

AVIATION & HULL PACKAGE POLICY

POLICY WORDING

Whereas the Insured named in the Schedule and carrying on the business as described in the Schedule of this policy has applied to SBI General Insurance Company Limited (hereinafter called "the Company") by a written proposal and declaration which shall be the basis of this contract and be deemed to be incorporated herein for the insurance hereinafter contained and has paid the premium for the sections stated in the Schedule.

The Company hereby agrees subject to the terms and conditions contained herein or endorsed or otherwise expressed hereon that if the Insured shall sustain LOSS of or DAMAGE to property or incur liability at any time during the period of insurance stated herein or any subsequent period in respect of which the Insured shall have paid and the Company shall have accepted the premium required for the Company to provide coverage to the Insured during the period of this policy or for the renewal thereof the Company will pay to the Insured the value at the time of happening of such loss of the property so lost or the amount of such damage or the amount of liability incurred as the case may be and in respect of which coverage is provided under this policy but not exceeding in any one period of insurance in respect of each of the several items/sections specified herein the sum set opposite thereof respectively.

SECTION I – HULL ALL RISK

Headings and marginal captions are inserted for the purpose of convenient reference only and are not to be deemed part of this Policy. Certain words and phrases used in this Policy have special meanings, which can be found in Section IV (D) Definitions.

The Insurers agree to insure against loss, damage or liability, arising out of an Accident occurring during the Period of Insurance to the extent and in the manner provided in this Policy.

SECTION I LOSS OF OR DAMAGE TO AIRCRAFT

1. Coverage

- (a) The Insurers will at their option pay for, replace or repair, accidental loss of or damage to the Aircraft described in the Schedule arising from the risks covered, including disappearance if the Aircraft is unreported for sixty days after the commencement of Flight, but not exceeding the Amount Insured as specified and subject to the amounts to be deducted specified in Condition 3(c).
- (b) If the Aircraft is insured hereby for the risks of Flight, the Insurers will, in addition, pay reasonable emergency expenses necessarily incurred by the Insured for the immediate safety of the Aircraft consequent upon damage or forced landing, up to 10 per cent of the Amount Insured as specified.

2. Exclusions applicable to this Section only

The Insurers shall not be liable for Wear and Tear, Breakdown

- (a) wear and tear, deterioration, breakdown, defect or failure howsoever caused in any Unit of the Aircraft and the consequences thereof within such Unit;
- (b) 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 1(a) above. HOWEVER accidental loss of or damage to the Aircraft consequent upon 2(a) or (b) above is covered under paragraph 1(a) above.

3. Conditions applicable to this Section only

- (a) If the Aircraft is damaged: Dismantling Transport and Repairs

- (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.

Payment or Replacement

- (b) If the Insurers exercise their option to pay for or replace the Aircraft
 - (i) the Insurers may take the Aircraft (together with all documents of record, registration and title thereto) as salvage;
 - (ii) the cover afforded by this Section is terminated in respect of the Aircraft even if the Aircraft is retained by the Insured for valuable consideration or otherwise; Amounts to be deducted from the claim
 - (iii) the replacement aircraft shall be of the same make and type and in reasonably like condition unless otherwise agreed with the Insured.
- (c) Except where the Insurers exercise their option to pay for or replace the Aircraft, there shall be deducted from the claim under paragraph 1(a) of this Section
 - (i) the amount specified in the Schedule and
 - (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.

No Abandonment

- (d) 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.

Other Insurance

- (e) No claim shall be payable under this Section if other insurance which is payable in consequence of loss or damage covered under this Section has been or shall be effected by or on behalf of the Insured without the knowledge or consent of the Insurers. See also Section IV

SECTION II AIRCRAFT SPARES WORDINGS

1. Coverages

Subject to the terms, conditions and exclusions hereinafter contained this Policy insures Property being only Engines, Spare Parts and Equipment destined to be fitted to or to form part of an aircraft, plus Tools and Supplies and Ground Equipment being the property of the Assured or the property of others for which the Assured is responsible, while such property is in the care, custody or control of the Assured on the ground, or is being carried as cargo in transit, by air (including Assured's aircraft) and/or steamers (approved or held covered at a premium to be arranged) and/or road and/or rail and/or conveyance.

2. Conditions

All risks of Physical Loss or Damage (except as hereafter excluded) but

Air Transits

Institute Cargo Clauses (AIR) 1/1/82

Marine Transits

Institute Cargo Clauses (A) 1/1/82

3. Geographical Limits

This Policy to cover the property described above, against the risks described above, whilst As Shown in the attached Aircraft Insurance Policy.

4. Exclusions

This Policy does not insure:-

- (a) Loss of or damage to any such property occurring at any time after the commencement of the operation of fitting it to or placing it on board the aircraft to which it is destined.
 - (b) Loss of or damage to an Engine occurring during the running or testing thereof.
 - (c) Mechanical or electrical derangement.
 - (d) Loss or damage caused by wear, tear or gradual deterioration.
 - (e) Loss or damage caused by or resulting from neglect of the Assured to use reasonable means to save and preserve the property at the time of and after any loss or damage.
 - (f) Loss of or damage to any property which has been detached from an aircraft and which is intended to be refitted to the aircraft and not to be replaced by other property.
 - (g) Loss of or damage to any property hereby insured which may be sustained whilst the same is under any process and directly resulting therefrom.
 - (h) Property carried in an aircraft as a spare parts kit.
 - (i) Property fitted to or forming part of an aircraft.
 - (j) The property of others carried or stored by the Assured for hire or reward.
 - (k) Mysterious disappearance or unexplained loss or shortage disclosed upon taking inventory.
5. This Policy is subject to the Nuclear Risks Exclusion Clause AVN71.
- 6. 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 Assured. An aircraft being outside the control of the Assured by reason of a peril excluded by paragraphs (f) or (g).

7. Deductible Clause

Each claim for loss or damage arising out of one event shall be adjusted separately and from the amount of such adjusted claim the sum of US\$ 5,000 each and every loss shall be deducted but claims for loss or damage caused by fire, wind, tornado and cyclone shall be paid in full.

8. Limits of Liability

The liability of the Underwriters shall not exceed:-

1. US\$ any one occurrence
2. US\$ any one sending
3. The cost of repair or the cost of replacement or the insured value, whichever shall be the least amount, in respect of any one item of property.

9. Salvage And Recoveries Clause

All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this Policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties thereto.

10. Loss Clause

Any loss hereunder shall not reduce the amount of this Policy. Employees and Others

SECTION III - A LEGAL LIABILITY TO THIRD PARTIES (OTHER THAN PASSENGERS)

1. Coverage

The Insurers will indemnify the Insured for all sums which the Insured shall become legally liable to pay, and shall pay, as compensatory damages (including costs awarded against the Insured) in respect of accidental bodily injury (fatal or otherwise) and accidental damage to property caused by the Aircraft or by any person or object falling therefrom.

2. Exclusions applicable to this Section only The Insurers shall not be liable for

- (a) injury (fatal or otherwise) or loss sustained by any director or employee of the Insured or partner in the Insured's business whilst acting in the course of his employment with or duties for the Insured; Operational Crew
- (b) injury (fatal or otherwise) or loss sustained by any member of the flight, cabin or other crew whilst engaged in the operation of the Aircraft; Passengers
- (c) injury (fatal or otherwise) or loss sustained by any passenger whilst entering, on board, or alighting from the Aircraft; Property
- (d) loss of or damage to any property belonging to or in the care, custody or control of the Insured; Noise and Pollution and Other Perils
- (e) claims excluded by the attached Noise and Pollution and Other Perils Exclusion Clause.

3. Limits of Indemnity applicable to this Section

The liability of the Insurers under this Section shall not exceed the amounts stated in Part 6(C) of the Schedule, less any amounts under Part 6(B). The Insurers will defray in addition any legal costs and expenses incurred with their written consent in defending any action which may be brought against the Insured in respect of any claim for compensatory damages covered by this Section, but should the amount paid or awarded in settlement of such claim exceed the Limit of Indemnity then the liability of the Insurers in respect of such legal costs and expenses shall be limited to such proportion of the said legal costs and expenses as the Limit of Indemnity bears to the amount paid for compensatory damages. See also Section IV

SECTION III - B LEGAL LIABILITY TO PASSENGERS

1. Coverage

The Insurers will indemnify the Insured in respect of all sums which the Insured shall become legally liable to pay, and shall pay, as compensatory damages (including costs awarded against the Insured) in respect of

- (a) accidental bodily injury (fatal or otherwise) to passengers whilst entering, on board, or alighting from the Aircraft and
- (b) loss of or damage to baggage and personal articles of passengers arising out of an Accident to the Aircraft.

Documentary Precautions

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;

Effect of Non-Compliance

- (ii) if the measures referred to in proviso (i) above include the issue 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 Section shall not exceed the amount of the legal liability, if any, that would have existed had the proviso been complied with.

2. Exclusions applicable to this Section only

The Insurers shall not be liable for injury (fatal or otherwise) or loss sustained by any Employees and Others

- (a) director or employee of the Insured or partner in the Insured's business whilst acting in the course of his employment with or duties for the Insured; Operational Crew
- (b) member of the flight, cabin or other crew whilst engaged in the operation of the Aircraft.

3. Limits of Indemnity applicable to this Section

The liability of the Insurers under this Section shall not exceed the amounts stated in the Schedule, less any amounts under Part 6 (B). The Insurers will defray in addition any legal costs and expenses incurred with their written consent in defending any action which may be brought against the Insured in respect of any claim for compensatory damages covered by this Section, but should the amount paid or awarded in settlement of such claim exceed the Limit of Indemnity then the liability of the Insurers in respect of such legal costs and expenses shall be limited to such proportion of the said legal costs and expenses as the Limit of Indemnity bears to the amount paid for compensatory damages. See also Section V

SECTION IV

(A) GENERAL EXCLUSIONS APPLICABLE TO ALL SECTIONS

This Policy does not apply to Illegal Uses

- 1. Whilst the Aircraft is being used for any illegal purpose or for any purpose other than those stated in the Schedule and as defined in the Definitions.

Geographical Limits

- 2. Whilst the Aircraft is outside the geographical limits stated in Part 5 of the Schedule unless due to force majeure.

Pilots

- 3. Whilst the Aircraft is being piloted by any person other than as stated in the Schedule except that the Aircraft may be operated on the ground by any person competent for that purpose. Transportation by other Conveyance

- 4. Whilst the Aircraft is being transported by any means of conveyance except as the result of an Accident giving rise to a claim under Section I of this Policy.

Landing and Take-off Areas

- 5. 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.

Contractual Liability

- 6. To liability assumed or rights waived by the Insured under any agreement (other than a passenger ticket/baggage check issued under Section III hereof) except to the extent that such liability would have attached to the Insured in the absence of such agreement.

Number of Passengers

- 7. Whilst the total number of passengers being carried in the Aircraft exceeds the declared maximum number of passengers stated in the Schedule.

Non- Contribution

- 8. To claims which are payable under any other policy or policies except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this insurance not been effected. Nuclear Risks 9. To claims excluded by the attached Nuclear Risks Exclusion Clause.

(B) CONDITIONS PRECEDENT APPLICABLE TO ALL SECTIONS

It is necessary that the Insured observes and fulfils the following Conditions before the Insurers have any liability to make any payment under this Policy.

Due Dilligence

- 1. The Insured shall at all times use due dilligence and do and concur in doing everything practicable to avoid accidents and to avoid or diminish any loss hereon.

Compliance with Air Navigation Orders etc.

- 2. The Insured shall comply with all air navigation and airworthiness orders and requirements issued by any competent authority 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.

Claims

Procedure 3. Immediate notice of any event likely to give rise to a claim under this Policy shall be given as stated in the Schedule. In all cases the Insured shall

- (a) furnish full particulars in writing of such event and forward immediately notice of any claim with any letters or documents relating thereto;
- (b) give notice of any impending prosecution;
- (c) render 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. The Insured shall not make any admission of liability or payment or offer or promise of payment without the written consent of the Insurers.

Claims Control

(C) GENERAL CONDITIONS APPLICABLE TO ALL SECTIONS

1. The Insurers shall be entitled (if they so elect) at any time and for so long as they desire to take absolute control of all negotiations and proceedings and in the name of the Insured to settle, defend or pursue any claim. Subrogation
2. Upon an indemnity being given or a payment being made by the Insurers under this Policy, they 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.

Variation in Risk

3. Should there be any change in the circumstances or nature of the risks which are the basis of this contract the Insured shall give immediate notice thereof to the Insurers and no claim arising subsequent to such change shall be recoverable hereunder unless such change has been accepted by the Insurers.

Cancellation

4. This Policy may be cancelled by either the Insurers or the Insured giving 10 days notice in writing of such cancellation. If cancelled by the Insurers they will return a pro rata portion of the premium in respect of the unexpired period of the Policy. If cancelled by the Insured a return of premium shall be at the discretion of the Insurers. There will be no return of premium in respect of any Aircraft on which a loss is paid or is payable under this Policy.

Assignment

5. This Policy shall not be assigned in whole or in part except with the consent of the Insurers verified by endorsement hereon.

Not Marine Insurance

6. This Policy is not and the parties hereto expressly agree that it shall not be construed as a policy of marine insurance.

Arbitration

7. This Policy shall be construed in accordance with Indian Law and any dispute or difference between the Insured and the Insurers shall be submitted to arbitration in India in accordance with the Statutory provision for arbitration for the time being in force.

Two or More Aircraft

8. When two or more Aircraft are insured hereunder the terms of this Policy apply separately to each.

Limit(s) of Indemnity

9. 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(s) of Indemnity stated in this Policy.

False and Fraudulent Claims

10. If the Insured shall make any claim knowing the same to be false or fraudulent as regards amount or otherwise this Policy shall become void and all claims hereunder shall be forfeited.

(D) DEFINITIONS

1. "ACCIDENT" means any one accident or series of accidents arising out of one event.
2. "UNIT" means a part or an assembly of parts (including any sub-assemblies) of the Aircraft which has been assigned an Overhaul Life as a part or an assembly. Nevertheless, an engine complete with all parts normally attached when removed for the purpose of overhaul or replacement, shall together constitute a single Unit.

3. "OVERHAUL LIFE" means the amount of use, or operational and/or calendar time which, according to the Airworthiness Authority, determines when overhaul or replacement of a Unit is required.
4. "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.
5. "PRIVATE PLEASURE" means use for private and pleasure purposes but NOT use for any business or profession nor for hire or reward.
6. "BUSINESS" means the uses stated in Private Pleasure and use for business or professional purposes but NOT use for hire or reward.
7. "COMMERCIAL" means the uses stated in Private Pleasure and Business and use for the carriage by the Insured of passengers, baggage accompanying passengers and cargo for hire or reward.
8. "RENTAL" means rental, lease, charter or hire 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. Rental for any other purpose is NOT insured under this Policy unless specifically declared to Insurers under SPECIAL RENTAL USES in the Schedule. Definitions 5, 6, 7 and 8 constitute Standard Uses and do not include instruction, aerobatics, hunting, patrol, fire-fighting, the intentional dropping, spraying or release of anything, any form of experimental or competitive flying, and any other use involving abnormal hazard, but when cover is provided details of such use(s) are stated Part 3 of the Schedule under SPECIAL USES.
9. "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. 10 "TAXIING" means movement of the Aircraft under its own power other than in Flight as defined. Taxiing shall not be deemed to cease merely by reason of a temporary halting of the Aircraft.
- 11 "MOORED" means, in the case of aircraft designed to land on water, whilst the Aircraft is afloat and is not in Flight or Taxiing as defined, and includes the risks of launching and hauling up.
- 12 "GROUND" means whilst the Aircraft is not in Flight or Taxiing or Moored as defined above.

ENDORSEMENT NUMBER 1

ATTACHING TO AND FORMING PART OF POLICY NUMBER:

ISSUED TO : and as more fully set forth in the Schedule. It is understood and agreed that effective inception this Policy is subject to the following:-

- (i) This Policy is subject to the following attached Endorsements/ Clauses as applicable:- Kin Geographical Areas Exclusion Clause LSW617F amended

Passenger Voluntary Settlement Endorsement AVN 34A

Premium Payment Clause LSW 3000 amended

Additions and Deletions (AVN 19A)

Nuclear Risks Exclusion Clause (AVN 38B)

Noise and Pollution and Other Perils Exclusion Clause (AVN 46B) Amended

War, Hi-Jacking and Other Perils Exclusion Clause (AVN 48B)

Extended Coverage Endorsement (Aviation Liabilities) (AVN52E)

Agreed Value Clause (AVN61) amended

Contracts (Rights of Third Parties) Act 1999 Exclusion Clause (AVN 72)

Supplementary Payments Clause (AVN 76) Amended

Medical and Funeral Expenses Inclusion Clause (AVN 80)

Date Recognition Exclusion Clause (AVN 2000A)

Date Recognition Limited Coverage Clause AVN 2001A

Asbestos Exclusion Clause 2488 AGM 00003

Liability to Pilots and Crew AVN 73

Pilot Indemnity Clause AVN 74

Cargo Legal Liability Endorsement (AVN 92)

Profit Commission On Renewal Clause (On Hull)

- (ii) In the event that an Aircraft insured hereon is fitted with a leased Engine(s), the Agreed Value of the Aircraft to which such Leased Engine(s) is attached is automatically increased by the Agreed Value of the Leased Engine(s) for the period it is installed, subject always to the maximum Agreed Value hereon not being exceeded & benefits of salvage to the Insurers hereon.
- (iv) Additional Insureds, Hold Harmless Agreement, Waivers of Subrogation, Breach of Warranty Assignments, Loss Payees and Contractual Agreements and New Agreements entered into by the Original Insured during the Period of Insurance are subject approval of the Insurers except those entered into in pursuance of the Insurers usual business operations.
New aircraft leases subject to AVN 67B or amendment thereto or replacement thereof.
- (v) Agree to include Liability Coverage including Bodily Injury/ Property Damage to any charter or customers (including their employees) who are included as additional /joint Assureds under the original policy.
- (vi) Coverage includes Civil Aviation Authority, India mandatory requirements.
- (vii) Agree to include all Insurance provisions as included within the purchase agreement between..... and.....
- (viii) Agree to include as an Additional Insured for their respective rights and interests.
- (viii) Agree to include all Insurance provisions as included within the Sale and Operating Lease Back Agreement between, Owner , Lessor , Lessee:.....
- (viii) Insurers agree to Waiver of Subrogation in favour of and/or their affiliated companies. (ix) Agreed to include Non-Ownership Liability for any type of Aircraft up to Policy Limits hereon, subject to passenger seating not exceeding any one Aircraft.
- (x) Wherever the words 'Insured' and 'Assured' appear herein they shall be deemed to be synonymous, and wherever the words 'Insurers' and 'Underwriters' appear they shall also be deemed to be synonymous. ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS REMAIN UNCHANGED.

KILN GEOGRAPHIC AREAS EXCLUSION CLAUSE LSW 617F AMENDED

1. This policy excludes loss, damage or expense arising from any of the following countries and regions:

- a) Cabinda, Burundi, Central African Republic, Congo, Democratic Republic of Congo, Eritrea, Ethiopia, Ivory Coast, Liberia, Sierra Leone, Somalia.
 - b) Colombia, Ecuador, Peru.
 - c) Checheno / Ingushskaya and Nagorna- Karabakh
 - d) Iraq, Syria
 - e) Any operations where the operations of the insured aircraft is in breach of United Nations sanctions.
2. However coverage pursuant to this Policy is granted:
 - a) for the over flight of any excluded country where the flight is within an internationally recognised air corridor and is performed in accordance with I.C.A.O. recommendations; or
 - b) in circumstances where an insured Aircraft has landed in an excluded as a direct consequence and exclusively as a result of force majeure subject advice to Underwriters within 72 hours.
 3. Any excluded country may be covered by underwriters at terms to be agreed by the Slip Leader only prior to flight.

