



AVIATION INSURANCE

POLICY

WHEREAS the Insured named in the Schedule hereto has, by a proposal and declaration which the Insured warrants as being true and correct, and which shall be the basis of this Policy and are deemed to be incorporated herein, applied to the **Infiniti Insurance Limited** (hereinafter called "the Insurer") for the insurance of certain Aircraft listed in the Schedule being issued together with this Policy, and in consideration of, and conditional upon, the prior payment of the Premium specified in the Schedule hereto by or on behalf of the Insured and receipt thereof by or on behalf of the Insurer.

The Insurer hereby agrees subject to the Warranties, Terms and Conditions endorsed hereon and in the Schedule, Exclusions, Deletions, Definitions, Clauses and Limitations contained herein, in the Schedule or endorsed hereon to insure against loss, damage or liability as provided in the sections of this Policy which shall be specified in the Schedule hereto as being operative and applicable but only in respect of an Occurrence (hereinafter defined) which has occurred during the Period of Insurance in respect of which the Insured has paid to the Insurer on the terms set out herein and the Insurer has accepted the premium required for this Insurance.

This Aviation Insurance Policy must be read in conjunction with the Schedule, constitutes an agreement between the Insurer and Insured and is binding upon them. No variation to this Policy or the Schedule shall be valid and binding unless reduced to writing by the Insurer. The Insured shall also be bound by any Endorsement issued pursuant to this Policy which shall be in writing.

The wording contained in this Policy must be read in conjunction with the Schedule and any Endorsement which set out the type and extent of coverage provided subject to the terms and conditions contained in the policy, the Premiums payable in terms of the Policy and contain certain limitations, exclusions and warranties.

THE INSURED MUST COMPLY WITH ANY WARRANTY CONTAINED WITHIN THIS INSURANCE (WHETHER EXPRESS OR IMPLIED). FAILURE TO DO SO MAY DISCHARGE UNDERWRITERS FROM ALL LIABILITY AB-INITIO.



AVIATION INSURANCE

PREMISES, HANGARKEEPERS AND PRODUCTS LIABILITY POLICY

INDEX OF AVAILABLE COVER

Section I	Premises (General Public) Liability
Section II	Hangarkeepers Liability
Section III	Products Liability
Section IV	Exclusions applicable to all Sections; Terms, Conditions and Provision applicable to all Sections; Definitions.
Section V	Additional Clauses & Endorsements.



AVIATION INSURANCE

PREMISES, HANGARKEEPERS AND PRODUCTS LIABILITY POLICY

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 or by final judgement 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 Sections I, II and III below.

SECTION I – PREMISES (GENERAL PUBLIC) LIABILITY

1. COVERAGE

Where the Insured has paid the appropriate premium to Insurers on due date, and subject to the terms and conditions set out in this Policy, and Section I Cover is included in the Schedule hereto, and the Insured has complied with the terms and conditions in this Policy-

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 or by final judgement be adjudged to pay up to but not exceeding the amounts specified in the Schedule, to any person or persons as damages for 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.

2. EXCLUSIONS APPLICABLE TO THIS SECTION

The Insurer shall not be liable for:

- 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 II 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, nor 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 Buildings, Runways, or Installations by the Insured or his 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 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 II –HANGARKEEPERS LIABILITY

1. COVERAGE

Where the Insured has paid the appropriate premium to Insurers on due date, and subject to the terms and conditions set out in this Policy, and Section II Cover is included in the Schedule hereto, and the Insured has complied with the terms and conditions in this Policy, then-

The Policy will cover 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.

2. EXCLUSIONS APPLICABLE TO THIS SECTION

The Insurer shall not be liable for:

- (a) Loss of or damage to robes, wearing apparel, personal effects or merchandise of any description.
- (b) Loss of or damage to 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 III – PRODUCTS LIABILITY

1. COVERAGE

Where the Insured has paid the appropriate premium to Insurers on due date, and subject to the terms and conditions set out in this Policy, and Section III Cover is included in the Schedule hereto, and the Insured has complied with the terms and conditions in this Policy, then-

The Policy will cover 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.

