

LONDON AIRCRAFT INSURANCE POLICY

CLAUSES APPLICABLE TO POLICY

APPLICABLE TO PREMIUM – REFER TO DOCUMENT ISSUED BY BROKER

AVN 5A DEFERRED PREMIUMS

It is hereby understood and agreed that the premium shall be paid in the following installments:-

.....

Nevertheless it is further understood and agreed that:-

Notwithstanding any provision as to notice of cancellation contained in this Policy, it is a condition that in the event of any installment not being paid by its due date the cover afforded by this Policy shall be deemed to have ceased at midnight of such due date.

In the event of a claim hereunder which exceeds the installments of premium paid on this Policy the installments of premium then outstanding shall become payable forthwith.

AVN 5A 9.10.74

AVN 6A PREMIUM PAYMENT CLAUSE

1) It is understood and agreed that the premium due at the inception of this Policy shall be payable in the following installments:

.....

2) In the event of a claim hereunder which exceeds the installments of premium paid on this Policy, the installments of premium then outstanding shall become payable forthwith.

3) Notwithstanding any cancellation provision contained within the Policy, in the event that an installment of premium is not paid by its due date Insurers shall have the right to terminate the cover afforded by the Policy to the Insured and any other party(ies) protected thereby, whether by endorsement or otherwise, by the giving of not less than Thirty (30) days notice in writing to the Appointed Broker. Notice shall be deemed to commence from the date such notice is given by the Insurers.

Appointed Broker:

AVN 6A 17.10.96

Avn 8 Full Premium If Lost

It is understood and agreed that in the event of a claim arising hereunder adjustable on the basis of a Total Loss the Full Annual Premium of, less the amount of premium already paid, shall become due and payable forthwith.

AVN 8 1.10.96

Avn 9 Full Premium In The Event Of A Claim Exceeding Premium Paid

It is understood and agreed that in the event of a claim arising hereunder which exceeds the premium paid the balance of the Full Annual Premium shall become due and payable forthwith.

AVN 9 1.10.96

General Clauses

AVN 11A 15% TRANSPORTATION COSTS CLAUSE

It is understood and agreed that in the event of the Aircraft sustaining damage covered under the Aircraft loss or physical damage Section of this Policy the liability of the Insurers for Transportation Costs shall not exceed 15% of the Admitted Cost of repairing such damage. Provided always that any amount payable under this Clause shall not increase the limit of the Insurers' liability beyond the value of the Aircraft as stated in the Policy Schedule.

For the purpose of this Clause

1. "Transportation Costs" shall be deemed to mean the aggregate of the cost of
 - (a) removing the Aircraft to a repair site;
 - (b) transporting such labor, replacement parts, material and equipment as may be required to make good damage covered by this Policy;
 - (c) returning the Aircraft from the repair site to the airfield nearest to the place of accident or to its home airfield, whichever may be the nearer.

In all cases the liability of the Insurers shall be limited to the cost of transportation by the least expensive means which in respect of the transportation of labor shall take into account wages and subsistence payable during transit.

2. The "Admitted Cost" of repairing the damage shall be deemed to mean the aggregate of the cost of
 - (d) labor;
 - (e) replacement parts and material (ex the nearest place where such parts and material are normally stocked) to make good the damage covered by this Policy, including the cost of any necessary dismantling required for inspection and repairs;
 - (f) reassembly.

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

AVN 11A 4.2.02

AVN 14 LIMITATION OF LIABILITY CLAUSE (JOINT INSUREDS)

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.

AVN 14 1.10.96

AVN 15 LIMITATION OF LIABILITY ENDORSEMENT (ADDITIONAL INSUREDS)

It is hereby understood and agreed that this Insurance is extended to cover the under mentioned as additional Insured(s), but only in respect of the coverage provided under this Policy.

It is further understood and agreed that notwithstanding the inclusion herein of more than one Insured, 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.

Subject otherwise to all the terms, conditions, exclusions and limitations of the Policy.

In consideration of the foregoing the sum of is paid hereon as an additional premium.