PASSENGER VOLUNTARY SETTLEMENT ENDORSEMENT

1. In consideration of 'Nil' additional premium it is agreed that the Insurers will at the request of and regardless of legal liability of the Named Insured offer settlement on the basis of the benefits hereinafter set forth in respect of bodily injury sustained by any passenger caused by an Accident provided that at the time of such Accident causing such bodily injury the Passenger Liability Section of the Policy is effective in respect of such accident.

2. LIMITS OF SETTLEMENT

For death or for total loss of two limbs or total loss of sight of two eyes or total loss of one limb and total loss of sight of one eye (or any combination thereof) the amount offered shall not exceed the amount expressed as the limit of settlement for "each passenger" shown below; or

For total loss of one limb or total loss of sight of one eye the amount offered shall not exceed one half of the amount expressed as the limit of settlement for "each passenger" shown below.

For permanent total disablement other than by loss of limbs or sight the amount offered shall not exceed the amount expressed as the limit of settlement for "each passenger shown below.

Subject to the limit for "each passenger" the total of the amounts which the Insurers shall offer on account of bodily injury sustained by two or more passengers in any one accident shall not exceed the amount expressed as the limit of settlement for "each accident" shown below.

3. DEFINITIONS

"ACCIDENT" means any one accident or series of accidents arising out of one event.

"LOSS OF A LIMB" means loss by physical separation of a hand at or above the wrist or of a foot at or above the ankle.

"TOTAL LOSS OF SIGHT" means loss of sight which is certified as being entire and irrecoverable by a licensed ophthalmologist.

"PERMANENT TOTAL DISABLEMENT" means disablement which has for twelve months from the date of the accident necessarily and continuously disabled the passenger from attending to business or occupation of any and every kind or if he has no business or occupation confined him immediately and continuously to the house and prevented him from attending to any of his usual duties (if any) and at the expiry of that twelve months period being beyond hope of improvement.

4. ADDITIONAL EXCLUSIONS

The Insurers shall not be liable under the terms of this Endorsement

- (a) for any payment which may be used to satisfy that obligation for which the Insured or any Company as his insurer may be held liable under workers compensation, employers liability, unemployment compensation or disability benefits law or any similar law;
- (b) for bodily injury to any passenger caused by his suicide or attempted suicide or intentional self-injury or own criminal or felonious act or by his own act whilst in a state of insanity or intoxication;
- (c) for bodily injury to any passenger caused by disease or natural causes, or medical or surgical treatment (except where such treatment is rendered necessary by bodily injury caused by Accident within the scope of this Endorsement);
- (d) for bodily injury to any passenger carried for hire or reward; (e) for bodily injury to any member of the flight or cabin crew.

5. ADDITIONAL CONDITIONS

- (a) The Insured shall furnish, as soon as practicable after each request from the Insurers, reasonably obtainable information pertaining to injury sustained by passengers. In the event of death immediate notice must be sent to the Insurers.
- (b) In consideration of any settlement under the provisions of this Endorsement and as a condition precedent thereto, the Insurers shall be provided with a full legal release for all claims for damages against the Insured and/or any other party(ies) protected by this Policy from the injured passenger and/or any person having a cause of action for such bodily injury. If the injured passenger or any person claiming by, through or under him shall fail to accept in writing within thirty (30) days from the date of offering the voluntary settlement under the provisions of this Endorsement or to execute the necessary release then the Insurers may, at their option, withdraw the offered voluntary settlement, without notice, in which circumstances the Insurers will no longer be bound by the undertakings expressed in the preceding paragraphs. If subsequent to an offer of voluntary settlement being made in respect of any passenger any claim suit or demand is made or prosecuted against the Insured for damages on account of such bodily injury, such claim suit or demand shall be considered as refusal to accept such voluntary settlement and the obligations of the Insurers as expressed in the Passenger Liability Section of the policy to which this Endorsement is attached, shall be available as fully and completely as if this Endorsement had not been issued.

Limits of Settlement

Each Passenger US\$.....

Each Accident

US\$.....

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this Endorsement is subject to the terms, exclusions, conditions and limitations of the policy to which it is attached.

AVN34A

30.4.02

PREMIUM PAYMENT CLAUSE LSW 3000 AMENDED

The Insured undertakes that premium will be paid in full to Underwriters within 60 days of inception of this policy (or, in respect of installment premiums, when due).

If the premium due under this policy has not been so paid to Underwriters by the 61st day from the inception of this policy (and, in respect of installment premiums, by the date they are due) Underwriters shall have the right to cancel this policy by notifying the Insured via the broker in writing. In the event of cancellation, premium is due to Underwriters on a pro rata basis for the period that Underwriters are on risk but the full policy premium shall be payable to Underwriters in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this policy.

It is agreed that Underwriters shall give not less than 30 days prior notice of cancellation to the Insured via the broker. If premium due is paid in full to Underwriters before the notice period expires, notice of cancellation shall automatically be revoked. If not, the policy shall automatically terminate at the end of the notice period. Unless otherwise agreed, the Leading Underwriter (and Agreement Parties if appropriate) are authorised to exercise rights under this clause on their own behalf and on behalf of all Underwriters participating in this contract.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

ADDITIONS AND DELETIONS

(Applicable combined to Hulls and Liabilities)

1. The insurance afforded by this Policy is automatically extended to include at pro rata additional premium further Aircraft added during the currency of this Policy provided such Aircraft are owned or operated by the Assured and are of the same type and value as Aircraft already covered hereunder and of no greater seating capacity.
2. The inclusion of additional Aircraft of other types or different values or greater seating capacity shall be subject to special agreement and rating by Underwriters prior to attachment.
3. Under the Aircraft loss or physical damage Section, aircraft which have been sold or disposed of shall be deleted from this Policy and the Insured shall be entitled to pro rata return of premium provided no claim has arisen and become payable under this Policy in respect of such Aircraft, and that this Policy is not cancelled by virtue of such deletion.
4. Under the Liability Section(s) of this Policy, Aircraft which have been sold or disposed of shall be deleted from this policy and the Insured shall be entitled to pro - rata return of premium.

ALWAYS PROVIDED THAT:-

- (i) Notwithstanding the foregoing provisions for additions and deletions the premium in respect of each separate period of Flight Risk Insurance on any Aircraft covered during the currency of this Policy shall in no case be less than fifteen days' pro rata premium.
- (ii) In the event of a claim arising in respect of any Aircraft added hereto being settled on a total loss basis full twelve months premium shall be paid hereunder in respect of such Aircraft.
- (iii) Notice of the addition or deletion of any Aircraft under the provisions of Paragraphs 1, 3 and 4 respectively shall be given to the Underwriters or their representatives in writing within ten days of attachment or deletion.

18.03.2002

AVN19A

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 nature directly 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)

Beta, gamma and low toxicity alpha emitters All other emitters

Maximum permissible level of non-fixed radioactive surface contamination (Averaged over 300 cm²)

Not exceeding 4 Bequerels/cm²

(10 - 4 microcuries/cm²)

Not exceeding 0.4 Bequerels/cm²

(10 - 5 microcuries/cm²)

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

22/7/96

AVN38B

NOISE AND POLLUTION AND OTHER PERILS EXCLUSION CLAUSE

(Not applicable to Cargo Legal Liability)

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 Underwriters to investigate or defend claims, such provision shall not apply and Underwriters 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, Underwriters 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.

Amended

Notwithstanding the above this clause

- a. Shall not apply to liability in respect of passengers, baggage, cargo & mail

01/10/96

AVN46B (Amended)

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 is outside the control of the Insured by reason of any of the above perils. The Aircraft shall be deemed to have been restored to the control of the Insured on the safe return of the Aircraft to the Insured at an airfield not excluded by the geographical limits of this Policy, 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).

01/10/96

AVN48B

EXTENDED COVERAGE ENDORSEMENT (AVIATION LIABILITIES)

1. WHEREAS the Policy of which this Endorsement forms part includes the War, Hi-Jacking and Other Perils - Exclusion Clause (Clause AVN48B), IN CONSIDERATION of an Additional Premium (included), it is hereby understood and agreed that with effect from inception, all sub-paragraphs other than (b) of Clause AVN48B forming part of this Policy are deleted SUBJECT TO all terms and conditions of this Endorsement.

2. EXCLUSION applicable only to any cover extended in respect of the deletion of sub-paragraph (a) of Clause AVN48B

Cover shall not include liability for damage to any form of property on the ground situated outside Canada and the United States of America unless caused by or arising out of the use of aircraft.

3. LIMITATION OF LIABILITY

The limit of Insurer's liability in respect of the coverage provided by this Endorsement shall be a sub-limit of US\$ or the applicable Policy limit whichever is less Any One Occurrence and in the Annual aggregate except with respect to passengers to whom the full Policy limit(s) shall apply. This sub-limit shall apply within the full Policy limits and not in addition thereto.

4. AUTOMATIC TERMINATION

To the extent provided below, cover extended by this Endorsement shall TERMINATE AUTOMATICALLY in the following circumstances:

- (i) **All cover** upon the outbreak of war (whether there be a declaration of war or not) between any two or more of the following States, namely, France, the People's Republic of China, the Russian Federation, the United Kingdom, the United States of America
- (ii) **Any cover extended in respect of the deletion of sub-paragraph (a) of Clause AVN48B** upon the hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter wheresoever or whensoever such detonation may occur and whether or not the Insured Aircraft may be involved
- (iii) **All cover in respect of any of the Insured Aircraft requisitioned for either title or use** Upon such requisition

PROVIDED THAT if an Insured Aircraft is in the air when (i), (ii) or (iii) occurs, then the cover provided by this Endorsement (unless otherwise cancelled, terminated or suspended) shall continue in

respect of such an Aircraft until completion of its first landing thereafter and any passengers have disembarked.

5. REVIEW AND CANCELLATION**(a) Review of Premium and/or Geographical Limits (7 days)**

Insurers may give notice to review premium and/or geographical limits - such notice to become effective on the expiry of seven days from 23.59 hours GMT on the day on which notice is given.

(b) Limited Cancellation (48 hours)

Following a hostile detonation as specified in 3.(ii) above, Underwriters may give notice of cancellation of one or more parts of the cover provided by paragraph 1. of this Endorsement by reference to sub-paragraphs (c), (d), (e), (f) and/or (g) of Clause AVN48B - such notice to become effective on the expiry of forty-eight hours from 23.59 hours GMT on the day on which notice is given.

(c) Cancellation (7 days)

The cover provided by this Endorsement may be cancelled by either Underwriters or the Insured giving notice to become effective on the expiry of seven days from 23.59 hours GMT on the day on which such notice is given.

(d) Notices

All notices referred to herein shall be in writing.

21/09/2001

AVN52E

AGREED VALUE CLAUSE

In respect of claims adjusted on the basis of a total loss Insurers shall pay to the Insured the Agreed Value of the Aircraft as stated in the Policy Schedule less any applicable deductible. Insurers may, at their discretion, take the salvage of such Aircraft, together with all appropriate documents appertaining thereto, but in no event shall there be any abandonment to Insurers. The foregoing provision shall not apply to claims arising in respect of partial loss or damage where Insurers shall retain the right to repair, replace or make good as they deem expedient.

AVN61

1.10.96

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 terms 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.

9.2.2000

AVN72

SUPPLEMENTARY PAYMENTS CLAUSE

AVN76 AMENDED

It is understood and agreed that this Policy is extended to cover as more fully set forth under those paragraph(s) identified below. It is expressly understood that no cover is provided under those paragraphs of this Clause which have not been identified below.

The Insurers agree to indemnify the Insured for

- (a) any reasonable expenses incurred for the purpose of search and rescue operations for an Aircraft insured hereunder determined to be missing and unreported after the computed maximum endurance of the flight has been exceeded;
- (b) any reasonable expenses incurred for the purpose of runway foaming to prevent or mitigate possible loss or damage because of malfunction or suspected malfunction of an Aircraft insured hereunder;

- (c) any reasonable expenses incurred for the purpose of attempted or actual raising, removal, disposal or destruction of the wreck of an Aircraft insured hereunder and the contents thereof;
- (d) any reasonable expenses which the Insured may be called upon to pay in respect of any public inquiry or inquiry by the Civil Aviation Authority or any other relevant authority into an Accident involving an Aircraft insured hereunder.
- (e) any reasonable expenses incurred in fire and crash operations related to an Aircraft insured hereon.

Coverage is provided under paragraphs (a), (b), (c) (d) and (e) above.

Provided always that Insurers' liability shall not exceed USD in the aggregate in respect of each paragraph, in addition to the sum insured.

MEDICAL AND RELATED EXPENSES INCLUSION CLAUSE

It is understood and agreed that this Policy is extended to pay all reasonable expenses incurred within one year from the date of accident for necessary medical, surgical, ambulance, hospital, professional nursing, repatriation and funeral expenses to or for each person who sustains bodily injury, sickness or disease, caused by accident whilst in, entering or alighting from the Aircraft if the Aircraft is being used by the Insured or with his permission. As soon as practicable, the injured person or someone on his behalf shall give to the Insurers or any of their representatives written proof of claim, under oath if required, and shall, after each request from the Insurers, execute authorisation to enable the Insurers to obtain medical reports and copies of records. The injured person shall submit to physical examination by physicians selected by the Insurers when and as often as the Insurers may reasonably require.

The insurance afforded by this coverage shall be subject to a Policy limit of US\$ in the policy aggregate and shall be excess insurance over any other valid and collectible insurance applicable thereto.

The coverage afforded by this Clause extends to the pilot(s) and operational crew of the Aircraft.

AVN 80

09.02.01

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 an 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.

14.03.2001

AVN.2000A

DATE RECOGNITION LIMITED COVERAGE CLAUSE

WHEREAS the Policy of which this Endorsement forms part includes the Date Recognition Exclusion Clause (Clause AVN 2000A), it is hereby understood and agreed that, subject to all terms and provisions of this Endorsement, Clause AVN 2000A shall not apply:

- (1) to any accidental loss or damage to an aircraft defined in the Policy Schedule ("Insured Aircraft");
- (2) to any sums which the Insured shall become legally liable to pay, and (if so required by the Policy) shall pay (including costs awarded against the Insured) in respect of:
 - (a) accidental bodily injury, fatal or otherwise, to passengers caused by an accident to an Insured Aircraft; and/or
 - (b) loss of or damage to baggage and personal articles of passengers, mail and cargo caused by an accidental to an Insured Aircraft; and/or
 - (c) accidental bodily injury, fatal or otherwise, and accidental damage to property caused by an Insured aircraft or by any person or object falling therefrom.

PROVIDED THAT:

- 1. Coverage provided pursuant to this Endorsement shall be subject to all terms, conditions, limitations, warranties, exclusions and cancellation provisions of the Policy (except as specifically provided herein), and nothing in this Endorsement extends coverage beyond that which is provided by the Policy.
- 2. Nothing in this Endorsement shall provide any coverage:
 - (a) in respect of grounding of any aircraft, and/or
 - (b) in respect of loss of use of any property unless it arises out of physical damage to or destruction of property in the accident giving rise to a claim under the Policy.
- 3. The Insured recognises that the Insurers consider the information provided by the Insured in the application form, and/or other documentation provided, to be material to their decision to issue this Endorsement. The Insured further agrees that it has a continuing obligation to disclose in writing to the Insurers during the Policy period any additional material facts relating to the Date Recognition Conformity of the Insured's operations, equipment and products.

14.03.2001

AVN 2001A

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.

2488AGM00003**LIABILITY TO PILOTS AND CREW CLAUSE**

It is understood and agreed that notwithstanding any exclusion specifically relating to pilots and operational crew in the Section of this Policy covering the liability of the Insured to passengers, such coverage shall extend to include the liability of the Insured to the pilots and operational crew of the insured Aircraft, but excluding liability required to be insured under the terms of any employers' liability or workman's compensation legislation or any similar legislation.

AVN 73**09.02.01****PILOT INDEMNITY CLAUSE**

The Sections of this Policy covering bodily injury liability, including to passengers, and property damage liability are extended to cover, as if he/ she were the Insured, any pilot authorized by the Insured under the terms of the Policy in respect of injury or damage arising out of the operation of the Aircraft described in the Schedule to the Policy, but not so as to increase the liability of Insurers beyond the amount which would otherwise have been payable under this Policy had liability been incurred by the Insured. Provided always that

1. At the time of any accident giving rise to a claim under this Clause the said pilot
 - a) shall as though he/ she were the Insured, observe, fulfil and be subject to the terms, conditions and exclusions contained in the Policy, and
 - b) is not entitled to indemnity under any other policy.
2. There shall be no indemnity under this Clause in respect of claims made against the pilot by the Insured and / or with respect to the Aircraft described in the Schedule to the Policy.

AVN 74**09.2.01****CARGO LEGAL LIABILITY ENDORSEMENT**

This Endorsement extends the coverage provided under Section III - B of this Policy, subject to the Limit of Indemnity and to the Deductible stated below, for legal liability in respect of accidental physical loss of or damage to cargo whilst in the care, custody or control of the Insured, for the purpose of carriage by air.

Provided always that

1. Before accepting any cargo for the purpose of carriage by air the Insured shall take such measures (including but not limited to the issue or acceptance of an air waybill) as are necessary to exclude or limit liability for claims in respect of the accidental physical loss of or damage to that cargo to the extent permitted by law. In no event shall the amount of the indemnity provided by Insurers under this Endorsement exceed the amount of the legal liability, if any, that would have existed had the Insured taken such measures.
2. The Insured shall ensure that cargo in their care, custody or control is kept in secure premises at all times other than during transit.

Coverage provided by this Endorsement attaches from the time of acceptance of such cargo by the Insured and ceases upon delivery by the Insured at the final destination or when handed over to a successive carrier. This Endorsement does not apply to legal liability in respect of:

1. delay or loss of market;
2. perishables and/or livestock;
3. consequential loss howsoever arising;

4. slung loads;

5. money, securities, precious stones, precious metals, jewellery, fine art and antiques of any kind.

LIMIT OF INDEMNITY US\$.....**DEDUCTIBLE****NIL****AVN 92****30.4.02****SECTION II – AVIATION HULL “WAR AND ALLIED PERILS”****SECTION ONE: LOSS OF OR DAMAGE TO AIRCRAFT**

Subject to the terms, conditions and limitations set out below, this Policy covers loss of or damage to the Aircraft stated in the Schedule against claims excluded from the Assured's Hull "All Risks" Policy as 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) Strikes, riots, civil commotions or labour disturbances.
- (c) 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.
- (d) Any malicious act or act of sabotage.
- (e) 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.
- (f) 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 Assured. For the purpose of this paragraph (f) only, an aircraft is considered to be in flight at any time from the moment when all its external doors are closed following embarkation until the moment when any such door is opened for disembarkation or when the aircraft is in motion. A rotor-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.

Furthermore this Policy covers claims excluded from the Hull "All Risks" Policy from occurrences whilst the Aircraft is outside the control of the Assured by reason of any of the above perils. The Aircraft shall be deemed to have been restored to the control of the Assured on the safe return of the Aircraft to the Assured at an airfield not excluded by the geographical limits of this Policy, 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).

SECTION TWO: EXTORTION AND HI-JACK EXPENSES

1. This Policy will also indemnify the Assured subject to the terms, conditions, exclusions and limitations set out below, and up to the limit stated in the Schedule, for 90% of any payment properly made in respect of:
 - (a) threats against any Aircraft stated in the Schedule or its passengers or crew made during the currency of this Policy.
 - (b) extra expenses necessarily incurred following confiscation, etcetera (as Section One clause (e)) or hijacking, etcetera (as Section One clause (f)) of any Aircraft stated in the Schedule.

2. No cover will be provided under this Section of the Policy in any territory where such insurance is not lawful, and the Assured is at all times responsible for ensuring that no arrangements of any kind are made which are not permitted by the proper authorities.