2. EXCLUSIONS APPLICABLE TO THIS SECTION

The Insurer shall not be liable for:

- (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 or 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.



SECTION IV – EXCLUSIONS APPLICABLE TO ALL SECTIONS; TERMS, CONDITIONS AND PROVISIONS APPLICABLE TO ALL SECTIONS; DEFINITIONS.

1. EXCLUSIONS APPLICABLE TO ALL SECTIONS OF THE POLICY

The following exclusions apply to the whole of this Policy. Any other exclusion are shown in the Section to which they apply.

Insurers will not pay for any loss, accidental damage, theft or any legal liability of whatsoever nature, directly or indirectly caused, contributed to, by or happening through or in consequence of:

- (a) **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.
- (b) **THIS POLICY DOES NOT COVER** the cost of making good any faulty 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).
- (c) **THIS POLICY DOES NOT COVER** liability assumed by the Insured by Agreement under any Contract except to the extent that such liability would have attached to the Insured in the absence of such agreement.
- (d) **THIS POLICY DOES NOT COVER** liability arising out of the operation of an airfield control tower unless previously agreed by the Insurers in writing hereto.
- (e) **THIS POLICY DOES NOT COVER** loss, damage or expense caused by one or any combination of the following:
 - (i) Any debt, failure to provide bond or security or any other financial or perceived financial cause under court order or otherwise;
 - (ii) The repossession or attempted repossession of the Aircraft by any title holder, or arising out of any contractual agreements or disagreements to which any Insured protected under this Policy may be party.
- (f) This Policy will not indemnify the Insured in respect of fines, penalties, punitive, exemplary or vindictive damages.
- (g) **CONTRACT (RIGHTS OF THIRD PARTIES) ACT 1999 EXCLUSION CLAUSE** - to claims excluded by The rights of a person who is not a party to this insurance or reinsurance to enforce a term of 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.



(h) **NUCLEAR RISKS** - to claims excluded by the Nuclear Risks Exclusion Clause

1. This Policy does not cover:
 - (i) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
 - (ii) any legal liability of whatsoever naturedirectly or indirectly caused 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 radioactive source whatsoever.
2. It is understood and agreed that such radioactive material or 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 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 Organisation "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 surface contamination
(IAEA Health and Safety Regulations)	(Averaged over 300 cm ²)
Beta, gamma and low toxicity alpha emitters	Not exceeding 4 Bequerels/cm ² (10 ⁻⁴ microcuries/cm ²)
All other emitters	Not exceeding 0.4 Bequerels/cm ² (10 ⁻⁵ microcuries/cm ²)

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

(i) **NOISE, POLLUTION AND OTHER PERILS EXCLUSION CLAUSE -**

1. This Policy does not cover claims directly or indirectly occasioned by, happening through or in consequence of:

- (i) noise (whether audible to the human ear or not), vibration, sonic boom and any phenomena associated therewith,
- (ii) pollution and contamination of any kind whatsoever,
- (iii) electrical and electromagnetic interference,
- (iv) 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 the Insurer to investigate or defend claims,

Such provision shall not apply and the Insurer shall not be required to defend

- (i) claims excluded by Paragraph 1 or
- (ii) 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, the Insurer 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.
- (j) **THIS POLICY DOES NOT COVER** liability of the Insured directly or indirectly occasioned by, happening through or in consequence of:
- (i) 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;
 - (ii) 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;
 - (iii) Strikes, riots, civil commotions or labour disturbances.
 - (iv) 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;
 - (v) Any malicious act or act of sabotage.
 - (vi) 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.
- (k) **DATE RECOGNITION EXCLUSION CLAUSE AVN 2000A.** - 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):
- (i) 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;
 - (ii) 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;
 - (iii) 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.