Additional Insured(s):

AVN 15 1.10.96

AVN 17 ADDITIONS AND DELETIONS

(Applicable to Hull only)

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 Insured and are of the same type and value as Aircraft already covered hereunder.
2. The inclusion of additional Aircraft of other types or different values shall be subject to special agreement and rating by Insurers prior to attachment.
3. 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.

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 and 3 respectively shall be given to the Insurers or their representatives in writing within ten days of attachment or deletion.

AVN 17A 1.10.96

AVN 18A ADDITIONS AND DELETIONS

(Applicable to Liability only)

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 Insured and are of the same type as Aircraft already covered hereunder and of no greater seating capacity.
2. The inclusion of additional Aircraft of other types or greater seating capacity shall be subject to special agreement and rating by Insurers prior to attachment.
3. 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.
4. 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.
5. Notice of the addition or deletion of any Aircraft under the provisions of Paragraphs 1 and 3 respectively shall be given to the Insurers or their representatives in writing within ten days of attachment or deletion.

AVN 18A 1.10.96

AVN 19A ADDITIONS AND DELETIONS

(Combined)

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 Insured 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 Insurers prior to attachment-.'
3. Under the Aircraft loss or physical damage Section 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 provided no claim has arisen and become payable in respect of such Aircraft under the Aircraft loss or physical damage Section of this Policy 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

5. Provided always 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 the full twelve months' Aircraft loss or physical damage 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 Insurers or their representatives in writing within ten days of attachment or deletion.

AVN 19A 18.3.02

AVN 61 AGREED VALUE CLAUSE

It is hereby understood and agreed that in consideration of the insured Aircraft being covered on an Agreed Value basis all reference herein to replacement shall be deemed to be deleted but only in respect of claims adjusted on the basis of a total loss.

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.

AVN 61 1.10.96

AVN 62 SEARCH AND RESCUE EXTENSION CLAUSE – REFER TO DOCUMENTATION ISSUED BY BROKER

In consideration of an additional premium of it is agreed that this Policy is extended to indemnify the Insured for 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.

Provided always that Insurers' liability shall not exceed in respect of any one search and rescue operation and in the aggregate.

This clause does not extend the Policy to cover salvage costs and expenses.

All other terms and conditions of this Policy remain unchanged.

AVN 62 1.10.96

AVN 63 CROSS LIABILITY CLAUSE

In consideration of an additional premium of the inclusion of Additional Insureds under this Policy shall not preclude the right of recovery hereon by the Original Insured named below in respect of claims made against them by such Additional Insureds or the employees of such Additional Insureds.

Where the coverage provided by this Policy is also provided by other policy or policies, then this Policy shall only pay that amount which is in excess of the amount(s) which would have been payable under such other policy(ies) had this insurance not been effected.

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.

Original Insured:

AVN 63 1.10.96

AVN 25 CLAIMS CONTROL CLAUSE

Notwithstanding anything herein contained to the contrary, it is a condition precedent to any liability under this Policy that

- (a) the Reinsured shall, upon knowledge of any loss or losses which may give rise to a claim under this Policy, advise the Reinsurers thereof within 72 hours;
- (b) the Reinsured shall furnish the Reinsurers with all information available respecting such loss or losses, and the Reinsurers shall have the right to appoint adjusters, assessors and/or surveyors and to control all negotiations, adjustments and settlements in connection with such loss or losses.

AVN 25 1.10.96

AVN 26A AIRCRAFT LAYING-UP RETURNS CLAUSE

In the event of the Aircraft hereby insured being laid up, the Flight and Taxying cover under all Sections of this Policy shall be suspended during the period of lay-up and credit under the Aircraft loss or physical damage Section of the Policy will be adjusted on expiry of the Policy subject to the following conditions:-

1. Notice must be given to the Insurers by the Insured prior to and upon termination of lay-up.
2. No return of premium shall be made:-
 - (a) in respect of the period during which the Aircraft is laid up for maintenance, overhaul or repair;
 - (b) unless the period of lay-up is of at least 30 consecutive days, but should the period defined in (a) occur during lay-up then the Insured shall be entitled to add the lay-up days prior to and subsequent to the period defined in (a) in computing the period of 30 days or more for which a return may be made;

(c) if a claim in respect of the Aircraft concerned has been made on this Policy.