SECTION THREE: GENERAL EXCLUSIONS

This Policy excludes loss, damage or expense caused by one or any combinations of any of the following:

- (a) war (whether there be a declaration of war or not) between any of the following States: the United Kingdom, the United States of America, France, the Russian Federation, the People's Republic of China; nevertheless, if any Aircraft is in the air when an outbreak of such war occurs, this exclusion shall not apply in respect of such Aircraft until the said Aircraft has completed its first landing thereafter;
- (b) confiscation, nationalisation, seizure, restraint, detention, appropriation, requisition for title or use by or under the authority of the Government(s) stated in the Schedule, or any public or local authority under its jurisdiction;
- (c) the emission, discharge, release or escape of any chemical, biological or biochemical materials or the threat of same but this exclusion shall not apply;
 - (i) if such materials are used or threatened to be used solely and directly in:-
 - (1) the Hi-jacking, unlawful seizure or wrongful exercise of control of an Aircraft in flight and then only in respect of loss of or damage to such Aircraft the subject of a valid claim under clause (f) Section One above; or
 - (2) any threat against an Aircraft stated in the Schedule or its passengers or crew and then only in respect of payments as are insured under Section Two above;
 - (ii) other than as provided for in sub-paragraph (1) above, to loss of or damage to an Aircraft if the use of such materials is hostile and originates solely and directly;
 - (1) on board such Aircraft, whether it is on the ground or in the air, or
 - (2) external to such Aircraft and causes physical damage to the Aircraft whilst the Aircraft's wheels are not in contact with the ground.

Any emission, discharge, release or escape originating external to the Aircraft that causes damage to the Aircraft as a result of contamination without other physical damage to the Aircraft exterior is not covered by this Policy.
- (d) any debt, failure to provide bond or security or any other financial cause under court order or otherwise;
- (e) the repossession or attempted repossession of the Aircraft either by any title holder, or arising out of any contractual agreement to which any Assured protected under this Policy may be party;
- (f) delay, loss of use, or except as specifically provided in Section Two any other consequential loss; whether following upon loss of or damage to the Aircraft or otherwise.
- (g) any use, hostile or otherwise, of radioactive contamination or matter but this exclusion shall not apply to loss of or damage to an Aircraft if such use is hostile and originates solely and directly;
 - (i) on board such Aircraft, whether it is on the ground or in the air, or
 - (ii) external to such Aircraft and causes physical damage to the Aircraft whilst the Aircraft's wheels are no longer in contact with the ground

Any such use originating external to the Aircraft that causes damage to the Aircraft as a result of contamination without other physical damage to the Aircraft exterior is not covered by this Policy.

- (h) any use, hostile or otherwise, of an electromagnetic pulse but this exclusion shall not apply to loss of or damage to an Aircraft if such use originates solely and directly on board such Aircraft, whether it is on the ground or in the air.
- (i) any detonation, hostile or otherwise, of any device employing atomic or nuclear fission and/or fusion or other like reaction, and notwithstanding (g) and (h) above, any radioactive contamination and electromagnetic pulse resulting directly from such detonation is also excluded by this Policy.

SECTION FOUR: GENERAL CONDITIONS

1. This Policy is subject to the same warranties, terms and conditions (except as regards the premium, the obligations to investigate and defend, the renewal agreement (if any), the amount of deductible or self insurance provision where applicable AND EXCEPT AS OTHERWISE PROVIDED HEREIN) as are contained in or may be added to the Assured's Hull "All Risks" Policy.
2. Should there be any Material Change in the nature or area of the Assured's operations, the Assured shall give immediate notice of such Change to the Underwriters; no claim arising subsequent to a Material Change over which the Assured had control shall be recoverable hereunder unless such change has been accepted by the Underwriters. "Material Change" shall be understood to mean any change in the operation of the Assured which might reasonably be regarded by the Underwriters as increasing their risk in degree or frequency, or reducing possibilities of recovery or subrogation.
3. The due observance and fulfilment of the terms, provisions, conditions and endorsements of this Policy shall be conditions precedent to any liability of the Underwriters to make any payment under this Policy: in particular the Assured should use all reasonable efforts to ensure that he complies and continues to comply with the laws (local or otherwise) of any country within whose jurisdiction the Aircraft may be, and to obtain all permits necessary for the lawful operation of the Aircraft.
4. Subject always to the provisions of Section Five, and the Schedule, Underwriters hereon agree to follow the Hull "All Risks" Policy in respect of Breach of Warranty Cover, Hold Harmless Agreements and Waivers of Subrogation.

SECTION FIVE: CANCELLATION REVISION AND AUTOMATIC TERMINATION

Amendment of Terms or Cancellation

1. (a) Underwriters may give notice, effective on the expiry of 7 days from midnight G.M.T. on the day on which notice is issued, to review the rate of premium and/or the geographical limits. In the event of the review of the rate of premium and/or geographical limits not being accepted by the Assured then at the expiry of the said 7 days, this Policy shall become cancelled at that date.

Automatic Review of Terms or Cancellation

- (b) Notwithstanding 1(a) above, this Policy is subject to automatic review by Underwriters of the rate of premium and/or conditions and/or geographical limits effective on the expiry of 7 days from the time of any hostile detonation of any device including any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter wherever or whensoever such detonation may occur and whether or not the insured Aircraft

may be directly affected. In the event of the review of the rate of premium and/or conditions and/or geographical limits not being accepted by the Assured then at the expiry of the said 7 days, this Policy shall become cancelled at that date.

Cancellation by Notice

- (c) This Policy may be cancelled by the Assured or Underwriters giving notice not less than 7 days prior to the end of each period of 3 months from inception.

Automatic Termination

2. Whether or not such notice of cancellation has been given this Insurance shall TERMINATE AUTOMATICALLY Upon the outbreak of war (whether there be a declaration of war or not) between any of the following States, namely, the United Kingdom, the United States of America, France, the Russian Federation, the People's Republic of China.

PROVIDED THAT if the Aircraft is in the air when such outbreak of war occurs then this insurance, subject to its terms and conditions and provided not otherwise cancelled, terminated or suspended, will be continued in respect of such Aircraft until the said Aircraft has completed its first landing thereafter.

ENDORSEMENT NUMBER: 1

ATTACHING TO AND FORMING PART OF POLICY NUMBER:

ISSUED TO: and as more fully set forth in the Schedule.

It is understood and agreed that effective inception this policy is subject to the following:-

- I. this policy is subject to the following attached Endorsements/ Clauses:-
 - I. Kiln Geographical Areas Exclusion Clause LSW617F (Amended) ii. Agreed Value Clause AVN61 (Amended) iii. Supplementary Expenses AVN 76 (Amended) iv. Premium payment LSW 3000 (Amended)
 - II. All terms and conditions to automatically follow the Hull , Spares and equipment "All Risk" Policy as may be applicable, including amendments during currency
 - III. Automatic pro rata additions, deletions and substitutions of Aircraft subject maximum value hereon USD any one Aircraft
 - IV. Additional Insured's Waiver of Subrogation, Loss, Payees, Hold Harmless, Breach of warranty, Contractual, Lease, Purchase, Operating Agreements and the like as agreed by Hull Insurers subject AVN 67B (Hull War) as applicable
 - V. Noted and agreed that coverage hereunder includes whilst over flying any area excluded under the Geographical Limits hereon
 - VI. It is agreed that where the Insured or his employees are rendered by any peril covered by this Policy unable to protect the Aircraft from damage, wear, tear or gradual deterioration or are prevented from performing any service or maintenance to the Aircraft made necessary by the passage of time, this policy shall cover all costs and expenses necessarily incurred to reinstate the Aircraft to its condition immediately prior to exposure to such peril. VII. In the event that an Aircraft insured hereon is fitted with a Leased Engine(s), the Agreed Value of the Aircraft to which such Leased Engine(s) is attached is automatically increased by the Agreed Value of the Leased Engine(s) for the period it is installed, subject always to the maximum Agreed Value hereon not being exceeded. (Insurers to retain the rights of salvage on the detached engine).

VIII. Agreed to include all Insurance provisions as included within the purchased agreement between and

IX. Agreed to include all Insurance Provisions as included within the Sale and Operating Lease- Back Agreement between the following parties:

Owner:

Lessor:

Lessee:

KILN GEOGRAPHIC AREAS EXCLUSION CLAUSE LSW 617F AMENDED

1. This policy excludes loss, damage or expense arising from any of the following countries and regions:
 - f) Cabinda, Burundi, Central African Republic, Congo, Democratic Republic of Congo, Eritrea, Ethiopia, Ivory Coast, Liberia, Sierra Leone, Somalia.
 - g) Colombia, Ecuador, Peru.
 - h) Checheno / Ingushskaya and Nagorna - Karabakh
 - i) Iraq, Syria
 - j) Any operations where the operations of the insured aircraft is in breach of United Nations sanctions.
2. However coverage pursuant to this Policy is granted:
 - a) for the over flight of any excluded country where the flight is within an internationally recognised air corridor and is performed in accordance with I.C.A.O. recommendations; or
 - b) in circumstances where an insured Aircraft has landed in an excluded as a direct consequence and exclusively as a result of force majeure subject advice to Underwriters within 72 hours.
3. Any excluded country may be covered by underwriters at terms to be agreed by the Slip Leader only prior to flight.

AGREED VALUE CLAUSE AVN61 AMENDED

In respect of claims adjusted on the basis of a total loss Insurers shall pay to the Insured the Agreed Value of the Aircraft as stated in the Policy Schedule less any applicable deductible. Insurers may, at their discretion, take the salvage of such Aircraft, together with all appropriate documents appertaining thereto, but in no event shall there be any abandonment to Insurers. The foregoing provision shall not apply to claims arising in respect of partial loss or damage where Insurers shall retain the right to repair, replace or make good as they deem expedient.

SUPPLEMENTARY PAYMENTS CLAUSE AVN76 AMENDED

It is understood and agreed that this Policy is extended to cover as more fully set forth under those paragraph(s) identified below. It is expressly understood that no cover is provided under those paragraphs of this Clause which have not been identified below.

The Insurers agree to indemnify the Insured for

- (a) any reasonable expenses incurred for the purpose of search and rescue operations for an Aircraft insured hereunder determined to be missing and unreported after the computed maximum endurance of the flight has been exceeded;
- (b) any reasonable expenses incurred for the purpose of runway foaming to prevent or mitigate possible loss or damage because of malfunction or suspected malfunction of an Aircraft insured hereunder;
- (c) any reasonable expenses incurred for the purpose of attempted or actual raising, removal, disposal or destruction of the wreck of an Aircraft insured hereunder and the contents thereof;

- (d) any reasonable expenses which the Insured may be called upon to pay in respect of any public inquiry or inquiry by the Civil Aviation Authority or any other relevant authority into an Accident involving an Aircraft insured hereunder.
- (e) any reasonable expenses incurred in fire and crash operations related to an Aircraft insured hereon. Coverage is provided under paragraphs (a), (b), (c) (d) and (e) above.

Provided always that Insurers' liability shall not exceed USD in the aggregate in respect of each paragraph, in addition to the sum insured.

PREMIUM PAYMENT CLAUSE

LSW 3000 AMENDED

The Insured undertakes that premium will be paid in full to Underwriters within 60 days of inception of this policy (or, in respect of installment premiums, when due).

If the premium due under this policy has not been so paid to Underwriters by the 61st day from the inception of this policy (and, in respect of installment premiums, by the date they are due) Underwriters shall have the right to cancel this policy by notifying the Insured via the broker in writing. In the event of cancellation, premium is due to Underwriters on a pro rata basis for the period that Underwriters are on risk but the full policy premium shall be payable to Underwriters in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this policy.

It is agreed that Underwriters shall give not less than 30 days prior notice of cancellation to the Insured via the broker.

If premium due is paid in full to Underwriters before the notice period expires, notice of cancellation shall automatically be revoked. If not, the policy shall automatically terminate at the end of the notice period. Unless otherwise agreed, the Leading Underwriter (and Agreement Parties if appropriate) are authorised to exercise rights under this clause on their own behalf and on behalf of all Underwriters participating in this contract. If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

DURATION TRANSIT CLAUSE

This insurance

- 1.1 attaches only as the Spares and Equipment insured and as to any part as that part is loaded on an overseas vessel or an aircraft for the commencement of a sea or air transit and
- 1.2 terminates, subject to 2. and 3. below, either as the Spares and Equipment insured and as to any part as that part is discharged from an overseas vessel or aircraft at the final port or place of discharge, or on expiry of 15 days counting from midnight of the day of arrival of the vessel or aircraft at the final port or place of discharge, whichever shall first occur; nevertheless, such insurance
- 1.3 reattaches when, without having discharged the Spares and Equipment insured at the final port or place of discharge, the vessel sails therefrom, or the aircraft departs therefrom, and
- 1.4 terminates, subject to 2. and 3. below, either as the Spares and Equipment insured and as to any part as that part is thereafter discharged from the vessel or the aircraft at the final (or substituted) port or place of discharge, or on expiry of 15 days counting from midnight of the day of re-arrival of the vessel or aircraft at the final port or place of discharge or arrival of the vessel or aircraft at a substituted port or place of discharge, whichever shall first occur.

2. If during the insured voyage or transit the overseas vessel or aircraft arrives at an intermediate port or place to discharge the Spares and Equipment insured for on-carriage by overseas vessel or by aircraft, or the goods are discharged from the vessel at a port or place of refuge, then subject to 3. below, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the vessel or aircraft at such port or place, but thereafter reattaches as the Spares and Equipment insured and as to any part as that part is loaded on an on-carrying overseas vessel or aircraft. During the period of 15 days the insurance remains in force after discharge only whilst the Spares and Equipment insured and as to any part as that part is at such intermediate port or place.
3. If the voyage or air transit in the contract of carriage is terminated at a port or place other than the destination agreed therein, such port or place shall be deemed the final port or place of discharge and such insurance terminates in accordance with 1.2. If the Spares and Equipment insured are subsequently reshipped or consigned to the original or any other destination, then such insurance reattaches
 - 3.1 in the case of the Spares and Equipment insured having been discharged, as the Spares and Equipment insured and as to any part as that part is loaded on the on-carrying vessel for the voyage or the on-carrying aircraft for transit;
 - 3.2 in the case of the Spares and Equipment insured not having been discharged, when the vessel sails or the aircraft departs from such deemed final port or place of discharge; thereafter such insurance terminates in accordance with 1.4.
4. This insurance shall remain in force during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to shipowners, charterers or air carriers under a contract of carriage.

SPARES AND EQUIPMENT EXTENSION CLAUSE

1. This Policy is extended to apply to loss of or damage to Spares and Equipment as insured under the Insured's Spares and Equipment "All Risks" Policy subject to the following:
 - (a) Paragraphs 1(b), 1(c), 1(d), 1(e) and 1(f) of Section One apply, including whilst the Spares and Equipment are in transit by any means of conveyance, and
 - (b) Paragraph 1(a) of Section One applies whilst the Spares and Equipment are in transit by air and/or sea in accordance with the Duration Transit Clause below.
2. For the purposes of this extension the following amendments shall be made to the Policy to which this Extension applies:
 - (a) General Exclusion (i) (a) of Section 3 is amended to read as follows:

War (whether there be a declaration of war or not) between any of the following States, namely, the United Kingdom, the United States of America, France, the Russian Federation, the People's Republic of China; nevertheless, if the Aircraft is in the air when an outbreak of such war occurs, this exclusion shall not apply in respect of such Aircraft until the said Aircraft has completed its first landing thereafter; this exclusion shall not apply to Spares and Equipment in transit by air or sea until the transit is completed.
 - (b) Paragraph 2 of Section 5 is amended to read as follows:

Whether or not such notice of cancellation has been given this Policy shall TERMINATE AUTOMATICALLY Upon the outbreak of war (whether there be a declaration of war or not) between any of the following States, namely, the United Kingdom, the United

States of America, France, the Russian Federation, the People's Republic of China. PROVIDED THAT if the Aircraft is in the air when such outbreak of war occurs then this Policy, subject to its terms and conditions and provided not otherwise cancelled or terminated, will be continued in respect of such Aircraft until the said Aircraft has completed its first landing thereafter. In respect of Spares and Equipment in transit by air or sea this Policy, subject to its terms and conditions and provided not otherwise cancelled or terminated, will be continued in respect of such Spares and Equipment until the transit is completed.

3. The liability of the Insurers for loss of or damage to Spares and Equipment shall not exceed USD any one occurrence.

LAW AND JURISDICTION

This insurance shall be governed by and construed in accordance with the law of India and each party agrees to submit to the jurisdiction of the courts of India.

SECTION III – AIRPORT OWNERS AND OPERATORS LIABILITY

The Insurers hereby agree to the extent and in the manner hereinafter provided, to pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay to by final judgment be adjudged to pay up to but not exceeding the amounts specified in the Schedule, to any person or persons as damages.

- a) for bodily injury including death at any time resulting therefrom (hereinafter referred to as bodily injury) or
- b) for loss of or damage to property of others (hereinafter referred to as property damage) caused by accident occurring during the period mentioned in the Schedule and arising out of the hazards set forth in Section 1, 2 and 3 below.

SECTION 1

Bodily injury or property damage

- a) in or about the premises specified in the Schedule, as a direct result of the services granted by the Insured.
- b) elsewhere in the course of any work or of the performance of any duties carried out by the Insured or his employees in connection with the business or operations specified in the Schedule. caused by the fault or negligence of the Insured or any of his employees engaged in the Insured's business or by any defect in the Insured's premises, ways, works, machinery or plant used in the Insured's business.

THIS SECTION IS SUBJECT TO THE FOLLOWING EXCLUSIONS:

1. Loss of or 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 or any servant of the Insured, but this exclusion shall be deemed not to apply to vehicles that are not the property of the Insured whilst on the premises specified in the Schedule.
2. Bodily injury or property damage caused by
 - a) any mechanically propelled vehicle which the Insured may cause or permit any other person to use on the road in such a manner as to render them responsible for insurance under any domestic or international law appertaining to road traffic, or where no such law exists, whilst such vehicle is on any public highway.
 - b) any Ships, Vessels, Craft or Aircraft owned, chartered, used or operated by or on account of the Insured, but this exclusion shall be deemed not to apply to aircraft owned by others which are on the ground and for which indemnity is otherwise granted under Section 2 of this Policy, whether such Section is insured hereunder or not.
3. Bodily Injury or property damage arising out of any Airmeet, Air Race, or Air Show, not any stand used for the

accommodation of spectators in connection therewith, unless previously agreed by the Insurers.

4. Bodily Injury or property damage arising out of construction of, demolition of or alterations to Building, Runways, or Installations by the Insured or his contractors or sub-contractors (other than normal maintenance operations) unless previously agreed by Insurers.
5. Bodily Injury or property damage arising out of any goods or products manufactured, constructed, altered, repaired, serviced, treated, sold, supplied, or distributed by the Insured or his employees after such goods or products have ceased to be in the possession or under the control of the Insured, but this exclusion shall be deemed not to apply to the supply, by the Insured, of food or drink at the premises specified in the Schedule.

SECTION 2

Loss of or damage to Aircraft or Aircraft equipment, not owned, rented or leased by the Insured, whilst on the ground in the care, custody or control of or whilst being serviced, handled or maintained by the Insured or any servant of the Insured.

THIS SECTION IS SUBJECT TO THE FOLLOWING EXCLUSIONS:-

- a) Loss of or damage to robes, wearing apparel, personal effects or merchandise of any description.
- b) Loss of or damage to Aircraft or Aircraft equipment, hired or leased by or loaned to the Insured.
- c) Loss of or damage to any Aircraft while in flight as defined.

SECTION 3

Bodily Injury or property damage arising out of the possession, use, consumption or handling of any goods or products manufactured, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the Insured or his employees, but only in respect of such goods or products which form part of or are used in conjunction with aircraft, and then only after such goods or products have ceased to be in the possession or under the control of the Insured.

THIS SECTION IS SUBJECT TO THE FOLLOWING EXCLUSIONS:-

- a) Damage to the property of the Insured or to property within his care, custody or control.
- b) The cost of repairing or replacing any defective goods or products manufactured, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the Insured or any defective part of parts thereof.
- c) Loss arising out of improper or inadequate performance, design or specification but this exclusion shall be deemed not to apply to bodily injury or property damage as insured hereby resulting therefrom.
- d) Loss of use of any Aircraft not actually lost or damaged in an accident giving rise to a claim hereunder.