(l) **DATE RECOGNITION LIMITED COVERAGE CLAUSE** - WHEREAS the Policy of which this Endorsement forms part includes the Date Recognition Exclusion 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 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) accidental bodily injury, fatal or otherwise, or loss of or damage to property caused by an accident, other than an aircraft accident, occurring during the Policy period and arising out of a risk insured under the Policy. For the avoidance of doubt, solely for the purposes of this paragraph (b) and without prejudice to the meaning of the words in any other context, "bodily injury" shall mean only physical corporeal injury and unless arising directly therefrom shall not include mental or psychological injury.

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) applying in excess of any scheduled underlying insurance and/or in respect of any non-aviation risks; and/or
 - (b) in respect of grounding of any aircraft; and/or
 - (c) 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 agrees that it has an obligation to disclose in writing to the Insurers during the Policy period any material facts relating to the Date Recognition Conformity of the Insured's operations, equipment and products.
- (m) **ASBESTOS EXCLUSION** - this Policy does not cover claims of any kind whatsoever directly or indirectly relating to, arising out of, or in consequence of:
- (i) the actual, alleged or threatened presence of asbestos in any form whatsoever, or any material or product containing, or alleged to contain asbestos, or
 - (ii) 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 (a) or (b) hereof.

All other terms and conditions of the Policy remain unchanged.

This asbestos exclusion is a clarification of present underwriting intent and shall not be interpreted as reflecting any intention to include asbestos under any prior or expiring policy similar to this.

- (n) **SANCTIONS** - no (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or pay any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America, or any of its states (provided that this does not violate current EU regulations and/or German Law).
- (o) **SANCTIONS AND EMBARGO CLAUSE** - notwithstanding anything to the contrary in the Insurance the following shall apply:
1. If, by virtue of any law or regulation which is applicable to an Insurer at the inception of this Insurance or becomes applicable at any time thereafter, providing coverage to the Insured is or would be unlawful because it breaches an embargo or sanction, that Insurer shall provide no coverage and have no liability whatsoever nor provide any defence to the Insured or make any payment of defence costs or provide any form of security on behalf of the Insured, to the extent that it would be in breach of such law or regulation.
 2. In circumstances where it is lawful for an Insurer to provide coverage under the Insurance, but the payment of a valid and otherwise collectable claim may breach an embargo or sanction, then the Insurer will take all reasonable measures to obtain the necessary authorisation to make such payment.
 3. In the event of any law or regulation becoming applicable during the Period of Insurance which will restrict the ability of an Insurer to provide coverage as specified in paragraph 1, then both the Insured and the Insurer shall have the right to cancel its participation on this Insurance in accordance with the laws and regulations applicable to the Insurance provided that in respect of cancellation by the Insurer a minimum of 30 days notice in writing be given. In the event of cancellation by either the Insured or the Insurer, the Insurer shall retain the pro rata proportion of the premium for the period that the Insurance has been in force. However, in the event that the incurred claims at the effective date of cancellation exceed the earned or pro rata premium (as applicable) due to the Insurer, and in the absence of a more specific provision in the Insurance relating to the return of premium, any return premium shall be subject to mutual agreement. Notice of cancellation by the Insurer shall be effective even though the Insurer makes no payment or tender of return premium.
- (p) **NOTICE RELATING TO SANCTIONS AND TRADE RESTRICTIONS:**
1. Where it would be illegal under applicable laws or sanctions or embargoes for Insurers and their Reinsurers to provide the cover specified in this Contract or any part of such cover, or any other service or benefit, then the Insurers and Reinsurers shall only be obliged to provide cover, services or benefits to the extent that, and for such period as, it is or becomes legally permissible for the Insurers and Reinsurers to do so or to have done so.
 2. Where any sum of money falls due from or to Insurers / Reinsurers under this Contract and where it would be illegal under applicable laws or sanctions or embargoes for the payment of all or any part of the sum of money to be made (whether in cash, by transfer, by provision of letters of credit or outstanding claims advances or by any other form of transfer of other economic asset) at the time it falls due, then the debtor party shall only be obliged to make payment to the extent that, and at such time as, it is or becomes legally permissible to the debtor party to do so.
 3. In circumstances where paragraphs 1. and/or 2. of this Clause would otherwise apply, but the relevant laws or sanctions or embargoes allow the Insurers and Reinsurers to seek authorisation to provide the affected cover, service or benefit and/or to make or receive the affected payment, then the Insurers / Reinsurers will take all reasonable steps to obtain the necessary authorisation required to enable them to make such payment or provide such cover, service or benefit. In this event the Insured will provide to the Insurer / Reinsurer all information required by the applicable authorities to obtain the necessary authorisation.