Subject always to the foregoing conditions the return shall be 75 per cent of pro rata of the difference between the annual Flight risk premium and the annual ground risk premium (as agreed by the Insurers) for the actual period of lay-up as defined above.

In the event of the Aircraft being laid up for a period of 30 days or more, a part only of which attaches to this Policy and part to the annual renewal Policy, then this Policy shall return premium proportionately.

AVN 26A 1.10.96

AVN 67B AIRLINE FINANCE/LEASE CONTRACT ENDORSEMENT

It is noted that the Contract Party(ies) have an interest in respect of the Equipment under the Contract(s). Accordingly, with respect to losses occurring during the period from the Effective Date until the expiry of the Insurance or until the expiry or agreed termination of the Contract(s) or until the obligations under the Contract(s) are terminated by any action of the Insured or the Contract Party(ies), whichever shall first occur, in respect of the said interest of the Contract Party(ies) and in consideration of the Additional Premium it is confirmed that the Insurance afforded by the Policy is in full force and effect and it is further agreed that the following provisions are specifically endorsed to the Policy:-

1. Under the Hull and Aircraft Spares Insurances

1.1 In respect of any claim on Equipment that becomes payable on the basis of a Total Loss, settlement (net of any relevant Policy Deductible) shall be made to, or to the order of the Contract Party(ies). In respect of any other claim, settlement (net of any relevant Policy Deductible) shall be made with such party(ies) as may be necessary to repair the Equipment unless otherwise agreed after consultation between the Insurers and the Insured and, where necessary under the terms of the Contract(s), the Contract Party(ies).

Such payments shall only be made provided they are in compliance with all applicable laws and regulations.

1.2 Insurers shall be entitled to the benefit of salvage in respect of any property for which a claims settlement has been made.

2. Under the Legal Liability Insurance

2.1 Subject to the provisions of this Endorsement, the Insurance shall operate in all respects as if a separate Policy had been issued covering each party insured hereunder, but this provision shall not operate to include any claim howsoever arising in respect of loss or damage to the Equipment insured under the Hull or Spares Insurance of the Insured. Notwithstanding the foregoing the total liability of Insurers in respect of any and all Insureds shall not exceed the limits of liability stated in the Policy.

2.2 The Insurance provided hereunder shall be primary and without right of contribution from any other insurance which may be available to the Contract Party(ies).

- 2.3 This Endorsement does not provide coverage for the Contract Party(ies) with respect to claims arising out of their legal liability as manufacturer, repairer, or servicing agent of the Equipment.
3. Under ALL Insurances
- 3.1 The Contract Party(ies) are included as Additional Insured(s).
- 3.2 The cover afforded to each Contract Party by the Policy in accordance with this Endorsement shall not be invalidated by any act or omission (including misrepresentation and non-disclosure) of any other person or party which results in a breach of any term, condition or warranty of the Policy PROVIDED THAT the Contract Party so protected has not caused, contributed to or knowingly condoned the said act or omission.
- 3.3 The provisions of this Endorsement apply to the Contract Party(ies) solely in their capacity as financier(s)/lessor(s) in the identified Contract(s) and not in any other capacity. Knowledge that any Contract Party may have or acquire or actions that it may take or fail to take in that other capacity (pursuant to any other contract or otherwise) shall not be considered as invalidating the cover afforded by this Endorsement.
- 3.1 The Contract Party(ies) shall have no responsibility for premium and Insurers shall waive any right of set-off or counterclaim against the Contract Party(ies) except in respect of outstanding premium in respect of the Equipment.
- 3.2 Upon payment of any loss or claim to or on behalf of any Contract Party(ies), Insurers shall to the extent and in respect of such payment be thereupon subrogated to all legal and equitable rights of the Contract Party(ies) indemnified hereby (but not against any Contract Party). Insurers shall not exercise such rights without the consent of those indemnified, such consent not to be unreasonably withheld. At the expense of Insurers such Contract Party(ies) shall do all things reasonably necessary to assist the Insurers to exercise said rights.
- 3.3 Except in respect of any provision for Cancellation or Automatic Termination specified in the Policy or any endorsement thereof, cover provided by this Endorsement may only be cancelled or materially altered in a manner adverse to the Contract Party(ies) by the giving of not less than Thirty (30) days notice in writing to the Appointed Broker. Notice shall be deemed to commence from the date such notice is given by the Insurers. Such notice will NOT, however, be given at normal expiry date of the Policy or any endorsement.