EXCLUSIONS APPLICABLE TO ALL SECTIONS OF THIS POLICY

1. THIS POLICY DOES NOT COVER liability for bodily injury to any person, who at the time of sustaining such injury is engaged in the service of the Insured or acting on his behalf, or liability for which the Insured or his insurer may be held liable under any workmans compensation, unemployment compensation or disability benefits law or any similar law.
2. THIS POLICY DOES NOT COVER the cost of making good any faculty workmanship for which the Insured, his employees, contractors or subcontractors may be liable (but this limitation shall not exclude resulting damage arising out of such faulty workmanship).

3. THIS POLICY DOES NOT COVER liability assumed by the Insured by Agreement under any Contract unless such liability would have attached to the Insured even in the absence of such Agreement.
4. THIS POLICY DOES NOT COVER liability if the Insured directly or indirectly occasioned by, happening through or in consequence of War, invasion, act of foreign enemy, hostilities (whether War be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.
5. THIS POLICY DOES NOT COVER liability arising out of the operation of an airfield control tower unless previously agreed by Insurers.
6. Each section of this Policy excludes liability which is or would be covered under any other section of the Policy, whether such other section is insured hereunder or not.
7. This Policy is subject to the attached Nuclear Exclusion Clause.

PAYMENT OF COSTS

In addition to the limits set out in the Schedule, Insurers will pay all legal and other costs incurred with the consent in the defense of any claim made against the Insured. PROVIDED THAT in the event of their requiring any claim to be contested

- a) If the claim be successfully resisted by the Insured the Insurers will pay all costs, charges and expenses incurred by the Insured in connection therewith up to but not exceeding the sum insured under this Policy.
- b) If a payment exceeding the sum insured has to be made to dispose of a claim, the liability of Insurers to pay any costs, charges and expenses in connection therewith shall be limited to such proportion of the said costs, charges and expenses as the sum insured by this Policy bears to the amount paid to dispose of the claim.

DEFINITIONS

1. ACCIDENT. The word "accident" shall be understood to mean an accident or series of accidents arising out of one event or occurrence.
2. FLIGHT. The term "in flight" means the time commencing with the actual take off run of the aircraft and continuing thereafter until it has completed its landing run.

GENERAL CONDITIONS

1. Upon the happening of any accident likely to give rise to a claim under this Policy or upon the receipt by the Insured of notice of any claim or of any other subsequent proceedings, notice in writing with full particulars shall be given to Insurers as soon as possible after the same shall come to the knowledge of the Insured or the Insured's representative. Every letter, claim, writ, summons or process shall be forwarded to Insurers immediately on receipt by the Insured.
2. All notices as specified above shall be given by the Insured to the person(s) or firm named for the purpose in the Schedule.
3. If any claim under this Policy is also covered in whole or in part by other insurance, the liability of Insurers shall be limited to their rateable proportion of such claim.
4. If the Insured shall make any claim knowing the same to be false or fraudulent as regards amount or otherwise, this Policy shall become void, and all claims hereunder shall be forfeited.
5. This Policy may be cancelled at any time at the written request of the Insured or may be cancelled by or on behalf of the Insurers provided 15 days notice in writing be given. (Where 15 days notice is contrary to the law or statute then the minimum period that is permitted shall be substituted therefore.)

If the Policy shall be cancelled by the Insured the Insurers shall retain the earned premium hereon for the period that this Policy has been in force calculated in accordance with the basis in the Schedule, or the short rate proportion of the minimum premium, calculated in accordance with the customary scale whichever is the greater.

If the Policy shall be cancelled by Insurers they shall retain the earned premium hereon for the period that this Policy has been in force, calculated in accordance with the basis in the Schedule, or pro rata of the minimum premium, whichever is the greater. Notice of Cancellation by the Insurers shall be effective even though the Insurers make no payment or tender of return premium.

6. It is a condition precedent to the right of the Insured to be indemnified under this Insurance that
 - a) If after this Insurance has been effected, the risk is materially altered, such alterations must be notified in writing to the Insurers immediately.
 - b) No liability shall be admitted and no admission, arrangement, offer, promise or payment shall be made by the Insured without the written consent of Insurers, who shall be entitled, if they so desire, to take over and conduct in the name of the Insured the defense of any claim or to prosecute in the name of the Insured for their own benefit any claim for indemnity or damages or otherwise against any third party, and shall have full discretion in the conduct of any negotiations or proceedings or the settlement of any claim, and the Insured shall give all such information and assistance as Insurers may require.
 - c) The Insured shall and will at all times exercise reasonable care in seeing that the ways, implements, plant, machinery and appliances used in the Insured's business 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 accidents are provided and used.
 - d) The Insured shall comply with all International and Government Regulations and Civil Instructions.
7. 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(s) of liability stated in this Policy.

SECTION IV – AVIATION LIABILITY

DEFINITIONS

Wherever used in this Policy, Schedule or Endorsement attaching hereto

1. Aircraft

Aircraft shall be deemed to include lighter-than-air aircraft and helicopters.

2. Insured

Insured means the insured named herein and includes any subsidiary companies and any associated companies as may be declared to and agreed by the Insurers and also includes any executive officer, employee or director thereof while acting within the scope of his duties as such.

3. Aviation Product

Aviation Product means any goods or products manufactured, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the insured or his employees, but only in respect of such goods or products which form part of or are used in conjunction with aircraft.

4. Bodily Injury

Bodily Injury means physical injury sustained by any person and shall be deemed to include sickness or disease, including death at any time resulting therefrom.

5. Flight

Flight means the time commencing with the actual take-off run of the aircraft and continuing thereafter until it has completed its landing run. With respect to helicopters, Flight shall be deemed to mean whilst the rotors are in motion.

6. Occurrence

Occurrence means an accident or incident (other than a grounding), to which this insurance applies, which causes Bodily Injury to a person or Property Damage. a series of accidents or incidents following as a consequence of one occurrence shall be deemed to be one occurrence.

7. On the Ground

On the Ground means at all times the Aircraft is not in Flight as defined.

8. Products Hazard

Products Hazard means the possession, use, consumption or handling of any Aviation Product but only after such Aviation Product has ceased to be in possession or under the control of the Insured.

9. Property Damage

Property Damage means accidental physical injury to or destruction of tangible property including the resultant loss of use of such injured or destroyed property.

INSURING AGREEMENTS

In consideration of the premium paid, the Insurers, hereby agrees, upon the basis of declarations made by the Insured and subject to the terms, conditions, limitations and exclusions hereinafter mentioned, to indemnify the Insured in respect of Occurrences during the Policy Period, as detailed below.

SECTION A - AVIATION PREMISES LIABILITY

To pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay up to, but not exceeding, the amounts specified in the Schedule to any person or persons as damages in respect of Bodily Injury or Property Damage caused by an Occurrence

1. in or about the Premises specified in the Schedule, as a direct result of the services granted by the Insured, 2. elsewhere in the course of any work or of the performance of any duties carried out by the Insured or his employees in connection with the business or operations specified in the Schedule, caused by the fault or negligence of the Insured or any of his employees engaged in the Insured's business or by any defect in the Insured's premises, ways, works, machinery or plant used in the Insured's business.

EXCLUSIONS APPLICABLE TO SECTION A

Section A does not apply to:

1. Property Damage to property owned by, rented to or occupied by; whilst being handled, serviced or maintained by the Insured or any servant of the Insured, but this exclusion shall be deemed not to apply to vehicles that are not the property of the Insured whilst on the Premises specified in the Schedule.
2. Bodily Injury or Property Damage caused by:
 - 2.1. any mechanically propelled vehicle which the Insured may cause or permit any other person to use on the road in such a manner as to render them responsible for insurance under

any domestic or international law appertaining to road traffic, or where no such law exists, whilst such vehicle is on any public highway.

- 2.2. any ships, vessels, craft or aircraft owned, chartered, used or operated by or on account of the Insured, but this exclusion shall be deemed not to apply to aircraft owned by others which are on the ground and for which indemnity is otherwise granted under Section B.
3. Bodily Injury or Property Damage arising out of any airmeet, air race, or air show or any stand used for the accommodation of spectators in connection therewith, unless previously agreed by the Insurers.
4. Bodily Injury or Property Damage arising out of the construction of, demolition of or alterations to buildings, runways or installations by the Insured or their contractors or sub-contractors (other than normal maintenance operations) unless previously agreed by the Insurers.
5. Bodily Injury or Property Damage arising out of any goods or products manufactured, 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, but this exclusion shall be deemed not to apply to the supply, by the Insured, of food or drink at the Premises specified in the Schedule.

SECTION B - HANGARKEEPERS LIABILITY

To pay for loss or damage to Aircraft or Aircraft equipment not owned, rented or leased by the Insured, whilst On the Ground in the care, custody or control of or whilst being serviced, handled or maintained by the Insured or any servant of the Insured but subject to the application of the Deductible as specified in the Schedule.

EXCLUSIONS APPLICABLE TO SECTION B Section

B does not apply to:

1. loss of or damage to robes, wearing apparel, personal effects or merchandise of any description.
2. loss of or damage to Aircraft or Aircraft equipment, hired or leased by or loaned to the Insured.
3. Loss of or damage to any aircraft whilst in Flight as defined.

SECTION C - AVIATION PRODUCTS LEGAL LIABILITY

To pay on behalf of the Insured all sums which the Insured shall become legally liable to pay as damages because of Bodily Injury sustained by any person and for Property Damage arising out of the Products Hazard.

EXCLUSIONS APPLICABLE TO SECTION C

Section C does not apply to:-

1. Property Damage, including the loss of use of such property Owned by, rented, leased, occupied or used by or in the care, custody or control of the Insured at the time of the Occurrence.
2. legal liability for the cost or expense of the Insured for the inspection, repair, alteration, modification or replacement of any defective Aviation Product.
3. loss arising out of improper or inadequate performance, design or specification but this exclusion shall be deemed not to apply to Bodily Injury or Property Damage resulting therefrom.
4. loss of use of any Aircraft not actually lost or damaged in an accident giving rise to a claim hereunder.

GENERAL EXCLUSIONS APPLICABLE TO ALL SECTION OF THIS POLICY

This Policy does not apply:

1. To:

- 1.1. 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
- 1.2. any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
- 1.3. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- 1.4. ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.

2. 2.1 to claims directly or indirectly occasioned by, happening through or in consequence of:

- 2.1.1. noise (whether audible to the human ear or not), vibration, sonic boom and any phenomena associated therewith;
- 2.1.2. pollution and contamination of any kind whatsoever;
- 2.1.3. electrical and electromagnetic interference; 2.1.4. 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.
- 2.2. With respect to any provision in the Policy concerning any duty of the Insurers to investigate or defend claims, such provision shall not apply and the Insurers shall not be required to defend:
 - 2.2.1. claims excluded by paragraph 2.1. or;
 - 2.2.2. a claim or claims covered by the Policy when combined with any claims excluded by paragraph 2.2. (referred to below as "Combined Claims").
- 2.3. In respect of any Combined Claims, the 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 this Policy:
 - 2.2.1. damages awarded against the Insured and
 - 2.2.2. defence fees and expenses incurred by the Insured.
- 2.4. Nothing herein shall override any nuclear risks or other exclusion clause attached to or forming part of the Policy. In respect of Section C only, paragraph 2.1.2. above does not apply to the pollution and contamination of a product sold or supplied by the Insured.

3. **WAR, HIJACKING AND OTHER PERILS EXCLUSION (AVN48B) to claims caused by:-**

- 3.1. 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.
- 3.2. 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.
- 3.3. Strikes, riots, civil commotions or labour disturbances.
- 3.4. 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.
- 3.5. Any malicious act or act of sabotage.
- 3.6. 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.

- 3.7. 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 is outside the control of the Insured by reason of any of the above perils. The Aircraft shall be deemed to have been restored to the control of the Insured on the safe return of the Aircraft to the Insured at an airfield not excluded by the geographical limits of this Policy, 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).

4. **DATE RECOGNITION EXCLUSION CLAUSE (AVN2000A)**

- 4.1. 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):
 - 4.1.1. 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;
 - 4.1.2. 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;
 - 4.1.3. 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

5. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 EXCLUSION CLAUSE (AVN72)**

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.

6. to any obligation for which the Insured or his Insurer may be held liable under any Employers' Liability or Workmens' Compensation law, unemployment compensation or disability benefits law, or under any similar law, or to Bodily Injury of any employee of the Insured arising out of and in the course of his employment by the Insured.
7. to any legal liability assumed by the Insured under any contract or agreement greater than the liability which would have been

imposed by law in the absence of any express contract or assumption of liability.

8. to liability arising out of the operation of an airfield control tower unless previously agreed in writing by the Insurers.
9. to the cost of making good any faulty workmanship for which the Insured, his employees, contractors or sub- contractors may be liable (but this limitation shall not exclude resulting damage arising out of such faulty workmanship).

PAYMENT OF COSTS

In addition to the payment of any claim for damages made under this Policy the Insurers will pay costs recoverable against the Insured and interest accruing after entry of judgement until the Insurers have paid, tendered or deposited in court such part of such judgement as does not exceed the applicable limit of the Insurers' liability.

PAYMENT OF DEFENCE AND SETTLEMENT EXPENSES

With respect to the insurance afforded under this Policy the Insurers will:

1. Defend any suit against the Insured alleging Bodily Injury, or Property Damage even if such suit is groundless, false or fraudulent, but the Insurers may make such investigation, negotiation and settlement of any claim or suit as they deem expedient.
2. Pay the following:
 - 2.1. Costs and Expenses incurred in the defence of any such suit;
 - 2.2. Premiums on bonds to release attachments for an amount not in excess of the limit of liability of this Policy; premiums on appeal bonds required in any such defended suit, but without any obligation to apply for or furnish any such bonds.

The amounts incurred with the consent of the Insurers under this agreement are payable by the Insurers in addition to the applicable limit of liability of this Policy.

However, as respects Section C, the Insurers shall not be obligated to defend any suit or pay any costs, expenses or premiums incurred after the aggregate limit of liability applying to Section C has been exhausted; and, in this event, the Insured shall have the right to take over control of proceedings from the Insurers.

POLICY PERIOD

This Policy applies only with respect to Occurrences which take place during the Policy Period; provided, that an Occurrence involving a missing or unreported Aircraft shall be deemed to occur at the time such Aircraft commences flight or is last reported, whichever last occurs. The Policy Period shall commence and end on the dates stated in the Schedule.

TERRITORY

This Policy applies to Occurrences anywhere, but if claim is made or suit is brought elsewhere than within the European Community (E.E.C.), the United States of America or Canada and their territories or possessions, the Insurers shall have the right but not the duty to investigate and settle such claims and to defend such suits. In any case in which the Insurers elect not to investigate, settle or defend, the Insured under the supervision of the Insurers, will make or cause to be made such investigation and defence as is reasonably necessary, and subject to prior authorisation by the Insurers will effect to the extent possible such settlements as the Insurers deem prudent. The Insurers shall reimburse the Insured for the reasonable costs of such investigation and defence, and within the limits of liability of the Policy, for the amounts of such authorised settlement.

CONDITIONS

1. Limit of Liability

- 1.1. The Insurers's limit of liability for damages shall be as set forth in the Schedule.

- 1.1.1. With respect to Section C, the aggregate Limit of Liability of the Insurers stated in the Schedule is applicable to all payments made under this insurance for all damages during the Policy Period.

- 1.2. In the event of more than one Insured being covered by this Policy, each shall have the same protection as would have been available had this Policy been issued individually to each of them; provided, however, that the inclusion hereunder of more than one Insured shall not operate to increase the liability of the Insurers beyond the amount for which they would have been liable had there been only one organization insured under this Policy.

2. Material Change

Any material change in the circumstances or nature of the risks which are the basis of this contractive immediate notice thereof to the Insurers, and no claim arising subsequent to such change Should there be a the Insured shall be recoverable hereunder unless such change has been accepted by the Insurers.

3. Assignment

This Policy shall not be assigned in whole or in part except with the consent of the Insurers verified by endorsement hereon.

4. Notice of Occurrence

- 4.1. When an Occurrence takes place, written notice shall be given by or on behalf of the Insured to the Insurers through their authorised agents appointed for this purpose (as set forth in the Schedule) as soon as practicable.
- 4.2. Such notice shall contain reasonably obtainable information respecting the time, place and circumstances of the Occurrence and the names and addresses of available witnesses.

5. Notice of Claim or Suit

If claim is made or suit is brought against the Insured, the Insured shall as soon as practicable forward to the Insurers' authorised agents appointed for that purpose every demand, notice, summons or other process received by them or their representatives.

6. 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 suits. The Insured shall not make any payment, assume any obligation or incur any expense without prior consent of the Insurers.

7. Arbitration

"The parties to the contract may mutually agree and enter into a separate Arbitration Agreement to settle any and all disputes in relation to this policy.

Arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996."

8. Action Against the Insurers

- 8.1. No action shall lie against the Insurers unless, as a condition precedent thereto, the Insured shall have fully complied with all the terms of this Policy, nor until the amount of the Insured's obligation to pay shall have been finally determined either by judgement against the Insured after actual trial or award against the Insured in any arbitration proceedings against which the Insurers does not wish to appeal or by written agreement of the Insured, the claimant and the Insurers.

- 8.2. Nothing contained in this Policy shall give any person or organisation any right to join the Insurers as a co-defendant in any action against the Insured to determine the Insured's liability.

9. Non-payment of Premium

- 9.1. In the event of non-payment of premium by the Insured this Policy may be cancelled by or on behalf of the Insurers provided 10 days notice be given to the Insured at his/their last address.
- 9.2. If this policy is cancelled the Insurers or their authorised agents appointed for this purpose reserve the right to demand payment of premium from the Insured for the period this Policy has been in force calculated at pro rata of Premium as set out in the Schedule.

10. Cancellation

- 10.1. This Policy may be cancelled at any time at the written request of the Insured or may be cancelled by or on behalf of the Insurers provided 30 days notice in writing be given.
- 10.2. If this Policy shall be cancelled by the Insured, the Insurers shall retain short rate of the premium hereon for the period that this Policy has been in force, calculated in accordance with the customary scale.
- 10.3. If this Policy shall be cancelled by the Insurers they shall retain the pro rata premium hereon for the period that this Policy has been in force. Notice of cancellation by the Insurers shall be effective even though the Insurers make no payment or tender of return premium.

11. Other Insurance

- 11.1. If any claim under this Policy is also covered in whole or in part by any other insurance, the liability of the Insurers shall be limited to their rateable proportion of such claim.
- 11.2. If any such insurance is specifically arranged by or for the Insured for a sum in excess of the total amount of insurance afforded by this Policy then the liability of the Insurers to pay any costs, charges and expenses in connection therewith shall be limited to such proportion of the said costs, charges and expenses as the Limit of Liability afforded by this Policy bears to the amount paid to dispose of the claim.

12. Subrogation

In the event of any payment under this Policy, the Insurers shall be subrogated to all the Insured's rights of recovery therefor against any person or organisation and the Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The Insured shall do nothing after loss to prejudice such rights.

13. Inadvertent Errors or Omissions

Inadvertent errors or omissions or failure to give notice to the Insurers as herein required shall not relieve the Insurers of Liability under this Policy, provided that such error or omission shall be corrected as soon as discovered.

14. Conditions Precedent

It is a condition precedent to the right of the Insured to be indemnified under this insurance that:

- 14.1. no liability shall be admitted and no admission, arrangement, offer, promise or payment shall be made by the Insured without the written consent of the Insurers, who shall be entitled, if they so desire, to take over and conduct in the name of the Insured the defence of any claim or to prosecute in the name of the Insured for their

own benefit any claim for indemnity or damages or otherwise against any third party, and shall have full discretion in the conduct of any negotiations or proceedings or the settlement of any claim, and the Insured shall give all such information and assistance as the Insurers may require.

- 14.2. the Insured shall and will at all times exercise reasonable care in seeing that the ways, implements, plant, machinery and appliances used in the Insured's business 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 accidents are provided and used.

- 14.3. the Insured shall comply with all International and Government Regulations and Civil Instructions.