4. Unless and until all such information is provided by the Insured to the Insurer / Reinsurer in accordance with paragraph 3. and authorisation is granted to the Insurers / Reinsurer by the applicable authority(ies), then paragraphs 1. and 2. of this Clause shall continue to apply, and the Insurers / Reinsurer shall not be required to make such payment, or to provide any such cover, service or benefit.

(q) **COMMUNICABLE / CONTAGIOUS / INFECTIOUS DISEASE AND EPIDEMIC / PANDEMIC EXCLUSION**

This Policy excludes any loss, damage, liability, cost or expense directly or indirectly arising out of or contributed to by, or resulting from

- (a) any communicable/contagious/infectious disease whether transmitted directly or indirectly,
- or
- (b) any epidemic or pandemic (classified as such by the appropriate national or international body or agency and/or any travel advisory or warning being issued by a national or international body or agency,

in which either of the above leads to

- (i) the imposition of quarantine or restriction in movement of people or animals by any national or international body or agency and/or any travel advisory or warning being issued by a national or international body or agency,
- or
- (ii) any fear or threat thereof, whether actual or perceived.

Definition

Communicable/contagious/infectious disease means any disease which can be transmitted by any means whatsoever from any organism (whether living or not) to another organism.

If the Insurer alleges that by reason of this exclusion, any loss is not covered by this Policy the burden of proving the contrary rests on the Insured.

(r) **ELECTRONIC DATA EVENT LIABILITY EXCLUSION**

This Policy excludes:

1. any form of mental injury, mental anguish, shock or fright, unless resulting from corporeal injury, caused by:
 - (a) a delay in, cancellation of or non-provision of air transportation and associated services;
 - (b) unauthorised access to and/or use of a person's or organisation's confidential, proprietary or personal information;
2. Property Damage to Electronic Data

arising out of a Data Event.

However, this exclusion shall not apply to such liability otherwise covered by the operative section(s) of this Policy caused by or resulting in a crash fire explosion or collision or a recorded in-flight emergency causing abnormal aircraft operation.

As used herein:

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



“Electronic Data” means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

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



2. TERMS, CONDITIONS AND PROVISIONS APPLICABLE TO ALL SECTIONS OF THE POLICY

THE DUE OBSERVANCE AND FULFILMENT OF THE TERMS, CONDITIONS, PROVISIONS AND ENDORSEMENTS OF THIS POLICY SHALL BE CONDITIONS PRECEDENT TO ANY LIABILITY OF THE INSURER TO MAKE ANY PAYMENT UNDER THIS POLICY.