EXCEPT AS SPECIFICALLY VARIED OR PROVIDED BY THE TERMS OF THIS ENDORSEMENT:-

1. THE CONTRACT PARTY(IES) ARE COVERED BY THE POLICY SUBJECT TO ALL TERMS, CONDITIONS, LIMITATIONS, WARRANTIES, EXCLUSIONS AND CANCELLATION PROVISIONS THEREOF.
2. THE POLICY SHALL NOT BE VARIED BY ANY PROVISIONS CONTAINED IN THE CONTRACT(S) WHICH PURPORT TO SERVE AS AN ENDORSEMENT OR AMENDMENT TO THE POLICY.

SCHEDULE IDENTIFYING TERMS USED IN THIS ENDORSEMENT

1. Equipment (Specify details of any aircraft, engines or spares to be covered):

2. Policy Deductible applicable to physical damage to the Equipment [Insert all applicable Policy deductibles]:
3. (a) Contract Party(ies):
AND (b), in addition, in respect of Legal Liability Insurances:
4. Contract(s):
5. Effective Date [being the date that the Equipment attaches to the Policy or a specific date thereafter]:
6. Additional Premium
7. Appointed Broker:

AVN 67B 28.9.94

AVN 67B AIRLINE FINANCE/LEASE CONTRACT ENDORSEMENT (HULL WAR)

It is noted that the Contract Party(ies) have an interest in respect of the Equipment under the Contract(s). Accordingly, with respect to losses occurring during the period from the Effective Date until the expiry of the Insurance or until the expiry or agreed termination of the Contract(s) or until the obligations under the Contract(s) are terminated by any action of the Insured or the Contract Party(ies), whichever shall first occur, in respect of the said interest of the Contract Party(ies) and in consideration of the Additional Premium it is confirmed that the Insurance afforded by the Policy is in full force and effect and it is further agreed that the following provisions are specifically endorsed to the Policy:-

1. In respect of any claim on Equipment that becomes payable on the basis of a Total Loss, settlement (net of any relevant Policy Deductible) shall be made to, or to the order of the Contract Party(ies). In respect of any other claim, settlement (net of any relevant Policy Deductible) shall be made with such party(ies) as may be necessary to repair the Equipment unless otherwise agreed after consultation between the Insurers and the Insured and, where necessary under the terms of the Contract(s), the Contract Party(ies).

Such payments shall only be made provided they are in compliance with all applicable laws and regulations.
2. Insurers shall be entitled to the benefit of salvage in respect of any property for which a claims settlement has been made.
3. The Contract Party(ies) are included as Additional Insured(s).
4. The provisions of this Endorsement apply to the Contract Party(ies) solely in their capacity as financier(s)/lessor(s) in the identified Contract(s) and not in any other capacity. Knowledge that any Contract Party may have or acquire or actions that it may take or fail to take in that other capacity (pursuant to any other contract or otherwise) shall not be considered as invalidating the cover afforded by this Endorsement.
5. The cover afforded to each Contract Party by the Policy in accordance with this Endorsement shall not be invalidated by any act or omission (including misrepresentation and non-disclosure) of any other person or party which results in a breach of any term, condition or

warranty of the Policy PROVIDED THAT the Contract Party so protected has not caused, contributed to or knowingly condoned the said act or omission.

6. The Contract Party(ies) shall have no responsibility for premium and Insurers shall waive any right of set-off or counterclaim against the Contract Party(ies), except in respect of outstanding premium in respect of the Equipment.
7. Upon payment of any loss or claim to or on behalf of any Contract Party(ies), Insurers shall to the extent and in respect of such payment be thereupon subrogated to all legal and equitable rights of the Contract Party(ies) indemnified hereby (but not against any Contract Party). Insurers shall not exercise such rights without the consent of those indemnified, such consent not to be unreasonably withheld. At the expense of Insurers, such Contract Party(ies) shall do all things reasonably necessary to assist the Insurers to exercise said rights.
8. Except in respect of any provision for Cancellation or Automatic Termination specified in the Policy or any endorsement thereof, cover provided by this Endorsement may only be cancelled or materially altered in a manner adverse to the Contract Party(ies) by the giving of Seven (7) days (or such lesser period as may be customarily available) notice in writing to the Appointed Broker. Notice shall be deemed to commence from the date such notice is given by the Insurers. Such notice will NOT however, be given at normal expiration date of the Policy or any endorsement.