SECTION V – FUEL SUPPLIERS LIABILITY

SECTION 1 - PREMISES LIABILITY WHAT THIS SECTION COVERS

The Insurers will indemnify the Insured for all sums, up to the Limit of Indemnity stated in the Schedule, which the Insured is held legally liable to pay, and shall pay, as compensatory damages for Bodily Injury and Property Damage caused by an Occurrence at or about any airport or heliport location where the Insured operates, as a direct result of

1. the fault or negligence of the Insured or
2. any defect in the Insured's premises, storage facilities, ways, equipment, installations, or vehicles arising out of the Insured's business of storage and supply of aviation fuel, lubricants and hydraulic fluids or equipment or services directly related to such storage and supply, in connection with the use of aircraft.

WHAT THIS SECTION DOES NOT COVER

The Insurers will not pay:-

1. for Bodily Injury or Property Damage caused by any mechanically propelled vehicle used by or on behalf of the Insured in circumstances which are covered by the requirements of any motor insurance law.
2. for Bodily Injury or Property Damage caused by any ships, vessels, watercraft or aircraft owned, chartered, used or operated by or on behalf of the Insured.
3. claims arising out of construction or demolition operations by or on behalf of the Insured or their contractors or sub-contractors.
4. claims covered under Section 2.

SECTION 2 - PRODUCTS LIABILITY WHAT THIS SECTION COVERS

The Insurers will indemnify the Insured for all sums, up to the Limit of Indemnity stated in the Schedule, which the Insured is held legally liable to pay, and shall pay, as compensatory damages for Bodily Injury or Property Damage arising out of products being aviation fuels, lubricants, hydraulic fluids or equipment sold, supplied or distributed by the Insured to others but only such products related to aircraft and then only after the Insured has relinquished possession of the products.

WHAT THIS SECTION DOES NOT COVER

The Insurers will not pay:-

1. the cost of repairing or replacing a defective product or the cost or expense to the Insured or any other party on behalf of the Insured for inspecting or investigating a defect or deficiency known, alleged or suspected to exist in a product not involved in an Occurrence.

2. for loss arising from the failure of a product to perform or from poor performance of a product unless such failure or performance causes Bodily Injury or Property Damage as covered under this Section.
3. for loss of use of an aircraft not lost or damaged in an Occurrence.
4. for loss arising out of the withdrawal or restriction imposed on the use of any product.

WHAT IS NOT COVERED BY SECTIONS 1 AND 2 OF THIS POLICY

The Insurers will not pay:-

1. for Property Damage to property which the Insured owns, leases, rents, uses or occupies or which is in their care, custody or control.
2. for Bodily Injury to any person arising out of and in the course of their employment by the Insured or liability for which the Insured or their insurers may be held liable under any workers compensation, employers liability, unemployment compensation or disability benefits law or any similar law.
3. the cost of repairing or rectifying any work incorrectly done or the cost of replacing any part damaged as the result of such incorrect work.
4. punitive, aggravated or exemplary damages.
5. claims which are payable under any other policy of insurance, except in respect of any excess beyond the amount which would have been payable under such other policy had this Policy not been effected.

WAR, HI-JACKING AND OTHER PERILS EXCLUSION

This Policy does not cover claims caused by:-

1. 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.
2. 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.
3. strikes, riots, civil commotions or labour disturbances.
4. 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.
5. any malicious act or act of sabotage.
6. 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.
7. 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 is outside the control of the Insured by reason of any of the above perils. The Aircraft shall be deemed to have been restored to the control of the Insured on the safe return of the Aircraft to the Insured at an airfield not excluded by the geographical limits of this Policy, 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).

NOISE AND POLLUTION AND OTHER PERILS EXCLUSION

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 other than pollution or contamination of a product sold or supplied by the Insured,
- (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 this Policy concerning any duty of the Insurers to investigate or defend claims, such provision shall not apply and the Insurers shall not be required to defend
 - (a) claims excluded by Paragraph 1 or
 - (b) a claim or claims covered by this Policy when combined with any claims excluded by Paragraph 1. (referred to below as "Combined Claims").
3. In respect of any Combined Claims, the Insurers shall (subject to proof of loss and the limits of this Policy) reimburse the Insured for that portion of the following items which may be allocated to the claims covered by the Policy:
 - (a) damages awarded against the Insured and
 - (b) defence fees and expenses incurred by the Insured.
4. This Exclusion does not override the Nuclear Risks Exclusion contained in this Policy.

NUCLEAR RISKS EXCLUSION

This Policy does not cover:-

1. 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
2. any legal liability of whatsoever nature directly 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) ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.

CONTRACTS

This Policy does not apply to the terms of any contract or agreement which the Insured has entered into unless the prior permission of the Insurers has been obtained. The exceptions are:-

1. a contract or agreement which only covers a legal obligation which would apply even if the contract or agreement had not been entered into.
2. a contract or agreement which the Insured has to enter into as required by any governmental or municipal statute, rule or regulation.
3. all contracts which are current at the inception of this Policy and which have been accepted by the insurers on a policy or policies of which this Policy is a renewal.
4. any Tarbox Agreement entered into in the normal course and practice of the Insured's business.

The protection afforded to the Insured in respect of the contracts detailed in 1. to 4. above will be limited to the coverage provided by this Policy.

CONDITIONS WHICH APPLY TO THIS POLICY

DEFENCE OF LEGAL ACTIONS AND PAYMENT OF COSTS AND EXPENSES

The Insurers will defend any legal action which is brought against the Insured alleging Bodily Injury or Property Damage, in respect of the Insurance provided by this Policy, even if the action is proved to be false or fraudulent, but the Insurers shall have the right to make such investigation, negotiation and settlement of any claim or suit as they feel right and proper.

The Insurers will pay the costs and expenses set out in the following paragraphs in addition to any amounts paid in settlement of claims against the Insured:-

1. legal costs and expenses which are incurred by the Insurers in defending any action against the Insured, including costs of investigating, negotiating and settling the action.
2. costs awarded against the Insured in any action against them.
3. interest after judgment against the Insured.
4. premiums for providing any bonds which are required in connection with any legal action, although the Insurers will not be responsible for obtaining the bonds unless they so wish.
5. expenses reasonably incurred at the request of the Insurers in connection with any legal action, although the Insurers will not pay for loss of earnings or salaries of the Insured or anyone employed by them.

Should the amount paid or awarded in settlement against the Insured exceed the Limits of Indemnity stated in the Schedule the liability of the Insurers for payments as detailed in 1. to 3. above will be limited to the same proportion as the Limits of Indemnity bear to the amount paid or awarded in settlement.

The Insurers' obligations under the provisions set out above shall, however, cease if any aggregate limit applicable to this Policy is exhausted. If this happens the Insured shall have the right to take over control of proceedings from the Insurers.

Notwithstanding any of the above, the Insurers shall have the right to tender the applicable Limit of Indemnity in settlement of a claim if they consider it to be appropriate to do so. In this event the Insurers' obligations under this Policy will cease as regards the claim.

ADDITIONAL COSTS AND EXPENSES

The Insurers will, subject to their prior approval being obtained, pay, in addition to any amounts payable under this Policy, and up to the amount stated in the Schedule, any costs and expenses necessarily incurred by or charged against the Insured as a direct result of an Occurrence for which coverage is provided by this Policy. The Insurers' prior approval will not, however, be required for necessary emergency medical expenses incurred following an Occurrence.

REASONABLE CARE

The Insured will take all reasonable care to ensure that their premises, storage facilities, ways, equipment, installations and vehicles are kept fully maintained, clean and in proper working order in accordance with the highest standards of the industry. The Insured shall provide all safeguards and take all precautions to prevent accidents.

COMPLIANCE WITH RELEVANT REQUIREMENTS

The Insured will comply at all times with all laws, regulations and civil instructions relevant to their business.

CROSS LIABILITY

The inclusion of additional Insureds in any part of this Policy shall not preclude the rights of the Insured stated in the Schedule to protection under this Policy from claims made against them by the additional Insureds or their employees.

However, this Condition shall not apply to claims made by the Insured against the additional Insureds or their employees.

LIMITATION OF INDEMNITY

Even though this Policy may apply to more than one Insured, whether additional or otherwise, the total liability of the Insurers under this Policy in respect of any or all Insureds will not exceed the Limits of Indemnity stated in the Schedule.

CLAIMS PROCEDURE

The Insured must fully comply with the following procedures before the Insurers shall be obliged to make payment of any amounts under this Policy.

The Insured must:-

1. notify the Insurers, by the quickest means possible, of any Occurrence or event which could result in a claim under this Policy, including details of:-
 - (a) the nature and place of the Occurrence or event.
 - (b) deaths, injuries and damage to property.
 - (c) names and addresses of any witnesses.
 - (d) the name and telephone number of a contact for further information.

Any information given by telephone, telex or facsimile must be confirmed by mail.

2. help the Insurers at investigations, hearings, trials, inquests and the like, as and when required.
3. send to the Insurers any documents received when a claim is made or a suit is filed against them. The Insured must not:-
 1. act in any way to the detriment of the Insurers.
 2. make statements without the permission of the Insurers other than to a government official or other authorised person.
 3. make promises to pay amounts to any person other than the cost of providing emergency services which are imperative at the time and place of an Occurrence.

Such payment shall not constitute an admission of liability of the Insured or the Insurers to pay under this Policy.
4. assume or admit any liability without the permission of the Insurers.

ASSIGNMENT

The Insured's interest under this Policy cannot be assigned without the prior permission of the Insurers.

SUBROGATION

When the Insurers pay a claim under this Policy they will be entitled to take over the Insured's rights of recovery against any other person or organisation and to institute legal proceedings in the Insured's name. The Insured must not do anything that will interfere with the Insurers' ability to make such recovery and agrees to assist in every way possible and to give evidence if necessary.

The Insurers shall have the right to request that the Insured's rights be assigned to them, such request not to be unreasonably withheld.

CHANGES

A notice to an agent or knowledge possessed by an agent or by any other person shall not effect a change to any part of this Policy or prevent the Insurers from asserting their rights under this Policy; changes can only be made to this Policy by the addition of Endorsements issued by the Insurers.

LOCAL LAWS

This Policy is amended to comply with any local laws or any

international statutes, rules or regulations which may affect the coverage provided by this Policy. However, the Insurers will not pay claims:-

- (a) for coverages which are outside the scope of this Policy.
- (b) in excess of the Limits of Indemnity stated in the Schedule.

If the Insurers are obliged to pay any amounts which they would not have had to pay if this Condition had not applied, the Insured will reimburse the Insurers with those amounts.

JURISDICTION

This Policy has been constructed and any dispute or difference arising between the Insured and the Insurers concerning the formation or execution of this Policy shall be settled in accordance with Indian Law.

ARBITRATION

Any dispute or difference between the Insured and the Insurers shall be submitted to arbitration in India in accordance with the statutory provisions for arbitration for the time being in force.

CANCELLATION

Both the Insured and the Insurers have the right to cancel this Policy by either party giving the other 30 days notice of the intention to do so.

If the Insured cancels the Policy the Insurers will retain short rate of the premium calculated in accordance with the customary short rate cancellation scale.

If the Insurers cancel they will retain a proportionate part of the premium, calculated on a daily basis.

DEFINITIONS

The following words shall have the meanings set out below wherever used in this Policy.

"Bodily Injury" means physical injury sustained by any person, or sickness, disease, disability, shock, mental injury or mental anguish, including death at any time resulting therefrom.

"Occurrence" means an accident or a continued or repeated exposure to conditions occurring during the Policy Period which results in Bodily Injury or Property Damage, provided that such Bodily Injury or Property Damage is unexpectedly caused. All Bodily Injury and/or Property Damage arising out of exposure to substantially the same general conditions shall be deemed to arise out of one Occurrence.

"Property Damage" means damage to or destruction of property and the resultant loss of use of such property.

DEALERS AND AGENTS EXTENSION ENDORSEMENT

This Policy is extended to apply to dealers and agents of the Insured whilst acting within the scope of their duties as such but only to the extent of the coverage as provided under the terms of this Policy.

The name of the Insured as stated in the Schedule is amended to include such dealers and agents.

However, the first named Insured on this Policy shall be responsible for the payment of the premium and shall alone be entitled to any return premium. Every notice required or permitted by this Policy may be given to or by the first named Insured as stated in the Schedule.

Nevertheless, any Occurrences resulting in a claim under this Policy which could be the subject of a claim under any other policy(ies) carried

by the dealers or agents covered hereunder shall not prejudice the cover afforded to the Insured under this Policy, provided that the Insurers shall pay only such sum(s) for which the Insured has not been indemnified under any other policy(ies) in which case this Policy shall be regarded as an excess Policy over the other policy(ies).

In this event the following provisions will apply:-

Liability shall only attach to the Insurers in respect of Occurrences covered under Sections 1 and 2 of this Policy and then only after the Insurers of the other policy(ies) have paid the full Limit of Indemnity of the policy(ies) in settlement of the claim.

In the event of a claim or claims which appear likely to exceed the Limit of Indemnity of the other policy(ies) no costs or expenses as detailed in the "Defence of Legal Actions and Payment of Costs and Expenses" provision of this Policy shall be incurred without the express permission of the Insurers.

In the event that the other policy(ies) is/are on an aggregate limit basis and the policy(ies) are wholly or partially exhausted by payment of claims this Policy will pay the excess of the reduced limit or continue to protect the Insured as the primary policy as the case may be.

The Insured will take all reasonable means to ensure that the other policy(ies) are maintained in full force and effect.

REFINERS AND DISTRIBUTORS EXTENSION ENDORSEMENT

This Policy is extended to apply to the legal liability of the Insured arising out of the Insured's business as refiners and distributors of aviation fuels, lubricants and hydraulic fluids or as manufacturers and suppliers of directly related equipment for use in connection with aircraft.

In respect of Section 1 the following is included under WHAT THIS SECTION DOES NOT COVER:- liability arising out of the use, by the Insured, of fuel lines, pipelines, fuel farms or bunkers or arising out of the transport of fuels by land, sea, pipelines or other methods of conveyance other than on airport or heliport premises.

In respect of Section 2 - WHAT THIS SECTION COVERS - shall be amended to read as follows:-

The Insurers will indemnify the Insured for all sums, up to the Limit of Indemnity stated in the Schedule, which the Insured is held legally liable to pay, and shall pay, as compensatory damages for Bodily Injury or Property Damage arising out of products being aviation fuels, lubricants, hydraulic fluids or equipment manufactured, treated, refined, sold, supplied or distributed by the Insured to others but only such products related to aircraft and then only after the Insured has relinquished possession of the products.

SECTION VI – AIRCRAFT OPERATORS AVIATION WAR, HI-JACKING AND OTHER PERILS EXCESS LIABILITY (AVN52E)

WHEREAS the Insured has in force an Aviation Liability Insurance (hereinafter referred to as the "Primary Policy") containing the Extended Coverage Endorsement (Aviation Liabilities) as stated in Item 3. of the Policy Schedule. AND WHEREAS paragraph 3 of said Extended Coverage Endorsement contains a sub-limit as stated in Item 4 (a) of the Policy Schedule (the "Primary Limit").

NOW this Insurance is to pay on behalf of the Insured, all sums, in excess of the Primary Limit stated in Item 4 (a) of the Policy Schedule, which the Insured shall become legally liable to pay as damages for bodily injury or property damage caused by an occurrence during the Policy Period arising out of the Hazards Covered stated in Item 3 of the Policy Schedule.

PROVIDED ALWAYS THAT:

1. Liability attaches to the Insurers only after the Primary Insurers have paid or have been held liable to pay the full amount of their respective Ultimate Net Loss as set forth in Item 4 (a) of the Policy Schedule. The limit of the Insurers' liability shall be such amount of Ultimate Net Loss as will provide the Insured with total limits under the Primary Policy and this Policy combined as set forth in Item 4 (b) of the Policy Schedule.
2. Notwithstanding the inclusion hereon 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 Insurers' limit of liability as stated in paragraph 1 above.

Exclusions

1. The Insurers shall not be liable to make any payment under this Policy as a result of the inability, refusal or failure to pay of the Primary Insurers for any reason whatsoever, including without limitation, any financial impairment, insolvency or liquidation.
2. This Policy does not apply to claims excluded by
 - (a) the NUCLEAR RISKS EXCLUSION CLAUSE AVN38B;
 - (b) the NOISE AND POLLUTION AND OTHER PERILS EXCLUSION CLAUSE AVN46B;
 - (c) the DATE RECOGNITION EXCLUSION CLAUSE AVN2000A with write back as per Date Recognition Limited Coverage Clause AVN2001A
 - (d) the CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 EXCLUSION CLAUSE AVN72;
 - (e) the ASBESTOS EXCLUSION CLAUSE 2488AGM00003 attached to this Policy. Definitions
1. The term "**Ultimate Net Loss**" means the amount payable in settlement of the liability of the Insured after making deductions for all recoveries and other valid and collectible insurances, excepting however the Primary Policy, and shall exclude all Costs.
2. The term "**Costs**" means interest accruing after entry of judgement, investigation, adjustment and legal expenses (excluding, however, all office expenses of the Insured, all expenses for salaried employees of the Insured and general retainer fees for counsel normally paid by the Insured).

Conditions**1. Cancellation**

This Policy is subject to, and shall be deemed to incorporate the same Automatic Termination and Review and Cancellation provisions as are set out in the Extended Coverage Endorsement (Aviation Liabilities) AVN 52E as stated in Item 3 of the Policy Schedule, except that the cancellation notice period in paragraph 5 (c) of that Endorsement (Aviation Liabilities) is amended, for the purpose of this Policy, to 30 (days).

2. Incurring of Costs

In the event of claim or claims arising which appear likely to exceed the Primary Limit, no Costs shall be incurred by the Insured without the consent of the Insurers.

3. Apportionment of Costs

Costs incurred by or on behalf of the Insured with the consent of the Insurers, and for which the Insured is not covered by the Primary Insurers, shall be apportioned as follows:-

- (a) Should any claim or claims become adjustable prior to the commencement of trial for not more than the Primary Limit, then no Costs shall be payable by the Insurers.

- (b) Should, however, the amount for which the said claim or claims may be so adjustable exceed the Primary Limit, then the Insurers, if they consent to the proceedings continuing, shall contribute to the Costs incurred by or on behalf of the Insured in the ratio that their proportion of the Ultimate Net Loss as finally adjusted bears to the whole amount of such Ultimate Net Loss.

- (c) In the event that the Insured elects not to appeal a judgement in excess of the Primary Limit the Insurers may elect to conduct such appeal at their own cost and expense and shall be liable for the taxable court costs and interest incidental thereto, but in no event shall the total liability of the Insurers exceed their limits of liability as provided for herein, plus the expenses of such appeal.

4. Application of Recoveries

All recoveries or payments recovered or received subsequent to a loss settlement under this Policy shall be applied as if recovered or received prior to such settlement and all necessary adjustments shall then be made between the Insured and the Insurers, provided always that nothing in this Policy shall be construed to mean that losses under this Policy are not payable until the Insured's Ultimate Net Loss has been finally ascertained.

5. Attachment of Liability

Liability to pay under this Policy shall not attach unless and until the Primary Insurers shall have admitted liability for the Primary Limit or unless and until the Insured has by final judgement been adjudged to pay an amount which exceeds such Primary Limit and then only after the Primary Insurers have paid or been held liable to pay the full amount of the Primary Limit.

6. Maintenance of Primary Policy

It is a condition of this Policy that the Primary Policy shall be maintained in full effect during the currency of this Policy except for any reduction or exhaustion of the aggregate limits contained therein solely by payment of claims in respect of occurrences during the Policy Period. However, failure to maintain the Primary Policy in full effect, except as provided above, shall not invalidate cover under this Policy but in the event of such failure Insurers shall only be liable to the same extent as they would have been had the Primary Policy been maintained in full effect. To the extent of the coverage provided by this Policy, this Policy is subject to the same warranties, terms, conditions, definitions and exclusions (except as regards the premium, the obligation to investigate and defend, the renewal agreement, if any, the amount and limits of liability other than the deductible or self-insurance provision where applicable, AND EXCEPT AS OTHERWISE PROVIDED HEREIN) as are contained in or may be added to the Primary Policy prior to the happening of an occurrence for which claim is made hereunder. To the extent that the Primary Policy incorporates the provisions of contracts and agreements entered into by the Insured this Policy shall likewise apply. In the event the occurrence limit under the Primary Policy is fully exhausted through payment of claims and where as a result of settling the Insured's liability to their passengers (and for their baggage and personal effects) and/or for cargo and mail while it is on board the aircraft arising out of the Insured's operation of aircraft, there is less than or none of the Primary Limit as stated herein available for settlement of the Insured's third party claims, then this Policy will respond to the Insured's legal liability to third parties up to the limit of liability as provided by this Policy and subject to any aggregate limit stated herein not being exceeded.