- (a) **DUE DILIGENCE** - the Insured shall at all times use due diligence and do and concur in doing everything reasonably practicable to avoid accidents and to avoid or diminish any loss hereon.
- (b) **VARIATION IN RISK** - that 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 Insurer in writing and no claim arising subsequent to such change shall be recoverable hereunder unless such change has been expressly accepted by the Insurer in writing.
- (c) **MISREPRESENTATION, MISDESCRIPTION AND NON-DISCLOSURE OF MATERIAL INFORMATION** – material information is information which may influence Insurers decision whether to provide insurance or the conditions of the insurance. Misrepresentation, misdescription or non-disclosure in any material particular shall render the Policy voidable so that claims would not be paid. The duty of disclosure is re-imposed when there are changes or variations in cover and when the Policy is renewed or extended. In addition, changes which increase the risk, or relate to compliance with a warranty or condition in the Policy must be notified to Insurers immediately in writing. No claim arising subsequent to such change shall be recoverable hereunder unless such change has been expressly accepted by the Insurer in writing.
- (d) **PROPOSAL AND DECLARATION** – the Insured warrants that all the information provided in the proposal and declaration which the Insurer relied upon in issuing this Policy is true and correct.
- (e) **CHANGES TO POLICY TERMS AND CONDITIONS** - Insurers may make changes to the terms and conditions of the Policy, including changes to the premium charged or the cover given, by giving 31 days' notice of the change. The Insured may then exercise their right to cancel the Policy immediately by advising Insurers in writing thereof.
- (f) **ACCIDENT / LOSS FREE ETC.** – it is warranted that the Insured is accident / incident / loss free for the past 5 years. All prior losses are required to have been disclosed to Insurers. No claim arising shall be recoverable hereunder unless the prior losses has been expressly noted by Insurers in writing.
- (i) **PREMIUM PAYMENT** –
 - (i) **General**
 - This clause shall apply notwithstanding any other clause, or condition contained in the Policy wording or on the schedule attached to the wording.
 - All Premiums are payable to the Insurer in advance on or before the Due Date. This shall apply to both new and renewing policies.
 - Whilst the Insurer is not obliged to accept payment of Premiums tendered to it after the Due Date, it may elect to do so upon such terms as it, in its sole discretion, may determine.
 - (ii) **Payment of Annual Premiums**
 - If an Annual Premium is not paid on the Due Date, whether at the inception or renewal of the Policy, the Insured shall have a 30-day grace period after the inception or renewal date of the Policy to pay the Annual Premium. Should the Insured fail to pay the Annual Premium on or before the due date or within this 30-day grace period, the Policy and cover in terms of the Policy shall be voided with effect from the Due Date and the Insurer shall not be liable to pay any claim under this Policy.
 - (iii) **Premium payments by instalment**
 - Where instalment payments are agreed to, if the first Instalment is not paid on the Due Date, whether at the inception or renewal of the Policy, the Insured shall have a 30-day grace period after the inception or renewal date of the Policy to pay the first Instalment. Should the Insured fail to pay the first Instalment on or before the due date or within this 30-day grace period, the



Policy and cover in terms of the Policy shall be voided with effect from the Due Date and the Insurer shall not be liable to pay any claim under this Policy.

- In respect of Instalment payments other than the first Instalment which are due during the currency of the Policy and where instalment payments are agreed to, each instalment shall be paid on or before the Due Date failing which the Policy and cover in terms of the Policy shall be voided with effect from the Due Date. For the avoidance of doubt, no grace period shall apply in respect of the payment of any instalment other than the first instalment as set out above.
- (j) **FULL ANNUAL PREMIUM IF LOSS** – it is understood and agreed that on the happening of any event likely to give rise to a claim under this Policy then the balance of the full annual premium shall become due and payable forthwith.
- (k) **CANCELLATION** – this is an annual contract and may be cancelled at any time without cause by the Insurer giving 31 days' notice in writing or by the Insured giving immediate notice in writing.

On cancellation by the Insurer they will return a pro rata portion of the premium in respect of the unexpired period of the Policy. There will be no return of premium in respect of any Policy on which a loss is paid or is payable.

On cancellation by the Insured a short rate penalty shall apply and return of premium shall be at the discretion of the Insurer, and is subject to a minimum of 20% of the annual premium being earned. There will be no return of premium in respect of any Policy on which a loss is paid or is payable.