EXCEPT AS SPECIFICALLY VARIED OR PROVIDED BY THE TERMS OF THIS ENDORSEMENT:-

1. THE CONTRACT PARTY(IES) ARE COVERED BY THE POLICY SUBJECT TO ALL TERMS, CONDITIONS, LIMITATIONS, WARRANTIES, EXCLUSIONS AND CANCELLATION PROVISIONS THEREOF.
2. THE POLICY SHALL NOT BE VARIED BY ANY PROVISIONS CONTAINED IN THE CONTRACT(S) WHICH PURPORT TO SERVE AS AN ENDORSEMENT OR AMENDMENT TO THE POLICY.

SCHEDULE IDENTIFYING TERMS USED IN THIS ENDORSEMENT

1. Equipment [Specify details of any aircraft, engines or spares to be covered]:
2. Policy Deductible applicable to physical damage to the Equipment
[Insert all applicable Policy deductibles]:
3. Contract Party(ies):
4. Contract(s):
5. Effective Date [being the date that the Equipment attaches to the Policy or a specific date thereafter]:
6. Additional Premium:
7. Appointed Broker:

AVN.67B (Hull War)

28.9.94

AVN 28B AIRCRAFT FINANCIAL INTEREST ENDORSEMENT

It is noted that the Party named in the Schedule hereto has a financial interest in the Aircraft under the Agreement. Accordingly, with respect to losses occurring during the period from the Effective Date of this Endorsement until the expiry of the Insurance or until the satisfaction of the obligations under the Agreement, whichever shall first occur, in respect of the interest of the Party and in consideration of an Additional Premium IT IS UNDERSTOOD AND AGREED THAT:

1. The insurance afforded by this Policy for loss of or physical damage to the insured Aircraft shall not be invalidated as regards the interest of the Party by any act or omission by the Insured which results in a breach of any term, condition or warranty of the Policy PROVIDED THAT the Party has not caused, contributed to or knowingly condoned the said act or omission. Nevertheless any change in title or ownership of the Aircraft, conversion, embezzlement or secretion by the Insured in possession of the Aircraft is not covered hereunder.
2. The protection afforded to the Party by the terms of this Endorsement shall be limited to loss of or physical damage to the insured Aircraft and shall not exceed the Original Amount under the Agreement less any relevant Policy Deductible and less all matured Instalments paid or due prior to the accident giving rise to a loss hereunder.
3. The Party shall notify the Insurers of any increase in hazard which comes to the Party's attention and if agreed by the Insurers it shall be endorsed on the Policy, the Party agreeing to pay any additional required premium if the Insured fails to do so on demand of the Insurers.
4. If the Insured fails to notify the Insurers as specified in the Policy Conditions of any event likely to give rise to a claim under the Policy, the Party shall do so immediately he becomes aware of the event in form and manner as prescribed by the Policy.
5. Upon payment of any loss or claim to the Party, Insurers shall to the extent and in respect of such payment be subrogated to all legal and equitable rights of the Party. At the expense of Insurers the Party shall do whatever is necessary to assist the Insurers to exercise such rights.
6. Except in respect of any provision for Cancellation or Automatic Termination specified in the Policy or any endorsement thereof, cover provided by this Endorsement may only be cancelled by Insurers giving not less than Thirty (30) days notice in writing to the Appointed Broker. Notice shall be deemed to commence from the date such notice is given by the Insurers. In the event of cancellation for non-payment of premium, the Party shall have the option to pay all outstanding premiums in respect of the Aircraft within the notice period.