7. Notification of Claims

In the event of an occurrence likely to give rise to a claim hereunder notice shall be given by the Insured to the Insurers via the address set forth in Item 8 of the Policy Schedule as soon as reasonably possible. All Insurers to follow Slip Leader in the

application of any notices under AVN 52E

8. False or Fraudulent Claims

If the Insured shall make any claim, knowing the same to be false or fraudulent as regards amount or otherwise, this Policy shall become void and all claims hereunder shall be forfeited.

9. Law and Jurisdiction

In the event of any dispute arising hereunder this Policy is subject to the law and jurisdiction as stated in the Primary Policy or, in the event that law and jurisdiction is not stated in the Primary Policy, the law and jurisdiction of the domicile of the Insured.

10. Variation in Risk

Should there be any change in the operation of the Insured which might reasonably be regarded by the Insurers as increasing their risk in degree or frequency, immediate notice thereof shall be given to the Insurers.

Notification of all additions of aircraft as required to be given under the Primary Policy shall also be given to the Insurers hereon, however notification of the addition of cargo aircraft under the Primary Policy shall be given to the Insurers as soon as practicable but in no event later than fourteen (14) days after attachment.

Attachment No.1

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 nature directly 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) ionising 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 Maximum permissible level of non-fixed radioactive (IAEA Health and Safety Regulations) surface contamination (Averaged over 300 cm²)

Beta, gamma and low toxicity alpha Not exceeding 4 Becquerels/cm² emitters (10-4 microcuries/cm²)

All other emitters Not exceeding 0.4 Becquerels/cm² (10-5 microcuries/cm²)

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

AVN38B

22.7.96

Attachment No.2

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.

AVN46B**1.10.96****Attachment No.3****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.

AVN2000A**14.3.01****DATE RECOGNITION LIMITED COVERAGE CLAUSE**

WHEREAS the Policy of which this Endorsement forms part includes the Date Recognition Exclusion Clause (Clause AVN 2000A), it is hereby understood and agreed that, subject to all terms and provisions of this Endorsement, Clause AVN 2000A shall not apply:

- (1) to any accidental loss or damage to an aircraft defined in the Policy Schedule ("Insured Aircraft");
- (2) to any sums which the Insured shall become legally liable to pay, and (if so required by the Policy) shall pay (including costs awarded against the Insured) in respect of:
 - (d) accidental bodily injury, fatal or otherwise, to passengers caused by an accident to an Insured Aircraft; and/or
 - (e) loss of or damage to baggage and personal articles of passengers, mail and cargo caused by an accidental to an Insured Aircraft; and/or
 - (f) accidental bodily injury, fatal or otherwise, and accidental damage to property caused by an Insured aircraft or by any person or object falling therefrom.

PROVIDED THAT:

1. Coverage provided pursuant to this Endorsement shall be subject to all terms, conditions, limitations, warranties, exclusions and cancellation provisions of the Policy (except as specifically provided herein), and nothing in this Endorsement extends coverage beyond that which is provided by the Policy.
2. Nothing in this Endorsement shall provide any coverage:

- (c) in respect of grounding of any aircraft, and/or

- (d) in respect of loss of use of any property unless it arises out of physical damage to or destruction of property in the accident giving rise to a claim under the Policy.

3. The Insured recognises that the Insurers consider the information provided by the Insured in the application form, and/or other documentation provided, to be material to their decision to issue this Endorsement. The Insured further agrees that it has a continuing obligation to disclose in writing to the Insurers during the Policy period any additional material facts relating to the Date Recognition Conformity of the Insured's operations, equipment and products.

14.03.2001**AVN2001A****Attachment No.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**9.2.00****Attachment No.5****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**ENDORSEMENT NUMBER 1****ATTACHING TO AND FORMING PART OF POLICY NUMBER:**

ISSUED TO : and as more fully set forth in the Schedule.

PREMIUM PAYMENT CLAUSE**LSW 3000 AMENDED**

The Insured undertakes that premium will be paid in full to Underwriters within 60 days of inception of this policy

(or, in respect of instalment premiums, when due). If the premium

due under this policy has not been so paid to Underwriters by the 61st day from the inception of this policy (and, in respect of instalment premiums, by the date they are due) Underwriters shall have the right to cancel this policy by notifying the Insured via the broker in writing. In the event of cancellation, premium is due to Underwriters on a pro rata basis for the period that Underwriters are on risk but the full policy premium shall be payable to Underwriters in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this policy.

It is agreed that Underwriters shall give not less than 30 days prior notice of cancellation to the Insured via the broker. If premium due is paid in full to Underwriters before the notice period expires, notice of cancellation shall automatically be revoked. If not, the policy shall automatically terminate at the end of the notice period. Unless otherwise agreed, the Leading Underwriter (and Agreement Parties if appropriate) are authorised to exercise rights under this clause on their own behalf and on behalf of all Underwriters participating in this contract. If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

ENDORSEMENT NUMBER 2

ATTACHING TO AND FORMING PART OF POLICY NUMBER:

ISSUED TO : and as more fully set forth in the Schedule.

LAW AND JURISDICTION

This insurance shall be governed by and construed in accordance with the law of India and each party agrees to submit to the jurisdiction of the courts of India.

SECTION VII – AVIATION PERSONAL ACCIDENT (CREW MEMBERS)

Words in bold print in this Insurance have special meaning, as defined in the DEFINITIONS of this Insurance **IMPORTANT NOTICE**

PLEASE NOTE THAT SEPARATE INSURANCE IS PROVIDED UNDER THIS POLICY FOR BODILY INJURY CAUSED BY AN

ACCIDENT AND FOR ILLNESS. THIS INSURANCE ONLY RELATES TO THE BENEFITS OF THE POLICY WHICH ARE

SHOWN IN THE SCHEDULE AS BEING INCLUDED AND FOR WHICH PREMIUM HAS BEEN PAID. THE INSURED

PERSON MUST DISCLOSE TO THE INSURERS ALL FACTS, MATTERS AND CIRCUMSTANCES MATERIAL TO THIS INSURANCE, INCLUDING, BUT NOT LIMITED TO WHETHER THE INSURED PERSON ENGAGES IN ANY OCCUPATION, SPORT OR PASTIME OR OTHER ACTIVITY OF A HAZARDOUS NATURE.

We The Insurers hereby agree with the Insured Person, to the extent and in the manner herein provided, that if the Insured Person:

- (a) sustains Bodily Injury caused by an Accident or
- (b) suffers Illness; we will pay to the Insured Person, or to the Insured Person's Executors or Administrators or Nominees, according to the Schedule of Benefits after the total claim shall be substantiated under this Insurance Provided Always That:
 1. benefit shall not be payable under more than one of the items of the Schedule of Benefits in respect of the consequences of one Accident.
 2. the total sum payable under this Insurance in respect of any one or more claims shall not exceed in all the largest benefit under any one of the items contained in the Schedule of Benefits.

3. if Item 1 of the Schedule of Benefits is covered and an Accident causes the death of the Insured Person within twelve 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, there shall be paid only the benefit provided for in the case of death.

DEFINITIONS

In this Insurance:

1. **'BODILY INJURY'** means identifiable physical injury which
 - (a) is caused by an Accident, and
 - (b) solely and independently of any other cause, except illness directly resulting from, or medical or surgical treatment rendered necessary by such injury, occasions the death or disablement of the Insured Person within twelve months from the date of the Accident.
2. **'ACCIDENT'** means a sudden, unexpected, unusual, specific event which occurs at an identifiable time and place during the Period of Insurance.

Accident shall also include disappearance. If the Insured Person is not found within twelve months of disappearing, and sufficient evidence is produced satisfactory to the Underwriters that leads them inevitably to the conclusion that the Insured Person has sustained Bodily Injury and that such injury has caused the Insured Person's death, the

Underwriters shall forthwith pay any death benefit, where applicable, under this Insurance, provided that the person or persons to whom such sum is paid shall sign an undertaking to refund such sum to the Underwriters if the Insured Person is subsequently found to be living.

3. **'ILLNESS'** means sickness or disease of the Insured Person which first manifests itself during the Period of Insurance and occasions the total disablement of the Insured Person within twelve months after manifesting itself.
4. **'PERMANENT TOTAL DISABLEMENT'** 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 twelve months and at the end of that period is beyond hope of improvement.
5. **'LOSS OF A LIMB'** 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 hand, arm or leg.

EXCLUSIONS

This Insurance does not cover claims in any way caused or contributed to by:

1. war, whether war be declared or not, hostilities or any act of war or civil war;
2. the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials;
3. nuclear reaction, nuclear radiation or radioactive contamination;
4. the Insured Person engaging in or taking part in armed forces service or operations;
5. the Insured Person's suicide or attempted suicide or intentional self-injury or the Insured Person being in a state of insanity;
6. venereal disease or Acquired Immune Deficiency Syndrome (AIDS), AIDS Related Complex (ARC) or Human Immunodeficiency Virus (HIV) howsoever these have been acquired or may be named;

7. the Insured Person's deliberate exposure to exceptional danger (except in an attempt to save human life);
8. the Insured Person's own criminal act;
9. the Insured Person being under the influence of alcohol or drugs;
10. pregnancy or childbirth;
11. neuroses, psychoneuroses, psychopathies or psychoses, anxiety, stress, fatigue or mental or emotional diseases or disorders of any type.

CONDITIONS

1. If the Insured Person shall regularly engage in any occupation, sport, pastime or other activity in which materially greater risk may be incurred than previously disclosed in connection with this Insurance without first notifying the Underwriters and obtaining their written agreement to the inclusion under this Insurance, (subject to the payment of any additional premium as the Underwriters may reasonably require as the consideration for such agreement), then no claim shall be payable in respect of any Accident or Illness arising from such activity.
2. Unless otherwise declared and agreed by the Underwriters no benefit will be payable for any condition for which the Insured Person has sought advice, diagnosis, treatment or counseling or of which the Insured Person was or should reasonably have been aware at inception of this Insurance or for which the Insured Person has been treated at any time prior to inception.
3. Notice must be given to the Underwriters as soon as reasonably practicable of any Accident or Illness which causes or may cause a claim within the meaning of this Insurance, and the Insured Person must as early as possible seek the attention of a duly qualified medical practitioner. Notice must be given to the Underwriters as soon as reasonably practicable in the event of the death of the Insured Person resulting or alleged to result from an Accident.
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 Underwriters and such medical adviser 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.
4. Any fraud, concealment, or deliberate mis-statement either in the proposal on which this Insurance is based or in relation to any other matter affecting this Insurance or in connection with the making of any claim hereunder shall render this Insurance null and void and all claims hereunder shall be forfeited.
5. The law and jurisdiction applicable to this insurance contract are as stated in the Schedule.

Schedule of Benefits (in percentages of the Capital Sum Insured) Compensation payable in respect of ACCIDENT

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 loss of sight of one or both eyes or loss of limb) 100%

ENDORSEMENT NUMBER 1

ATTACHING TO AND FORMING PART OF POLICY NUMBER:

ISSUED TO : and as more fully set forth in the Schedule.

It is understood and agreed that effective inception this Policy is subject to the following:- This Policy is subject to the following attached Endorsements/Clauses as applicable:-

- (i) Kiln Geographic Areas Exclusion Clause LSW 617F (amended)
- (ii) JHA War Terrorism and Mass Destruction Exclusion Clause Hi-Jack NMA 1732
- (iii) Nuclear/Radioactive Contamination Exclusion Clause LSW 1210.
- (iv) Premium payable in full at inception LSW 3000 amended (as attached)

KILN GEOGRAPHIC AREAS EXCLUSION CLAUSE LSW 617F AMENDED

1. This policy excludes loss, damage or expense arising from any of the following countries and regions:
 - k) Cabinda, Burundi, Central African Republic, Congo, Democratic Republic of Congo, Eritrea, Ethiopia, Ivory Coast, Liberia, Sierra Leone, Somalia.
 - l) Colombia, Ecuador, Peru.
 - m) Checheno / Ingushskaya and Nagorna - Karabakh
 - n) Iraq, Syria
 - o) Any operations where the operations of the insured aircraft is in breach of United Nations sanctions.
2. However coverage pursuant to this Policy is granted:
 - a) for the over flight of any excluded country where the flight is within an internationally recognised air corridor and is performed in accordance with I.C.A.O. recommendations; or b) in circumstances where an insured Aircraft has landed in an excluded as a direct consequence and exclusively as a result of force majeure subject advice to Underwriters within 72 hours.
3. Any excluded country may be covered by underwriters at terms to be agreed by the Slip Leader only prior to flight.

JHA War, Terrorism and Mass Destruction Exclusion

Notwithstanding any provision to the contrary within this insurance, or any endorsement thereto, it is agreed that this insurance excludes any loss or expense of whatsoever nature directly or indirectly arising out of, contributed to, caused by, resulting from, or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss or expense;

1. War, hostilities or warlike operations (whether war be declared or not),
2. Invasion,
3. Act of an enemy foreign to the nationality of the insured person or the country in, or over, which the act occurs,
4. Civil war,
5. Riot,
6. Rebellion,
7. Insurrection,
8. Revolution,
9. Overthrow of the legally constituted government,

10. Civil commotion assuming the proportions of, or amounting to, an uprising,
11. Military or usurped power,
12. Explosions of war weapons,
13. Utilisation of Nuclear, Chemical or Biological weapons of mass destruction howsoever these may be distributed or combined,
14. Murder or Assault subsequently proved beyond reasonable doubt to have been the act of agents of a state foreign to the nationality of the insured person whether war be declared with that state or not,
15. Terrorist activity.

For the purpose of this exclusion;

- i) Terrorist activity means an act, or acts, of any person, or group(s) of persons, committed for political, religious, ideological or similar purposes with the intention to influence any government and/or to put the public, or any section of the public, in fear. Terrorist activity can include, but not be limited to, the actual use of force or violence and/or the threat of such use. Furthermore, the perpetrators of terrorist activity can either be acting alone, or on behalf of, or in connection with any organisation(s) or governments(s).
- ii) Utilisation of Nuclear weapons of mass destruction means the use of any explosive nuclear weapon or device or the emission, discharge, dispersal, release or escape of fissile material emitting a level of radioactivity capable of causing incapacitating disablement or death amongst people or animals.
- iii) Utilisation of Chemical weapons of mass destruction means the emission, discharge, dispersal, release or escape of any solid, liquid or gaseous chemical compound which, when suitably distributed, is capable of causing incapacitating disablement or death amongst people or animals.
- iv) Utilisation of Biological weapons of mass destruction means the emission, discharge, dispersal, release or escape of any pathogenic (disease producing) micro-organism(s) and/or biologically produced toxin(s) (including genetically modified organisms and chemically synthesised toxins) which are capable of causing incapacitating disablement or death amongst people or animals.

Also excluded hereon is any loss or expense of whatsoever nature directly or indirectly arising out of, contributed to, caused by, resulting from, or in connection with any action taken in controlling, preventing, or suppressing any, or all, of (1) to (15) above.

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

Hi-Jack Clause

Subject otherwise to the terms and conditions of the policy it is hereby agreed that the term "Accident" shall be deemed to include Hi-Jack, or any attempt thereat, and exposure resulting therefrom.

The cover referred to above shall continue whilst the Insured person is subject to the control of the person(s) or their associates making the Hi-jack and during travel direct to his domicile and/or original destination, for a period not exceeding twelve months from the date of the Hi-jack.

Definition

Hi-jacking means unlawful seizure or wrongful exercise of control of an aircraft or conveyance, or the crew thereof, in which the Insured person is travelling as a passenger.

17/12/70

NMA1732

NUCLEAR/RADIOACTIVE EXCLUSION CLAUSE

This Insurance does not cover claims in any way caused or contributed to by: nuclear reaction, nuclear radiation or radioactive contamination. LSW1210

PREMIUM PAYMENT CLAUSE (LSW 3000 AMENDED)

The Insured undertakes that premium will be paid in full to Underwriters within 60 days of inception of this policy (or, in respect of instalment premiums, when due).

If the premium due under this policy has not been so paid to Underwriters by the 61st day from the inception of this policy (and, in respect of instalment premiums, by the date they are due) Underwriters shall have the right to cancel this policy by notifying the Insured via the broker in writing. In the event of cancellation, premium is due to Underwriters on a pro rata basis for the period that Underwriters are on risk but the full policy premium shall be payable to Underwriters in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this policy.

It is agreed that Underwriters shall give not less than 30 days prior notice of cancellation to the Insured via the broker. If premium due is paid in full to Underwriters before the notice period expires, notice of cancellation shall automatically be revoked. If not, the policy shall automatically terminate at the end of the notice period. Unless otherwise agreed, the Leading Underwriter (and Agreement Parties if appropriate) are authorised to exercise rights under this clause on their own behalf and on behalf of all Underwriters participating in this contract. If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

SECTION VIII – GROUP AIRCREW LOSS OF LICENCE

ABOUT THIS INSURANCE

1.1. Legal Contract

This Insurance is a legal contract. This Insurance and any Endorsements are to be read as a complete document.

No waiver or change of the terms of this Insurance shall be valid unless evidenced by written Endorsement signed by the Underwriters or their authorised representatives. Such written changes form a part of this Insurance. The interests and duties of the parties to this Insurance are not assignable.

1.2. Interpretation

Words and expressions in bold type to which a specific definition is given shall have the same meaning wherever they appear in this Insurance. Where permitted by the context the masculine gender shall include the feminine, the singular shall include the plural and the plural the singular.

1.3. Applicable Law

Prior to the inception date of this Insurance stated in Item of the Schedule, the Employer and the Underwriters are free to agree upon the law applicable to this Insurance and unless otherwise specifically agreed and endorsed hereon to the contrary, this Insurance shall be subject to English Law and the jurisdiction of the English courts.

1.4. Waivers

The Underwriters, at their entire discretion, may effect a waiver of Exclusion 7.8., 7.4. or 7.5. or Condition 8.2. or 8.3. in respect of specified Insured persons subject to full information being received and any special conditions or additional premium as may be imposed or requested. Subject otherwise to all the terms and

conditions of this Insurance. No waiver will be operative unless signified by an endorsement signed by the Underwriters or their authorized representative and attached to this Insurance. Advice to Underwriters of any circumstance, accident or illness or physical or medical condition under any previous policy shall not constitute an acceptance by them of the same under this Insurance unless endorsed hereon as aforesaid.

2. DUTIES OF THE EMPLOYER

- 2.1. To pay the Premium stated in Item of the Schedule within thirty (30) days of the inception date of this Insurance stated in Item of the Schedule.
- 2.2. To have in force throughout the period of this Insurance a scheme for its aircrew staff which includes the payment of moneys under this Insurance for their sole benefit.
- 2.3. To disclose all facts and circumstances which affect this Insurance or its formation or the Underwriters' assessment of the risk involved prior to the inception date of this Insurance stated in the Schedule, including but not limited to an exact description of all Licence(s) and Certificate(s) held by Insured persons.
- 2.4. To advise every Insured person of the terms of and their rights and duties under this Insurance.
- 2.5. To comply with all the terms and conditions of this Insurance both before and after the happening of any Insured Event.
- 2.6. Failure of the Employer to comply with clause 2.1. above will result in the automatic voiding of the Insurance ab initio.
- 2.7. Failure of the Employer to comply with clause 2.2. above will result in the automatic termination of this Insurance with effect from the date the scheme ceases, with a pro rata return of the Premium commensurate to the risk not run by the Underwriters.
- 2.8. Failure of the Employer to comply with clause 2.3. above will give the Underwriters the option to either consider the Insurance void ab initio or to charge a reasonable additional premium or make reasonable alterations to the terms and conditions of the Insurance.
- 2.9. Failure of the Employer to comply with clause 2.4. or 2.5. above will give the Underwriters the right to refuse to pay any claim which may result from or be affected by or connected with the failure or to recover the amount of any such claim as the Underwriters may be held liable to pay from the Employer.