HOWEVER the cancellation provisions contained in the following shall remain paramount and will be applicable:-

- Nuclear Risks Exclusion Clause
- Extended Coverage Endorsement (Aviation Liabilities)
- Premium Payment Clause

(l) **CLAIMS** –

- (1) On the happening of any event likely to give rise to a claim under this Policy immediate notice shall be given to the Insurer as set out herein. In all cases the Insured shall
 - (i) in respect of any event which may or is likely to give rise to a claim under this Policy, furnish full particulars in writing of such event and forward immediately notice of any claim with any letters or documents relating thereto;
 - (ii) forward to Insurers immediately any notice of any claim or any communication, writ, summons, impending prosecution or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim;
 - (iii) render such further information and assistance as the Insurers may require; and
 - (iv) not act in any way to the detriment or prejudice of the interest of the Insurers.
- (v) **not make any admission of liability or payment or offer or promise of payment without the written consent of the Insurers.**
- (2) No claim shall be payable after the expiry of 12 months or such further time as Insurers may allow from the happening of the event that caused the claim unless the claim is the subject of pending legal action or is a claim in respect of the Insured's legal liability to a third party.
- (3) If Insurers reject a claim under this Policy in its entirety or under any Section thereof, albeit for claims at that time or at any time in the future, the Insured has 90 days to revert to Insurers and a further 6 months to take legal action against Insurers. If the Insured does not take legal action within this period then the right to do so is deemed to be waived and all benefit under this Policy, under all Sections thereof, shall be forfeited by the Insured.

- (4) The Insurer shall be entitled (if it so elects) 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.
 - (5) When loss of, or damage to, an Aircraft has occurred, the Insured shall be obliged to take all reasonable steps to protect the Aircraft notwithstanding what cover is specified in the Schedule.
 - (6) 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.
- (m) **PAYMENT OF COSTS** – in addition to the limits set out in the Schedule, the Insurers will pay all legal and other costs incurred with their consent in the defence of any claim made against the Insured,

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in the event of their requiring any claim to be contested

- (i) 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.
 - (ii) If a payment exceeding the sum insured has to be made to dispose of a claim, 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 sum insured by this Policy bears to the amount paid to dispose of the claim.
- (n) **FRAUD** - an Insured or his agent or employee shall not in the proposal and declaration or in the presentation and furtherance of any claim:
- (iii) deliberately or recklessly conceal from Insurers any information which he knows or ought to know might be material to their consideration of any claim;
 - (iv) provide to Insurers information, which he knows to be false, with respect to a proposal or declaration or in any such event relied upon as a cause of loss or as to the amount claimed; nor
 - (v) otherwise use fraudulent means or devices, including suppressing a known defence to Insurers' liability.

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

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

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

The Insured warrants that all information provided by it to the Insurer in relation to an event relied upon as a cause of loss or as to the amount claimed, is true and correct.



