 days notice is contrary to law or statute then the minimum period that is permitted shall be substituted therefor).

If the Policy shall be cancelled by the Insured, the Insurers shall be entitled to the proportion of the premium calculated in accordance with the following scale.

1 month on risk	- 20% annual premium
2 months on risk	- 30% annual premium
3 months on risk	- 40% annual premium
4 months on risk	- 50% annual premium
5 months on risk	- 60% annual premium
6 months on risk	- 70% annual premium
7 months on risk	- 75% annual premium
8 months on risk	- 80% annual premium
9 months on risk	- 85% annual premium
Over 9 months	equivalent to annual.

If the Policy shall be cancelled by Insurers, they shall be entitled to the premium for the period that this Policy has been in force, calculated pro-rata. Notice of cancellation by the Insurers shall be effective even though the Insurers make no payment or tender of return premium.

There will be no return of premium in respect of any Aircraft on which a loss is paid or is payable under this Policy.

4. Sanctions and Embargos

Notwithstanding anything to the contrary in the Policy the following shall apply:

1. If, by virtue of any law or regulation which is applicable to an Insurer at the inception of this Policy or becomes applicable at any time thereafter, providing coverage to the Insured is or would be unlawful because it breaches an embargo or sanction, that Insurer shall provide no coverage and have no liability whatsoever nor provide any defence to the Insured or make any payment of defence costs or provide any form of security on behalf of the Insured, to the extent that it would be in breach of such law or regulation.
2. In circumstances where it is lawful for an Insurer to provide coverage under the Policy, but the payment of a valid and otherwise collectable claim may breach an embargo or sanction, then the Insurer will take all reasonable measures to obtain the necessary authorisation to make such payment.
3. In the event of any law or regulation becoming applicable during the Policy period which will restrict the ability of an Insurer to provide coverage as specified in paragraph 1, then both the Insured and the Insurer shall have the right to cancel its participation on this Policy in accordance with the laws and regulations applicable to the Policy provided that in respect of cancellation by the Insurer a minimum of 30 days notice in writing be given. In the event of cancellation by either the Insured or the Insurer, the Insurer shall retain the pro rata proportion of the premium for the period that the Policy has been in force. However, in the event that the incurred claims at the effective date of cancellation exceed the earned or pro rata premium (as applicable) due to the Insurer, and in the absence of a more specific provision in the Policy relating to the return of premium, any return premium shall be subject to mutual agreement. Notice of cancellation by the Insurer shall be effective even though the Insurer makes no payment or tender of return premium.

5. Assignment

This Policy shall not be assigned in whole or in part except with the prior agreement of the Insurers.

6. Notification of Changes

The Insured shall be under a continuing duty, during the Period of Insurance, to notify the Insurers of any changes which increase the risks which have been presented to the Insurers. Such changes shall be subject to agreement by Insurers and may require an additional premium to be charged. There shall be no coverage for any claims resulting from any changed element of the risk unless the changed element of the risk has been notified to and agreed by Insurers.

AVN Reference Date

ATTACHMENTS FORMING A PART OF THIS POLICY

ATTACHMENT NUMBER 1

NOISE AND POLLUTION AND OTHER PERILS EXCLUSION CLAUSE

1. This Policy does not cover claims directly or indirectly occasioned by, happening through or in consequence of:-
 - (a) noise (whether audible to the human ear or not), vibration, sonic boom and any phenomena associated therewith,
 - (b) pollution and contamination of any kind whatsoever,
 - (c) electrical and electromagnetic interference,
 - (d) interference with the use of property;unless caused by or resulting in a crash fire explosion or collision or a recorded in-flight emergency causing abnormal aircraft operation.
2. With respect to any provision in the Policy concerning any duty of Insurers to investigate or defend claims, such provision shall not apply and Insurers shall not be required to defend
 - (a) claims excluded by Paragraph 1 or
 - (b) a claim or claims covered by the Policy when combined with any claims excluded by Paragraph 1 (referred to below as "Combined Claims").
3. In respect of any Combined Claims, Insurers shall (subject to proof of loss and the limits of the Policy) reimburse the Insured for that portion of the following items which may be allocated to the claims covered by the Policy:
 - (i) damages awarded against the Insured and
 - (ii) defence fees and expenses incurred by the Insured.
4. Nothing herein shall override any radioactive contamination or other exclusion clause attached to or forming part of this Policy.