EXCEPT AS SPECIFICALLY VARIED OR PROVIDED BY THE TERMS OF THIS ENDORSEMENT THE FINANCIAL INTEREST OF THE PARTY IS COVERED BY THE POLICY FOR LOSS OF OR PHYSICAL DAMAGE TO THE INSURED AIRCRAFT ONLY SUBJECT TO ALL TERMS, CONDITIONS, LIMITATIONS, WARRANTIES, EXCLUSIONS AND CANCELLATION PROVISIONS THEREOF.

AVN 29 MANUFACTURER AS ADDITIONAL INSURED

Agreed to include as an Additional Insured but only in so far as their interests arise as owners (in whole or in part) of the insured Aircraft.

This agreement shall not operate to prejudice Insurers' rights of recourse against.....
..... as manufacturers, repairers, suppliers or servicing agents where such rights of recourse would have existed had this endorsement not been effected under this Policy.

AVN29 1.10.96

AVN 34 PASSENGER VOLUNTARY SETTLEMENT ENDORSEMENT

1. In consideration of an additional premium of \$____, 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 Accidentally sustained by any passenger provided that at the time of such Accident causing such bodily injury the Passenger Bodily Injury Liability 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; or

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; or

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; or

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 physician specializing in ophthalmology.

"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) or 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 bodily 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.

AVN 36 SPREADER CLAUSE “B”

(FOR ATTACHMENT TO PASSENGER VOLUNTARY SETTLEMENT ENDORSEMENT)

(Approved by Lloyd’s Aviation Underwriters’ Association)

Notwithstanding anything contained herein to the contrary, it is understood and agreed that if in any accident resulting in a claim under this insurance the number of passengers in the aircraft exceeds the number stated in the Schedule forming part of the Passenger Voluntary Settlement Endorsement, then provided there is no violation of the limitations imposed by the Civil Aeronautics Authority and/or the Airworthiness Certificate as to seating capacity or maximum allowable gross weight, this insurance shall nevertheless remain effective, but the Limit of Settlement to be offered under the said Endorsement for death or loss of two limbs or loss of sight of two eyes or loss of one limb and loss of sight of one eye or permanent total disablement in respect of any passenger shall be calculated by dividing the “each accident” limit stated in the said Endorsement by the total number of passengers in the aircraft.

The Limit of Settlement to be offered for loss of one limb or loss of sight of one eye shall also be reduced pro rata. Nevertheless this insurance shall be null and void in the event that the number of passengers carried in the aircraft at the time of the accident exceeds that declared in the Policy.

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

AVN 36 5.12.61

AVN 38B 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 respect 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 alpha emitters

Maximum permissible level of non fixed radioactive surface contamination

(Averaged over 300cm²)

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.

AVN 38B 22.7.96

AVN 41A REINSURANCE UNDERWRITING AND CLAIMS CONTROL CLAUSE

1. This Policy is a reinsurance of..... and it is warranted to be at the same gross rate, terms and conditions as those applying to the Reinsured(s) as agreed at inception.

2. It is further warranted that the Reinsured(s) will retain during the currency of this Policy the amount as agreed by the Reinsurers at inception.

3. Subject to the foregoing, it is a condition precedent to any liability under this Reinsurance that:

- (a) no amendment to the terms or conditions of, or additions to or deletions from the original policy shall be binding upon the Reinsurers unless prior agreement has been obtained from the said Reinsurers;
- (b) the Reinsured(s) shall upon knowledge of any loss or losses which may give rise to a claim under this Reinsurance, advise the Reinsurers within 72 hours;
- (c) the Reinsured(s) shall furnish the Reinsurers with all information available respecting such loss or losses, and the Reinsurers shall have the sole right to appoint adjusters, assessors, surveyors and/or lawyers and to control all negotiations, adjustments and settlements in connection with such loss or losses.