- (o) **SUBROGATION** - 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.
- (p) **LIMIT(S) OF INDEMNITY** - notwithstanding the inclusion herein of more than one Insured whether by endorsement or otherwise, the total liability of the Insurer in respect of any or all Insured's shall not exceed the limit(s) of indemnity stated in the Schedule hereto.
- (q) **ASSIGNMENT** - this Policy shall not be assigned by the Insured in whole or in part except with the consent of the Insurer verified by endorsement hereon.
- (r) **NOT MARINE INSURANCE** - this Policy is not and the parties hereto expressly agree that it shall not be construed as a policy of marine insurance.
- (s) **ARBITRATION** –
 - (i) By agreement between the Insured and the Insurer, a dispute arising in terms of the Policy read with the Schedule may be referred to and decided by arbitration in the manner set out in this clause. Either Party may request arbitration proceedings by giving notice to the other of its intention to do so.
 - (ii) The arbitration shall be held subject to the provisions of this clause in Johannesburg in terms of a procedure to be agreed to between the Parties and the nominated arbitrator otherwise than in accordance with the provisions of the Arbitration Act No. 42 of 1965 (as amended). Failing agreement between the Parties as to the procedure to be followed, the Rules of the High Court of South Africa applicable at the time shall apply to the dispute.
 - (iii) The arbitrator shall be a senior legal practitioner with at least 15 years experience, or a retired Judge agreed to between the Parties. If the Parties cannot agree on an arbitrator within 10 business days after the arbitration has been demanded, the nomination of the arbitrator shall be made by the President for the time being of the Legal Practice Council or the President's successor-in-title as soon as possible after the Parties have so failed to agree.
 - (iv) The Parties irrevocably agree that the decision in the arbitration proceedings: (a) shall be final and binding upon them; and (b) shall be carried into effect; and (c) may be made an order of any Court of competent jurisdiction.
 - (v) Nothing contained in this clause shall prevent or preclude either the Insurer or the Insured from approaching any Court having competent jurisdiction for urgent or interlocutory relief in respect of any matter arising in terms of the Policy and Schedule.
- (t) **JURISDICTION** – this Policy shall be subject to the laws and statutes applicable in the Republic of South Africa and Insurers shall only abide by judgements first delivered by or obtained from a court of competent jurisdiction within the Republic of South Africa.
- (u) **SEVERAL LIABILITY NOTICE** – where applicable the subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.



- (v) **FOREIGN CURRENCY** – where applicable and whereby the Sum Insured and Limits of Indemnity and/or Premium have been expressed in a Foreign Currency, then:-

It is agreed that the Premium as stated in the Schedule to the Policy will be paid in the Foreign Currency subject however to South African Reserve Bank approval; alternatively it shall be paid in South African Rand (ZAR) at the prevailing rate of exchange as quoted by Infiniti Insurance Ltd.'s Bankers and will be the published "selling rate" at the date and time of invoicing, at the sole discretion of Infiniti Insurance Ltd.

It is agreed in respect of claims that payment will be paid in the Foreign Currency as expressed in the Schedule to the Policy subject however to South African Reserve Bank approval; alternatively it shall be paid in South African Rand (ZAR) at the prevailing rate of exchange as quoted by Infiniti Insurance Ltd.'s Bankers and will be the published "buying rate" at the date and time at which Insurers instruct a release to be taken, at the sole discretion of Infiniti Insurance Ltd.

The Policy deductible as stated in the Schedule to the Policy shall be deducted from the claim settlement and shall be converted to South African Rand (ZAR) where applicable, utilizing the published "buying rate" as quoted by Infiniti Insurance Ltd.'s Bankers at the date and time at which Insurers instruct a release to be taken, at the sole discretion of Infiniti Insurance Ltd.

- (w) **VALUE – ADDED TAX (VAT)** – All Sums Insured and Limits of Indemnity and Deductibles are exclusive of VAT.

Where applicable and in the event of a loss VAT at the current rate as promulgated by the applicable legislation will be applied to the Sum Insured, Limits of Indemnity and Deductibles.

- (x) **USE OF PERSONAL INFORMATION** - the Insured acknowledges that, by entering into this Policy, the Insured will be providing the Insurer with personal information, which may be protected by data protection legislation, including inter alia, the Protection of Personal Information Act, 2013 ("POPI"). The Insurer shall take all reasonable steps to protect such personal information.

The Insured authorises the Insurer to

- (i) process (as contemplated in terms of POPI) all such personal information, for the following purposes:
- (a) To communicate requested information to the Insured.
 - (b) To provide the Insured with insurance services.
 - (c) The verification of the information provided against any source or database.
 - (d) The compilation non-personal statistical information about the Insured.
- (ii) transmit any such personal information to any affiliate, subsidiary or re-insurer for the purposes of providing insurance services to the insured and in furtherance of the Insurers legitimate interests including statistical analysis, re-insurance and credit control.
- (iii) transmit any such personal information to any third party service provider that may from time to time be appointed by the Insurer, in furtherance of the Insurers legitimate interests and as necessary for performance in terms of the Policy.