AVN 46B 1.10.96

ATTACHMENT NUMBER 2

ASBESTOS EXCLUSION CLAUSE

This Policy does not cover any claims of any kind whatsoever directly or indirectly relating to, arising out of or in consequence of:

- (1) the actual, alleged or threatened presence of asbestos in any form whatsoever, or any material or product containing, or alleged to contain, asbestos; or
- (2) any obligation, request, demand, order, or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, neutralize, protect against or in any other way respond to the actual, alleged or threatened presence of asbestos or any material or product containing, or alleged to contain, asbestos.

However, this exclusion shall not apply to any claim caused by or resulting in a crash fire explosion or collision or a recorded in-flight emergency causing abnormal aircraft operation.

Notwithstanding any other provisions of this Policy, Insurers will have no duty to investigate, defend or pay defence costs in respect of any claim excluded in whole or in part under paragraphs (1) or (2) hereof.

All other terms and conditions of the policy remain unchanged.

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ATTACHMENT NUMBER 3

DATA EVENT CLAUSE

This Policy does not cover any loss, damage, expense or liability arising out of a Data Event.

Data Event means any access to, inability to access, loss of, loss of use of, damage to, corruption of, alteration to or disclosure of Data.

Data means any information, text, figures, voice, images or any machine readable data, software or programs including any person's or organisation's confidential, proprietary or personal information.

This exclusion does not apply to:

1. physical loss of or physical damage to an aircraft or spares and equipment; and/or
2. bodily injury and/or property damage caused by an aircraft accident; and/or
3. bodily injury and/or damage to tangible property including resultant loss of use of such property arising out of the Insured's aviation operations caused other than by an aircraft accident.

Within sub-paragraph 3:

- i. solely for the purposes of this sub-paragraph and without prejudice to the meaning of the words in any other context, "bodily injury" shall mean only physical corporeal injury, fatal or otherwise, and unless arising directly therefrom shall not include mental anguish, fright or shock; and
 - ii. Data shall not be considered as tangible property.
4. the following coverages afforded by the Policy: none (unless specified below).

Nothing herein shall override any other exclusion clause attached to or forming part of this Policy.

AVN124 16.02.2018

ATTACHMENT NUMBER 4

CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 EXCLUSION CLAUSE

The rights of a person who is not a party to this insurance or reinsurance to enforce a term of this insurance or reinsurance and/or not to have this insurance or reinsurance rescinded, varied or altered without his consent by virtue of the provisions of the Contracts (Rights of Third Parties) Act 1999 are excluded from this insurance or reinsurance.

AVN 72 9.2.2000

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ATTACHMENT NUMBER 5

WAR, HI-JACKING AND OTHER PERILS EXCLUSION CLAUSE (AVIATION)

This Policy does not cover claims caused by:

- (a) War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power.
- (b) Any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- (c) Strikes, riots, civil commotions or labour disturbances.
- (d) Any act of one or more persons, whether or not agents of a sovereign Power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional.
- (e) Any malicious act or act of sabotage.
- (f) Confiscation, nationalisation, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any Government (whether civil military or de facto) or public or local authority.
- (g) Hi-jacking or any unlawful seizure or wrongful exercise of control of the Aircraft or crew in Flight (including any attempt at such seizure or control) made by any person or persons on board the Aircraft acting without the consent of the Insured.

Furthermore this Policy does not cover claims arising whilst the Aircraft, Spares and / or Equipment are outside the control of the Insured by reason of any of the above perils. The Aircraft, Spares and / or Equipment shall be deemed to have been restored to the control of the Insured:

- (a) on the safe return of Aircraft, to the Insured at an airfield not excluded by the Geographical Limits, and entirely suitable for the operation of the Aircraft (such safe return shall require that the Aircraft be parked with engines shut down and under no duress).
- (b) on the safe return of the Spares and / or Equipment to the Insured at a location not excluded by the Geographical Limits.