AVN 41A 4.2.02

AVN 42 DOCUMENTS OF CARRIAGE CLAUSE

1. It is a condition of this Policy that the Insured will take all reasonable steps to ensure that
 - (a) before a passenger boards the Aircraft, or when the Insured takes charge of registered/checked baggage and/or cargo, the appropriate Document of Carriage (correctly completed so as to identify the contract of carriage and to exclude or limit the Insured's legal liability) is delivered to the passenger or consignor/shipper as the case may be
 - (b) suitable evidence of compliance with the foregoing is preserved and made available to Insurers upon request
2. In the event of failure by the Insured to comply with the foregoing condition, the amount of Insurers' liability shall not exceed the sum for which the Insured would have been legally liable if the aforesaid failure had not occurred, subject always to the Policy limits.
3. As used herein:

“Document of Carriage” means a passenger ticket, baggage ticket/check or an air consignment note/air waybill (whichever is relevant to liability covered by this Policy) of which the form, the Conditions of Contract (including any applicable Tariff or Conditions of Carriage) and the usage thereof are either

 - (i) in accordance with current and relevant Resolutions adopted by members of the International Air Transport Association

or

 - (ii) approved in writing by Insurers in any other case.

AVN 42 1.10.96

AVN 44 MUTUAL REVISION CLAUSE (AVIATION LIABILITY)

1. As used herein "Warsaw Convention" means the Convention for the Unification of Certain Rules relating to International Carriage by Air signed at Warsaw, October 12th 1929 or any

amendment or supplement to that Convention whether by means of Protocol, additional, new or supplemental Convention or otherwise.

2. If at any time during the currency of this Policy the Insured's legal liability may be affected by any one or any combination of the following events:

(a) Any ratification or denunciation of, or accession or adherence to, the Warsaw Convention or if the Warsaw Convention ceases to apply in respect of any State or Territory where it was previously in force

(b) Any alteration of liability in conformity with any Government or other official requirement or commercial agreement or by means of a Special Contract or Tariff provision in accordance with the Warsaw Convention

THEN notwithstanding any other provisions of the Policy, and in contemplation of any of the above events, either the Insured or the Insurers shall have the right to request a revision of terms and conditions. Revised terms and conditions agreed by the parties hereto shall, unless otherwise agreed, become operative if and when the events (or event) relevant to the aforesaid revision become(s) effective.

3. If no agreement is reached on revised terms and conditions on the expiry of 60 days from the date of a written request for the aforesaid revision, then either party shall have the right to give 30 days notice of cancellation of the Policy.

AVN 44 1.10.96

AVN 44A PASSENGER LIABILITY (MUTUAL REVISION & SPECIAL CONTRACTS) CLAUSE

1. As used herein "Warsaw Convention" means the Convention for the Unification of Certain Rules relating to International Carriage by Air signed at Warsaw, October 12th, 1929, or any amendment or supplement to that Convention whether by means of Protocol, additional, new or supplemental Convention or otherwise.

2. **MUTUAL REVISION.** If at any time during the currency of this Policy the Insured's legal liability may be affected by any one or any combination of the following events:

(a) any ratification or denunciation of, or accession or adherence to, the Warsaw Convention or if the Warsaw Convention ceases to apply in respect of any State or Territory where it was previously in force.

(b) Any alteration of liability by national legislation or in conformity with any Government or other official requirement

THEN notwithstanding any other provisions of the Policy, and in contemplation of any of the above events, either the Insured or the Insurers shall have the right to request a revision of terms and conditions. Revised terms and conditions agreed by the parties hereto shall, unless otherwise agreed, become operative if and when the events (or event) relevant to the aforesaid revision become(s) effective.

If no agreement is reached on revised terms and conditions on the expiry of 60 days from the date of a written request for the aforesaid revision, then either party shall have the right to give 30 days' notice of cancellation of the Policy.

3. SPECIAL CONTRACTS. Subject to the prior approval of Insurers and in consideration of additional premium this Policy may be extended to cover the Insured's legal liability in respect of Special Contracts. As used herein "Special Contract" means

- (i) an agreement between the Insured and a passenger for a higher limit of liability in accordance with Article 22(1) of the Warsaw Convention, or
- (ii) any other agreement between the Insured and a passenger whereby the Insured assumes increased legal liability in respect of the passenger's death or injury.

Special Contracts which have been approved as aforesaid are identified by the documents annexed hereto being either Specimen Tickets, Tariff(s), Conditions of Contract or of Carriage, and Notices to Passengers, or alternatively Copies of Agreements between carriers requiring the parties thereto to enter into Special Contracts.

4. Nothing herein shall be deemed to alter the limits of Insurers' liability as specified in the Policy. Any condition of the Policy relating to contractual agreements is varied only as may be necessary to the extent herein provided.