The Insured acknowledges that this consent clause will survive the cancellation or lapse of this Policy.



- (y) **WAIVER**- no latitude, extension of time or other indulgence which may be given or allowed by the Insurer to the Insured in respect of the performance of any obligations in terms of the Policy and Schedule, or endorsement of any rights arising from the Policy and Schedule, including the non-payment of any premium on due date in terms of this Policy and Schedule, no single or partial exercise of any right by the Insured shall, under any circumstances be construed to be an implied consent by the Insurer or operate as a waiver or a novation of, or otherwise affect any of the Insurers rights in terms of or arising from the Policy and Schedule, or estop or prevent the Insurer from enforcing, at any time and without notice, strict and punctual compliance with each and every provision of the Policy and Schedule. The Insurer specifically records that where payment of any Premium is not made on the due date in accordance with the provision of the Premium Payment clause contained herein, or any extension thereto agreed to by the Insurer in writing, it shall not be required to meet any claim under the Policy and Schedule, even if it has accepted late payment of any Premium in the past.
- (z) The rule of construction that a contract shall be interpreted against the party responsible for the drafting or preparation of the contract, shall not apply. For the purpose of clarity, any vagueness in this Policy shall not be interpreted against the Insurer as the party who drafted this Policy.

3. DEFINITIONS

- (a) "ACCIDENT" means any one accident or series of accidents arising out of one event or occurrence.
- (b) "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.
- (c) "SCHEDULE" shall include the Schedule accompanying this Policy as well as any Endorsement containing details regarding to the Aircraft being insured, sums insured and Premiums to be paid and the Due Date for such payment.
- (d) "POLICY" shall mean this Aviation Insurance Aircraft Policy together with any schedules or annexures or endorsements accompanying it and any written amendments to it made by the Insurer.
- (e) "PROPOSAL and DECLARATION" shall mean the proposal and declaration together with any other document or information submitted by or on behalf of the Insured to the Insurer for purposes of obtaining this Policy and is the information relied on by the Insurer in issuing the Policy.
- (f) "PREMIUM" shall mean the premium to be paid by the Insured to the Insurer as set out in the Schedule.
- (g) "ANNUAL PREMIUM" shall mean the full Premium due by the Insured to the Insurer, as set out in the Schedule, to be paid in full, annually prior to the inception or renewal date of the Policy.
- (h) "INSTALLMENT PREMIUM" shall mean a Premium which is paid in equal quarterly or monthly instalments by the Insured to the Insurer on the Due Date as provided for in the Schedule.
- (i) "DUE DATE" shall mean the date upon which Premiums are due and payable by the Insured to the Insurer as set out in the Schedule.
- (j) "DAYS" shall mean calendar days unless expressly stated otherwise.
- (k) "INSURED" shall mean the Insured noted in the Schedule hereto and is deemed to include subsidiary companies (if applicable), all Directors, Officers, Servants, Agents or Employees of the Insured, acting in the course and scope of their employment by the Insured.
- (l) "DEDUCTIBLE" shall mean the first part of every claim for which the Insured is responsible.
- (m) "MATERIAL INFORMATION" shall mean information which may influence Insurers decision whether to provide insurance or the conditions of the insurance.



SECTION V- CLAUSES AND ENDORSEMENTS

If specifically stated in the Schedule to the Policy the following Clauses and/or Endorsements have been included under cover of this Policy:

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 AVN 48B), all sub-paragraphs other than (b) of Clause AVN 48B 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 AVN 48B.

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 Insurers' liability in respect of the coverage provided by this Endorsement shall be as per the sub-limit(s) as included in the Schedule (or currency equivalent) in respect of Premises Liability, Hangar Keepers Liability and/or Products/Defective Workmanship Liability or the applicable Policy limit whichever the lesser 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 limit 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 AVN 48B
 - 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 requisitionPROVIDED 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 4 (ii) above, Insurers 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 AVN 48B - 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 Insurers 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.