AVN 48B (Amended)

ATTACHMENT NUMBER 6

DATE RECOGNITION EXCLUSION CLAUSE

This Policy does not cover any claim, damage, injury, loss, cost, expense or liability (whether in contract, tort, negligence, product liability, misrepresentation, fraud or otherwise) of any nature whatsoever arising from or occasioned by or in consequence of (whether directly or indirectly and whether wholly or partly):

- (a) the failure or inability of any computer hardware, software, integrated circuit, chip or information technology equipment or system (whether in the possession of the Insured or of any third party) accurately or completely to process, exchange or transfer year, date or time data or information in connection with any change of year, date or time;

whether on or before or after such change of year, date or time;

- (b) any implemented or attempted change or modification of any computer hardware, software, integrated circuit, chip or information technology equipment or system (whether in the possession of the Insured or of any third party) in anticipation of or in response to any such change of year, date or time, or any advice given or services performed in connection with any such change or modification;
- (c) any non-use or unavailability for use of any property or equipment of any kind whatsoever resulting from any act, failure to act or decision of the Insured or of any third party related to any such change of year, date or time;

and any provision in this Policy concerning any duty of Insurers to investigate or defend claims shall not apply to any claims so excluded.

AVN 2000A 14.03.01

ATTACHMENT NUMBER 7

NUCLEAR RISKS EXCLUSION CLAUSE

1. This Policy does not cover:
 - (i) loss of or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
 - (ii) any legal liability of whatsoever naturedirectly or indirectly caused by or contributed to by or arising from:
 - (a) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
 - (b) the radioactive properties of, or a combination of radioactive properties with toxic, explosive or other hazardous properties of, any other radioactive material in the course of carriage as cargo, including storage or handling incidental thereto;
 - (c) ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.
2. It is understood and agreed that such radioactive material or other radioactive source in paragraph 1(b) and (c) above shall not include:
 - (i) depleted uranium and natural uranium in any form;
 - (ii) radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial, educational or industrial purpose.
3. This Policy, however, does not cover loss of or destruction of or damage to any property or any consequential loss or any legal liability of whatsoever nature with respect to which:
 - (i) the Insured under this Policy is also an insured or an additional insured under any other insurance policy, including any nuclear energy liability policy; or
 - (ii) any person or organization is required to maintain financial protection pursuant to legislation in any country; or
 - (iii) the Insured under this Policy is, or had this Policy not been issued would be, entitled to indemnification from any government or agency thereof.
4. Loss, destruction, damage, expense or legal liability in respect of the nuclear risks not excluded by reason of paragraph 2 shall (subject to all other terms, conditions, limitations, warranties and exclusions of this Policy) be covered, provided that:
 - (i) in the case of any claim in respect of radioactive material in the course of carriage as cargo, including storage or handling incidental thereto, such carriage shall in all respects have complied with the full International Civil Aviation Organization "Technical Instructions for the Safe Transport of Dangerous Goods by Air", unless the carriage shall have been subject to any more restrictive legislation, when it shall in all respects have complied with such legislation;
 - (ii) this Policy shall only apply to an incident happening during the period of this Policy and where any claim by the Insured against the Insurers or by any claimant against the Insured arising out of such incident shall have been made within three years after the date thereof;

- (iii) in the case of any claim for the loss of or destruction of or damage to or loss of use of an aircraft caused by or contributed to by radioactive contamination, the level of such contamination shall have exceeded the maximum permissible level set out in the following scale:

Emitter (IAEA Health and Safety Regulations)	Maximum permissible level of non-fixed radioactive surface contamination (Averaged over 300 cm²)
Beta, gamma and low toxicity alpha emitters	Not exceeding 4 Becquerels/cm ² (10 ⁻⁴ microcuries/cm ²)
All other emitters	Not exceeding 0.4 Becquerels/cm ² (10 ⁻⁵ microcuries/cm ²)

- (iv) the cover afforded hereby may be cancelled at any time by the Insurers giving seven days' notice of cancellation.

AVN 38B 22.7.96

ENDORSEMENTS

[Response]

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