3. DUTIES OF INDIVIDUAL INSURED PERSONS

- 3.1. The duties of the Employer stated in clause 2.3. and 2.5. above shall apply to each Insured person and the failure to comply will result in the same consequences as for the Employer except that they shall only apply to the individual concerned, not to the entire Insurance.
- 3.2. Each Insured person must advise the Underwriters of any changes in the medical standards of the licence issuing authority or any other authority having jurisdiction over the Licence(s)/Certificate(s), including governmental authority. Failure of an Insured person to comply with this condition will give the Underwriters the right to refuse to pay any claim under Insured Events or in respect of that Insured person after the effective date of such changes in medical standards whether or not the claim was in any way related to such changes.
- 3.3. Each Insured person must advise the Underwriters of any additional Licence(s)/Certificate(s) gained during the period

of this Insurance and any changes to the type or number of the Licence(s)/Certificate(s) stated in the Schedule of Insured persons held at the inception date of this Insurance stated in Item of the Schedule. Failure of an Insured person to comply with this condition will give the Underwriters the right to refuse to pay any claim under Insured Events or in respect of that Insured person after the effective date of such changes.

4. INSURING AGREEMENTS

- 4.1. In consideration of the fulfillment of the Duties described in Sections 2. and 3. of this Insurance, the Underwriters named in Item of the Schedule hereby agree as follows.
- 4.2. The Underwriters will for each Insured person pay to the Employer the amount of the compensation stated in Item of the Schedule upon the happening of an Insured Event subject always to all the terms and conditions of this Insurance.
- 4.3. Compensation will be paid for only one Insured Event in respect of any one Insured person except where either any of Insured Event- Permanent Total Disablement (Loss of Licence), follows on from any of Insured Event -Temporary Total Disablement (Loss of Licence), in which case the amount of any compensation paid under any of Insured Event will be deducted from the amount payable under any of Insured Events whether under this Insurance or any previous insurance of which this Insurance is a renewal.
- 4.4. The Insurance does not apply to any person having any medical restriction to his Licence(s)/Certificate(s) unless specifically noted in the Schedule of Insured Persons or otherwise endorsed on this Insurance in writing and signed by the Underwriters or their authorised representative.

5. SPECIAL LIMITATIONS AND CONDITIONS IN RESPECT OF CERTAIN INSURED EVENTS

5.1. All Insured Event - Permanent Total Disablement (Loss of Licence)

No payment will be made should the Insured person die within 12 months of the issuance of the long term unfitness assessment or permanent revocation by the licence issuing authority. The Underwriters shall not be obliged to settle any claim until 180 days after the Date of Loss or the date the Insured person makes a claim under this Insurance, whichever occurs last nor before all enquiries relating to the claim have been completed by the Underwriters. The Underwriters may at their option settle the claim in yearly instalments and require proof of the continuing disability if in their opinion it is not unlikely that the Licence(s)/Certificate(s) will be restored or the revocation cancelled and/or similar Licence(s)/Certificate(s) may be obtained anywhere in the world within five years of the Date of Loss.

No payment will be made unless the issuance of the long term unfitness assessment or permanent revocation by the licence issuing authority occurs within 12 months of the date of the Accident or the date illness manifested itself or Undiagnosed Illness was reported to a qualified medical practitioner, as the case may be except in the following circumstances:

- a) where the Underwriters have accepted the existence of the pre-existing condition, and in such case no payment will be made unless the issuance of the long term unfitness assessment or permanent revocation by the licence issuing authority consequent upon such condition occurs during the period of Insurance;
- b) where the issuance of the long term unfitness assessment or permanent revocation by the licence issuing authority follows

immediately upon any of Insured Event

5.2. Insured Event - Permanent Total Disablement (Loss of Licence) by Substances Illness

Compensation will only be payable if the Insured person within ninety days from the date of the diagnosis enters a rehabilitation programme approved by the Underwriters and demonstrates and continues to demonstrate to the satisfaction of the Underwriters that he is participating and co-operating in all aspects of such rehabilitation programme. The cost of participation in the programme will be deducted from the compensation payable. Provided always that the Underwriters shall not be liable to pay more in total than the relevant amount of the compensation stated in the Schedule.

5.3. Insured Event - Permanent Total Disablement (Loss of Licence) by Undiagnosed Illness

Compensation is payable at the entire discretion of the Underwriters, without any right of recourse of the Employer or Insured person under the Arbitration clause contained herein or to any court having jurisdiction.

5.4. All Insured Event - Temporary Total Disablement (Loss of Licence)

Compensation will not be payable in respect of the Excess Period stated in the Schedule.

Where the Underwriters have accepted the existence of a pre-existing condition, the Underwriters shall not be liable to pay under this Insurance and any previous policy or policies combined for more than the total Benefit Period stated in Item of the Schedule in respect of any one medical condition or set of conditions. No payment will be made unless the medical condition necessitates treatment and regular attendance by a qualified medical practitioner. Evidence of the continuance of disability shall be provided to the Underwriters as a condition precedent to any liability of the Underwriters.

Subject to any provisions of this Insurance which would entail an earlier termination, the period for which compensation is paid shall terminate upon

- the cancellation or expiry of the temporary unfitness assessment by the licence issuing authority, whether or not the Insured person decides to return to normal duties,
- the issuance of a long term unfitness assessment or permanent revocation by the licence issuing authority or
- the expiry of the Benefit Period whichever shall occur first. Benefit payable shall be payable monthly, 30 days in arrears and apportionable pro rata from day to day.

No payment will be made unless the issuance of the temporary unfitness assessment by the licence issuing authority occurs within 12 months of the date of the Accident or the date illness manifested itself or Undiagnosed Illness was reported to a qualified medical practitioner, as the case may be except where the Underwriters have accepted the existence of a pre-existing condition and in such case no payment will be made unless the consequent issuance of the temporary unfitness assessment by the licence issuing authority occurs during the period of Insurance.

6. DEFINITIONS

- Insured Event** means any of the events specified as such in Item of the Schedule.
- by **Accident** means
 - by reason of or on the sole grounds of the Insured person having sustained identifiable physical injury or illness directly

resulting from or medical or surgical treatment rendered necessary by such injury AND

- where such injury is caused by an Accident in a manner which is violent, unforeseen, external and visible

AND

- where such injury occurs during the period of Insurance specified in Item of the Schedule.

- Accident** means a sudden, unexpected, unusual, specific event which occurs at an identifiable time and place, but shall also include exposure to the elements resulting from such an event.
- by **General Illness** means on the sole grounds that the Insured person has sustained an illness which manifests itself during the period of Insurance stated in Item of the Schedule and which is not an illness falling within the terms of Definition
- Substances Illness or Definition**
- Undiagnosed Illness** and which is not in itself the direct consequence of identifiable physical injury caused by an Accident.

- by **Substances Illness** means on the sole grounds that the Insured person has sustained an illness which manifests itself during the period of Insurance stated in Item of the Schedule directly or indirectly consequent upon the influence of alcohol, drugs or narcotics.
- by **Undiagnosed Illness** means on the sole grounds that the Insured person has sustained a set of physical or mental symptoms which is advised to a qualified medical practitioner during the period of Insurance stated in Item of the Schedule and which is not detectable or diagnosable as an illness.
- Permanent Total Disablement (Loss of Licence)** means the prevention of the Insured person from acting in any capacity for which any Licence(s)/Certificate(s) are held due to all such Licence(s)/Certificate(s) being permanently revoked or a long term unfitness assessment being issued in respect thereof on medical grounds which in the opinion of a qualified medical practitioner are beyond hope of improvement and which entails both the following consequences:

- the inability of the Insured person to obtain a renewal of such Licence(s) or Certificate(s) or to obtain withdrawal of the unfitness assessment or revocation within a period of 60 months from the date of the same;
- the inability of the Insured person to obtain any similar licence or certificate anywhere in the world within a period of 60 months from the date of the issuance of the unfitness assessment or revocation.

Provided that nothing in this Definition shall impose any obligation on the part of the Insured person to seek the withdrawal of any long term unfitness assessment or permanent revocation of the Licence(s)/Certificate(s).

- Temporary Total Disablement (Loss of Licence)** means the prevention of the Insured person from acting in any capacity for which he holds a Licence(s)/Certificate(s) due to the Licence(s)/Certificate(s) being temporarily suspended by the licence issuing authority on medical grounds.

Temporary Total Disablement (Loss of Licence) shall also include any period of self-suspension provided it is confirmed within 28 days by the issuance of a "temporarily unfit" assessment by the relevant licence issuing authority

- Licence(s)/Certificate(s)** means all Licences or Certificates held by the Insured person in connection with his occupation.

10. Date of Loss means the first day that the Insured person is suspended from active duty consequent upon the issuance of the temporary suspension or issuance of a long term unfitness assessment or permanent revocation of the Insured person's Licence(s)/Certificate(s). Suspension must be evidenced by receipt by the Underwriters within 28 days of issuance of a "temporarily unfit" assessment issued by the relevant licence issuing authority, failing which, the Date of Loss shall not be deemed to be earlier than the date of receipt by the Underwriters of the same.

7. EXCLUSIONS

Except where specifically stated to the contrary, this Insurance does not cover any Insured Event directly or indirectly, wholly or partially, arising out of or consequent upon or contributed to or aggravated by:

- 7.1. **Suicide** or attempted suicide or intentional self-injury or assault provoked by the Insured person;
- 7.2. **AIDS** venereal disease or Acquired Immune Deficiency Syndrome (AIDS) or AIDS Related Complex (ARC) howsoever this syndrome has been acquired or may be named;
- 7.3. **Drugs and Alcohol** the Insured Person being under the influence of alcohol or drugs. Where drugs or alcohol are administered or prescribed by a qualified medical practitioner, the Insured is covered provided that all related advice and warnings are being heeded. Drugs or alcohol administered or prescribed in the context of dependency are, however always excluded from coverage;
- 7.4. **Pre-Existing Physical Conditions** physical impairment, defect, degenerative process or infirmity existing prior to the inception date of this Insurance stated in the Schedule;

For the purposes of this exclusion a physical impairment, defect, degenerative process or infirmity exists prior to the inception date of this Insurance if it has been diagnosed by a qualified medical practitioner prior to the said inception date or in the event that it has not been diagnosed then in the opinion of a qualified medical practitioner the Insured person could reasonably have been expected to be aware of its existence at the inception date of this Insurance.

- 7.5. **Pre-Existing Mental Conditions** any mental or behavioural disorders known to exist at the inception date of this Insurance stated in the Schedule diagnosed by a qualified medical practitioner for which medical treatment has been received by an Insured person and which is included in the internationally recognised classification system DSM-IV (the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition, 1994). Such a diagnosis shall imply severe and lasting impairment in personal performance as indicated by at least one of the following:
 - a) a limitation in activities of daily living,
 - b) social functioning,
 - c) impairment in concentration, memory or other cognitive functioning leading to chronic task under-performance in terms of aptitude, learning new material, reliable accuracy, endurance and pace of work,
 - d) deterioration or decompensation in work settings,
 - e) episodic disorders of mood,
 - f) disorders of form and control of thought.
- 7.6. **War** invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution,

insurrection, or military or usurped power except where the Insured person is unexpectedly, passively and innocently affected by any such event while actually on duty for the Employer;

- 7.7. **Radioactivity** radioactive contamination;
- 7.8. **Dangerous Activities** an Insured person engaging in or taking part in
 - a) naval, military or air force service or operations other than non-combatant duties but always excluding taking part in military or joint military exercises;
 - b) flying involving the intentional dropping, spraying or release of anything, slung cargo, aerial photography, firefighting, slash and burn, animal capture and other similarly hazardous activities;
 - c) winter sports (other than skating or curling);
 - d) skin diving involving the aid or breathing apparatus, rock climbing or mountaineering normally involving the use of ropes or guides, potholing, hang gliding, parachuting, hunting on horseback, paragliding, bungee jumping, canyoning, abseiling, ballooning, deep sea fishing, quad biking or driving or riding in any kind of race; e) driving or riding on motor cycles or motor scooters other than mopeds;
- 7.9. **Deliberate Exposure** to exceptional danger (except in an attempt to save human life or in self-defence) or an Insured person's own criminal act;
- 7.10. **Pregnancy or childbirth;**

8. CONDITIONS

8.1. Good Health

It is hereby warranted that all Insured persons are in good health and are not only present at their place of work but are mentally and physically capable of carrying out their normal regular duties associated with the job for which they are employed at the inception date of this Insurance and have not been absent for more than 10 days in the preceding 3 months.

If an Insured person does not satisfy this condition then cover will not be provided until:-

- a) The Insured person has returned to work and completed 2 months continuous and active service, or
- b) The Insured person has completed a proposal form, satisfactory to the Underwriters, if the Insured wishes to be included in the Insurance earlier. If the Insured person elects to complete a proposal form, which is unacceptable to the Underwriters, option a) may not be chosen subsequently.

8.2. Termination

The Insurance with respect to any Insured person will terminate and cease to have effect upon:-

- a) the attainment of age 60.
- b) the Insured person ceasing to be gainfully employed by the Employer named in the Schedule in the capacity for which he holds the Licence(s)/Certificate(s) held at the inception date of this Insurance stated in Item of the Schedule.

8.3. Capital Sum Insured Restriction

With respect to Insured Events and the Capital Sums Insured shall not be deemed to exceed the following multiples under this and / or all other current Loss of Licence Policies held in the name of any Insured person:-

Up to and including Capital Sum Insured Restriction age 29
 5.0 times annual earnings from normal profession 30 to 39
 4.0 times annual earnings from normal profession 40 to 49
 3.0 times annual earnings from normal profession

50 the lesser of ₹90,000 or 2.0 times annual earnings from normal profession

51 the lesser of ₹80,000 or 2.0 times annual earnings from normal profession

52 the lesser of ₹70,000 or 2.0 times annual earnings from normal profession

53 the lesser of ₹60,000 or 2.0 times annual earnings from normal profession

54 the lesser of ₹50,000 or 2.0 times annual earnings from normal profession

55 the lesser of ₹40,000 or 1.8 times annual earnings from normal profession

56 to 59 inclusive the lesser of ₹20,000 or 1.0 times annual earnings from normal profession

In order to recover the full benefits payable under this Insurance, the Insured person must have notified the Underwriters of any other loss of licence insurance and the existence of that other insurance must have been noted and accepted by the Underwriters before a claim arises. If no such prior notification has been given, this Insurance is deemed to be surplus to all other valid and collectable insurances. Any payment under these circumstances will only be the difference, if any, between the Capital Sum Insured Restriction, as stated above, and all other valid insurance.

8.4. Fraud

If the Employer commits fraud or attempts to do so in connection with any claim under this Insurance, the Insurance shall become automatically void ab initio and any Premium paid shall be forfeited and the Underwriters shall have the right to recover from the Employer any and all claims paid under the Insurance. If the Insured person commits fraud or attempts to do so in connection with any claim under this Insurance, the Insurance shall become automatically void ab initio with respect to that Insured person.

9. CLAIMS PROCEDURES

The Insured person must fully comply with the following procedures, which are conditions precedent to any liability of the Underwriters to make payment of any amounts under this Insurance. Upon the happening of an Insured Event, the Insured person and/or his Legal Personal Representatives must:

1. Make a claim by notifying the entity named in Item of the Schedule in writing by registered mail as soon as possible and in any event not later than thirty days after the date of death or the date of unfitness as a result of sustaining an Accident or the manifestation of illness. Such notification shall include all details as known to the Insured person and documentary evidence issued by the relevant licence issuing authority. The date of notification shall be taken as the date upon which the notice was delivered to the entity named in Item of the Schedule. Advice of a claim by telephone message is not deemed to be proper notice of a claim.
2. At the request and expense of the Underwriters, submit to an independent medical examination in the event of an Accident or illness.

3. Irrevocably authorise the Underwriters:-

- a) to obtain details of all medical reports and hospital records and obtain information from any physicians, surgeons and hospital authorities concerned with the treatment of or consulted by the Insured person;
 - b) to obtain information from and seek the opinion of the principal medical officer of the Civil Aviation Authority or any other competent authority or its successors (or other appropriate medical officer appointed for the purpose) as to the likelihood of the Insured person ever obtaining a restoration of his Licence(s)/ Certificate(s). If the opinion is that the Insured person is unlikely to ever obtain such restoration the Underwriters will accept that opinion as evidence in favour of the Insured person.
4. Sign all authorisations required by the Underwriters for these purposes, on written demand by the Underwriters make a statutory declaration as to any facts relating to the claim and complete the Underwriters' standard claim questionnaire on request.
 5. Notify the Underwriters immediately if any action against a third party relating to the Insured person's Licence(s)/ Certificate(s) is planned or contemplated.
 6. Notify the Underwriters immediately upon becoming aware of any investigation, Court of Enquiry or similar proceedings likely to affect this Insurance and give all possible assistance and information to lawyers appointed by the Underwriters as they may reasonably require.
 7. Furnish the Underwriters with satisfactory proof of:
 - a) the happening of the event on which the Sum Insured will become payable
 - b) any other information that the Underwriters may require.

The receipt by the Underwriters of a release from the Insured person or any other duly authorised representative shall constitute an absolute discharge to the Underwriters in respect of payments made under this Insurance.

10. ARBITRATION

The Underwriters reserve the right to refer all unfitness assessments to their own medical advisers. In addition, the Insured person may be required to undergo an examination by a qualified medical practitioner experienced in the medical examination of flying personnel.

The Underwriters also reserve the right to request the Insured person to undergo reasonable medical treatment and investigations at the expense of the Underwriters if, in the opinion of the Underwriters and their medical advisers, such treatment and/or investigations would probably result in the restoration of the Insured person's Licence(s)/ Certificate(s).

Should the Insured person wish to dispute the decision of the Underwriters or their medical advisers or qualified medical practitioner the matter will be referred for arbitration to the Dean of the Faculty of Occupational Medicine of the Royal College of Physicians in London, England. The Dean will appoint one person to act as referee from a panel of qualified medical practitioners experienced in the examination of flying personnel and in the relevant branch of medicine, such panel to be agreed between the Underwriters and the Insured person.

The decision of the Dean and the referee shall be final and binding on all parties. The costs of examination and arbitration will be borne by the Underwriters.

SCHEDULE OF INSURED PERSONS

Insured Person Date of Birth Licences held, Type and Number

SECTION IX – INDIVIDUAL AIRCREW LOSS OF LICENCE

11. ABOUT THIS INSURANCE

1.5. Legal Contract

This Insurance is a legal contract. This Insurance and any Endorsements are to be read as a complete document. No waiver or change of the terms of this Insurance shall be valid unless evidenced by written Endorsement signed by the Underwriters or their authorised representatives. Such written changes form a part of this Insurance. The interests and duties of the parties to this Insurance are not assignable.

1.6. Interpretation

Words and expressions in bold type to which a specific definition is given shall have the same meaning wherever they appear in this Insurance. Where permitted by the context the masculine gender shall include the feminine, the singular shall include the plural and the plural the singular.

1.7. Applicable Law

Prior to the inception date of this Insurance stated in Item of the Schedule, the Insured and the Underwriters are free to agree upon the law applicable to this Insurance and unless otherwise specifically agreed and endorsed hereon to the contrary, this Insurance shall be subject to Indian Law and the jurisdiction of the Indian courts.

1.8. Waivers

The Underwriters, at their entire discretion, may effect a waiver of Exclusion 7.8., 7.4. or 7.5. or Condition 8.2. or 8.3. subject to full information being received and any special conditions or additional premium as may be imposed or requested. Subject otherwise to all the terms and conditions of this Insurance. No waiver will be operative unless signified by an endorsement signed by the Underwriters or their authorised representative and attached to this Insurance. Advice to Underwriters of any circumstance, accident or illness or physical or medical condition under any previous policy shall not constitute an acceptance by them of the same under this Insurance unless endorsed hereon as aforesaid.

12. DUTIES OF THE INSURED

- 2.10. To pay the Premium stated in Item of the Schedule within thirty (30) days of the inception date of this Insurance stated in Item of the Schedule. Failure of the Insured to comply with this condition will result in the automatic voiding of the Insurance ab initio.
- 2.11. To disclose all facts and circumstances which affect this Insurance or its formation or the Underwriters' assessment of the risk involved prior to the inception date of this Insurance stated in the Schedule, including but not limited to an exact description of all Licence(s) and Certificate(s) held. Failure of the Insured to comply with this condition will give the Underwriters the option to either consider the Insurance void ab initio or to charge a reasonable additional premium or make reasonable alterations to the terms and conditions of the Insurance.
- 2.12. To comply with all the terms and conditions of this Insurance both before and after the happening of any Insured Event. Failure of the Insured to comply with this condition will give the Underwriters the right to refuse to pay any claim which may result from or be affected by or connected with the failure.
- 2.13. The Insured must advise the Underwriters of any changes in the medical standards of the licence issuing authority or any other authority having jurisdiction over the Licence(s)/ Certificate(s), including governmental authority. Failure of the Insured to comply with this condition will give the

Underwriters the right to refuse to pay any claim under Insured after the effective date of such changes in medical standards whether or not the claim was in any way related to such changes.

- 2.14. The Insured must advise the Underwriters of any additional Licence(s)/Certificate(s) gained during the period of this Insurance and any changes to the type or number of the Licence(s)/Certificate(s) stated in the Schedule held at the inception date of this Insurance stated in Item of the Schedule. Failure of the Insured to comply with this condition will give the Underwriters the right to refuse to pay any claim under Insured after the effective date of such changes.

13. INSURING AGREEMENTS

- 4.5. In consideration of the fulfillment of the Duties described in Section 2. of this Insurance, the Underwriters named in Item of the Schedule hereby agree as follows.
- 4.6. The Underwriters will for each Insured pay to the Insured the amount of the compensation stated in Item of the Schedule upon the happening of an Insured Event subject always to all the terms and conditions of this Insurance.
- 4.7. Compensation will be paid for only one Insured Event except where any of Insured Event - Permanent Total Disablement (Loss of Licence), follows on from any of Insured Event - Temporary Total Disablement (Loss of Licence), in which case the amount of any compensation paid under any of Insured Event will be deducted from the amount payable under any of Insured Events whether under this Insurance or any previous insurance of which this Insurance is a renewal.
- 4.8. The Insurance does not apply to any person having any medical restriction to his Licence(s)/Certificate(s) unless specifically noted in the Schedule or otherwise endorsed on this Insurance in writing and signed by the Underwriters or their authorised representative.

14. SPECIAL LIMITATIONS AND CONDITIONS IN RESPECT OF CERTAIN INSURED EVENTS

5.5. All Insured Event - Permanent Total Disablement (Loss of Licence)

No payment will be made should the Insured die within 12 months of the issuance of the long term unfitness assessment or permanent revocation by the licence issuing authority. The Underwriters shall not be obliged to settle any claim until 180 days after the Date of Loss or the date the Insured makes a claim under this Insurance, whichever occurs last nor before all enquiries relating to the claim have been completed by the Underwriters. The Underwriters may at their option settle the claim in yearly instalments and require proof of the continuing disability if in their opinion it is not unlikely that the Licence(s)/ Certificate(s) will be restored or the revocation cancelled and/or similar Licence(s)/ Certificate(s) may be obtained anywhere in the world within five years of the Date of Loss.

No payment will be made unless the issuance of the long term unfitness assessment or permanent revocation by the licence issuing authority occurs within 12 months of the date of the Accident or the date illness manifested itself or Undiagnosed Illness was reported to a qualified medical practitioner, as the case may be except in the following circumstances:

- a) where the Underwriters have accepted the existence of the pre-existing condition, and in such case no payment will be made unless the issuance of the long term unfitness assessment or permanent revocation by the licence issuing authority consequent upon such condition occurs during the period of Insurance;

- b) where the issuance of the long term unfitness assessment or permanent revocation by the licence issuing authority follows immediately upon any of Insured Event

5.6. Insured Event -Permanent Total Disablement (Loss of Licence) by Substances Illness

Compensation will only be payable if the Insured within ninety days from the date of the diagnosis enters a rehabilitation programme approved by the Underwriters and demonstrates and continues to demonstrate to the satisfaction of the Underwriters that he is participating and co-operating in all aspects of such rehabilitation programme.

The cost of participation in the programme will be deducted from the compensation payable. Provided always that the Underwriters shall not be liable to pay more in total than the relevant amount of the compensation stated in the Schedule.

5.7. Insured Event - Permanent Total Disablement (Loss of Licence) by Undiagnosed Illness

Compensation is payable at the entire discretion of the Underwriters, without any right of recourse of the Insured under the Arbitration clause contained herein or to any court having jurisdiction.

5.8. All Insured Event - Temporary Total Disablement (Loss of Licence)

Compensation will not be payable in respect of the Excess Period stated in the Schedule.

Where the Underwriters have accepted the existence of a pre-existing condition, the Underwriters shall not be liable to pay under this Insurance and any previous policy or policies combined for more than the total Benefit Period stated in Item of the Schedule in respect of any one medical condition or set of conditions. No payment will be made unless the medical condition necessitates treatment and regular attendance by a qualified medical practitioner. Evidence of the continuance of disability shall be provided to the Underwriters as a condition precedent to any liability of the Underwriters.

Subject to any provisions of this Insurance which would entail an earlier termination, the period for which compensation is paid shall terminate upon

- the cancellation or expiry of the temporary unfitness assessment by the licence issuing authority, whether or not the Insured decides to return to normal duties,
- the issuance of a long term unfitness assessment or permanent revocation by the licence issuing authority or
- the expiry of the Benefit Period whichever shall occur first.

Benefit payable shall be payable monthly, 30 days in arrears and apportionable pro rata from day to day. No payment will be made unless the issuance of the temporary unfitness assessment by the licence issuing authority occurs within 12 months of the date of the Accident or the date illness manifested itself or Undiagnosed Illness was reported to a qualified medical practitioner, as the case may be except where the Underwriters have accepted the existence of a pre-existing condition and in such case no payment will be made unless the consequent issuance of the temporary unfitness assessment by the licence issuing authority occurs during the period of Insurance.

15. DEFINITIONS

11. Insured Event

Insured Event means any of the events specified as such in Item of the Schedule.

12. by Accident means

- by reason of or on the sole grounds of the Insured having sustained identifiable physical injury or illness directly resulting from or medical or surgical treatment rendered necessary by such injury AND
- where such injury is caused by an Accident in a manner which is violent, unforeseen, external and visible AND
- where such injury occurs during the period of Insurance specified in Item of the Schedule.

13. Accident means a sudden, unexpected, unusual, specific event which occurs at an identifiable time and place, but shall also include exposure to the elements resulting from such an event.

14. General Illness means on the sole grounds that the Insured has sustained an illness which manifests itself during the period of Insurance stated in Item of the Schedule and which is not an illness falling within the terms of Definition 5., Substances Illness or Definition 6., Undiagnosed Illness and which is not in itself the direct consequence of identifiable physical injury caused by an Accident.

15. Substances Illness means on the sole grounds that the Insured has sustained an illness which manifests itself during the period of Insurance stated in Item of the Schedule directly or indirectly consequent upon the influence of alcohol, drugs or narcotics.

16. Undiagnosed Illness means on the sole grounds that the Insured has sustained a set of physical or mental symptoms which is advised to a qualified medical practitioner during the period of Insurance stated in Item of the Schedule and which is not detectable or diagnosable as an illness.

17. Permanent Total Disablement (Loss of Licence) means the prevention of the Insured from acting in any capacity for which any Licence(s)/Certificate(s) are held due to all such Licence(s)/ Certificate(s) being permanently revoked or a long term unfitness assessment being issued in respect thereof on medical grounds which in the opinion of a qualified medical practitioner are beyond hope of improvement and which entails both the following consequences:

- the inability of the Insured to obtain a renewal of such Licence(s) or Certificate(s) or to obtain withdrawal of the unfitness assessment or revocation within a period of 60 months from the date of the same;
- the inability of the Insured to obtain any similar licence or certificate anywhere in the world within a period of 60 months from the date of the issuance of the unfitness assessment or revocation.

Provided that nothing in this Definition shall impose any obligation on the part of the Insured to seek the withdrawal of any long term unfitness assessment or permanent revocation of the Licence(s)/Certificate(s).

18. Temporary Total Disablement (Loss of Licence) means the prevention of the Insured from acting in any capacity for which he holds a Licence(s)/Certificate(s) due to the Licence(s)/ Certificate(s) being temporarily suspended by the licence issuing authority on medical grounds.

Temporary Total Disablement (Loss of Licence) shall also include any period of self-suspension provided it is confirmed within 28 days by the issuance of a "temporarily unfit" assessment by the relevant licence issuing authority

19. Licence(s)/Certificate(s) means all Licences or Certificates held by the Insured in connection with his occupation.

20. Date of Loss means the first day that the Insured is suspended from active duty consequent upon the issuance of the temporary suspension or issuance of a long term unfitness assessment or permanent revocation of the Insured's Licence(s)/Certificate(s). Suspension must be evidenced by receipt by the Underwriters within 28 days of issuance of a "temporarily unfit" assessment issued by the relevant licence issuing authority, failing which, the Date of Loss shall not be deemed to be earlier than the date of receipt by the Underwriters of the same.

16. EXCLUSIONS

Except where specifically stated to the contrary, this Insurance does not cover any Insured Event directly or indirectly, wholly or partially, arising out of or consequent upon or contributed to or aggravated by:

- 7.11. **Suicide** or attempted suicide or intentional self-injury or assault provoked by the Insured;
- 7.12. **AIDS** venereal disease or Acquired Immune Deficiency Syndrome (AIDS) or AIDS Related Complex (ARC) howsoever this syndrome has been acquired or may be named;
- 7.13. **Drugs and Alcohol** the Insured Person being under the influence of alcohol or drugs. Where drugs or alcohol are administered or prescribed by a qualified medical practitioner, the Insured is covered provided that all related advice and warnings are being heeded. Drugs or alcohol administered or prescribed in the context of dependency are, however always excluded from coverage;
- 7.14. **Pre-Existing Physical Conditions** physical impairment, defect, degenerative process or infirmity existing prior to the inception date of this Insurance stated in the Schedule;
For the purposes of this exclusion a physical impairment, defect, degenerative process or infirmity exists prior to the inception date of this Insurance if it has been diagnosed by a qualified medical practitioner prior to the said inception date or in the event that it has not been diagnosed then in the opinion of a qualified medical practitioner the Insured could reasonably have been expected to be aware of its existence at the inception date of this Insurance.
- 7.15. **Pre-Existing Mental Conditions** any mental or behavioural disorders known to exist at the inception date of this Insurance stated in the Schedule diagnosed by a qualified medical practitioner for which medical treatment has been received by the Insured and which is included in the internationally recognised classification system DSM-IV (the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition, 1994). Such a diagnosis shall imply severe and lasting impairment in personal performance as indicated by at least one of the following:
 - a) a limitation in activities of daily living,
 - b) social functioning,
 - c) impairment in concentration, memory or other cognitive functioning leading to chronic task under-performance in terms of aptitude, learning new material, reliable accuracy, endurance and pace of work, d) deterioration or decompensation in work settings,
 - e) episodic disorders of mood,
 - f) disorders of form and control of thought.

7.16. War

war, invasion, acts of foreign enemies, hostilities (whether

war be declared or not), civil war, rebellion, revolution, insurrection, or military or usurped power except where the Insured is unexpectedly, passively and innocently affected by any such event while actually on duty for the Employer;

7.17. Radioactivity

radioactive contamination;

7.18. Dangerous Activities

the Insured engaging in or taking part in

- a) naval, military or air force service or operations other than non-combatant duties but always excluding taking part in military or joint military exercises;
- b) flying involving the intentional dropping, spraying or release of anything, slung cargo, aerial photography, firefighting, slash and burn, animal capture and other similarly hazardous activities;
- c) winter sports (other than skating or curling);
- d) skin diving involving the aid or breathing apparatus, rock climbing or mountaineering normally involving the use of ropes or guides, potholing, hang gliding, parachuting, hunting on horseback, paragliding, bungee jumping, canyoning, abseiling, ballooning, deep sea fishing, quad biking or driving or riding in any kind of race; e) driving or riding on motor cycles or motor scooters other than mopeds;

7.19. Deliberate Exposure

to exceptional danger (except in an attempt to save human life or in self-defence) or an Insured's own criminal act;

7.20. Pregnancy or childbirth;

17. CONDITIONS

8.5. Good Health

It is hereby warranted that the Insured is in good health and is not only present at his place of work but is mentally and physically capable of carrying out his normal regular duties associated with the job for which he is employed at the inception date of this Insurance and has not been absent for more than 10 days in the preceding 3 months.

If the Insured does not satisfy this condition then cover will not be provided until:-

- a) The Insured has returned to work and completed 2 months continuous and active service, or
- b) The Insured has completed a proposal form, satisfactory to the Underwriters, if the Insured wishes to be included in the Insurance earlier.

If the Insured elects to complete a proposal form, which is unacceptable to the Underwriters, option a) may not be chosen subsequently.

8.6. Termination

The Insurance will terminate and cease to have effect upon the Insured:-

- a) attaining age 60.
- b) ceasing to be gainfully employed in the capacity for which he holds the Licence(s)/Certificate(s) held at the inception date of this Insurance stated in Item of the Schedule.

8.7. Capital Sum Insured Restriction

With respect to Insured Events and the Capital Sums Insured shall not be deemed to exceed the following multiples under this and / or all other current Loss of Licence Policies held in the name of the Insured:- Up to and including

Capital Sum Insured Restriction

age 29 5.0 times annual earnings from normal profession 30 to 39 4.0 times annual earnings from normal profession 40 to 49 3.0 times annual earnings from normal profession

50 the lesser of ₹90,000 or 2.0 times annual earnings from normal profession

51 the lesser of ₹80,000 or 2.0 times annual earnings from normal profession

52 the lesser of ₹70,000 or 2.0 times annual earnings from normal profession

53 the lesser of ₹60,000 or 2.0 times annual earnings from normal profession

54 the lesser of ₹50,000 or 2.0 times annual earnings from normal profession

55 the lesser of ₹40,000 or 1.8 times annual earnings from normal profession

56 to 59 Inclusive the lesser of ₹20,000 or 1.0 times annual earnings from normal profession

In order to recover the full benefits payable under this Insurance, the Insured must have notified the Underwriters of any other loss of licence insurance and the existence of that other insurance must have been noted and accepted by the Underwriters before a claim arises. If no such prior notification has been given, this Insurance is deemed to be surplus to all other valid and collectable insurances. Any payment under these circumstances will only be the difference, if any, between the Capital Sum Insured Restriction, as stated above, and all other valid insurance.

8.8. Fraud

If the Insured commits fraud or attempts to do so in connection with any claim under this Insurance, the Insurance shall become automatically void ab initio.

18. CLAIMS PROCEDURES

The Insured must fully comply with the following procedures, which are conditions precedent to any liability of the Underwriters to make payment of any amounts under this Insurance.

Upon the happening of an Insured Event, the Insured and/or his Legal Personal Representatives must:

1. Make a claim by notifying the entity named in Item of the Schedule in writing by registered mail as soon as possible and in any event not later than thirty days after the date of death or the date of unfitness as a result of sustaining an Accident or the manifestation of illness. Such notification shall include all details as known to the Insured and documentary evidence issued by the relevant licence issuing authority. The date of notification shall be taken as the date upon which the notice was delivered to the entity named in Item of the Schedule. Advice of a claim by telephone message is not deemed to be proper notice of a claim.
2. At the request and expense of the Underwriters, submit to an independent medical examination in the event of an Accident or illness.
3. Irrevocably authorise the Underwriters:-
 - a) to obtain details of all medical reports and hospital records and obtain information from any physicians, surgeons and hospital authorities concerned with the treatment of or consulted by the Insured;
 - b) to obtain information from and seek the opinion of the principal medical officer of the Civil Aviation Authority or any

other competent authority or its successors (or other appropriate medical officer appointed for the purpose) as to the likelihood of the Insured ever obtaining a restoration of his Licence(s)/ Certificate(s). If the opinion is that the Insured is unlikely to ever obtain such restoration the Underwriters will accept that opinion as evidence in favour of the Insured.

4. Sign all authorisations required by the Underwriters for these purposes, on written demand by the Underwriters make a statutory declaration as to any facts relating to the claim and complete the Underwriters' standard claim questionnaire on request.
5. Notify the Underwriters immediately if any action against a third party relating to the Insured's Licence(s)/Certificate(s) is planned or contemplated.
6. Notify the Underwriters immediately upon becoming aware of any investigation, Court of Enquiry or similar proceedings likely to affect this Insurance and give all possible assistance and information to lawyers appointed by the Underwriters as they may reasonably require.
7. Furnish the Underwriters with satisfactory proof of:
 - a) the happening of the event on which the Sum Insured will become payable
 - b) any other information that the Underwriters may require.

The receipt by the Underwriters of a release from the Insured or any other duly authorised representative shall constitute an absolute discharge to the Underwriters in respect of payments made under this Insurance.

19. ARBITRATION

The Underwriters reserve the right to refer all unfitness assessments to their own medical advisers. In addition, the Insured may be required to undergo an examination by a qualified medical practitioner experienced in the medical examination of flying personnel.

The Underwriters also reserve the right to request the Insured to undergo reasonable medical treatment and investigations at the expense of the Underwriters if, in the opinion of the Underwriters and their medical advisers, such treatment and/or investigations would probably result in the restoration of the Insured's Licence(s)/ Certificate(s). Should the Insured wish to dispute the decision of the Underwriters or their medical advisers or qualified medical practitioner the matter will be referred for arbitration to the Dean of the Faculty of Occupational Medicine of the Royal College of Physicians in London, England. The Dean will appoint one person to act as referee from a panel of qualified medical practitioners experienced in the examination of flying personnel and in the relevant branch of medicine, such panel to be agreed between the Underwriters and the Insured.

The decision of the Dean and the referee shall be final and binding on all parties. The costs of examination and arbitration will be borne by the Underwriters.

CUSTOMER SERVICE & GRIEVANCE PROCEDURE

If You have a grievance about any matter relating to the Policy, or Our decision on any matter, or the claim, You can address Your grievance as follows:

Stage 1: Bima Bharosa

You can register your grievances with the regulator using the following link: <https://bimabharosa.irdai.gov.in/Home/Home>

Stage 2: Head – Customer Care

Alternatively, if you wish to register your grievances directly with us, you may write to the Head – Customer Care. We aim to respond to

all Grievances within 7 days. In our initial acknowledgement of receipt letter, we will provide the name and title of the person that is handling your Grievance. This individual will have the authority necessary to investigate and resolve the Grievance.

Email: head.customercare@sbigeneral.in

Toll-Free Number: 1800 102 1111 (Available 24/7)

Stage 3: Grievance Redressal Officer (GRO)

In case, you are still not satisfied with the decision/resolution communicated by the above officer or have not received any response within 5 Business days, you may escalate the matter to the Grievance Redressal Officer (GRO) which will undergo a detailed case investigation, and we aim to resolve the issue within 7 days from the date of receipt of your Grievance at GRO Desk

Email: gro@sbigeneral.in

Designation: Grievance Redressal Officer

Phone: 022-45138021

Note: - The Company shall endeavour to maintain the regulatory TAT of 14 days in resolving your grievances.

Stage 4: Escalation to Insurance Ombudsman

If you feel that the response to your Grievance was unsatisfactory, or if you believe your concerns have not been adequately addressed by the company, you may escalate the matter to the Insurance Ombudsman.

Submit your Grievance online:

<https://www.cioins.co.in/Ombudsman>