AVN 44A 1.10.96

(If the documents referred to in the final paragraph of 3. above are not annexed to the policy said paragraph should be deleted.)

AVN 46B 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.

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.

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

AVN 46B 1.10.96

AVN 48B WAR, HI-JACKING AND OTHER PERILS EXCLUSION CLAUSE

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 commotion's or labor 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, nationalization, 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.)

AVN 48B 1.10.96

AVN 48C 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
 - (i) hostile detonation of any device employing atomic or nuclear fission and/or fusion or other like reaction.
 - (ii) hostile use of radioactive contamination or matter.
 - (iii) hostile use of an electromagnetic pulse.
 - (iv) use of chemical or biological materials that are poisonous or pathogenic arising from 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, or use of such materials for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional.
- (c) Strikes, riots, civil commotions or labor 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. For the purpose of this exclusion (g) 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 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).

AVN48C 04.8.06

In common with all AICG produced AVN Clauses, this Clause is published by AICG, but it is expressly non-binding and AICG makes no recommendation as to its use in particular policies. Insurers are of course free to offer different policy wordings and clauses to their policy holders.

AVN 48D 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
 - (i) detonation of any device employing atomic or nuclear fission and/or fusion or other like reaction and any radioactive contamination and electromagnetic pulse resulting directly from such detonation.
 - (ii) use of radioactive contamination or matter.
 - (iii) use of an electromagnetic pulse.
 - (iv) emission, discharge, or release of chemical or biological materials that are poisonous or pathogenic.
- (c) Strikes, riots, civil commotions or labor 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, nationalization, 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. For the purpose of this exclusion (g) 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 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).

AVN 48D 04.8.06

In common with all AICG produced AVN Clauses, this Clause is published by AICG, but it is expressly non-binding and AICG makes no recommendation as to its use in particular policies. Insurers are of course free to offer different policy wordings and clauses to their policy holders.

AVN 51 EXTENDED COVERAGE ENDORSEMENT (AIRCRAFT HULLS)

Notwithstanding the contents of the War, Hi-jacking and Other Perils Exclusion Clause forming part of this Policy, IT IS HEREBY UNDERSTOOD AND AGREED that this Policy is extended to cover claims caused by the following risks:-

- (i) Strikes, riots, civil commotions or labour disturbances;
- (ii) Any malicious act or act of sabotage;
- (iii) 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

PROVIDED ALWAYS THAT

- 1. The above extension shall only apply to the extent that the loss or damage is not otherwise excluded by (a), (b), (d) and (f) of the War, Hi-jacking and Other Perils Exclusion Clause
- 2. the limits of Insurers' liability in respect of any or all of the risks covered under this endorsement shall not exceed the sum of (in the aggregate during the Policy period)
- 3. the Insured has paid or has agreed to pay the additional premium ofrequired by the Insurers in respect of this extension
- 4. the insurance provided by this endorsement may be cancelled by the Insurers giving notice effective on the expiry of seven days from midnight GMT on the day on which notice is issued.

AVN 51 1.10.96

AVN 51(A) EXTENDED COVERAGE ENDORSEMENT (AIRCRAFT HULLS)

Notwithstanding the contents of the War, Hi-jacking and Other Perils Exclusion Clause forming part of this Policy, it is hereby understood and agreed that this Policy is extended, SUBJECT to all terms, conditions, limitations, warranties, exclusions and cancellation provisions of the Policy except as specifically varied or provided by the terms of this Endorsement, to cover claims caused by the following risks:-

- i. Strikes, riots, civil commotions or labor disturbances;
- ii. Any malicious act or act of sabotage;
- iii. 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. For the purpose of this paragraph 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.

- iv. PROVIDED ALWAYS THAT

1. The above extension shall only apply to the extent that the loss or damage is not otherwise excluded by (a), (b), (d) and (f) of the War, Hi-jacking and Other Perils Exclusion Clause
2. the limits of Insurers' liability in respect of any or all of the risks covered under this Endorsement shall not exceed the sum of (in the aggregate during the Policy period)
3. the Insured has paid or has agreed to pay the additional premium of required by the Insurers in respect of this extension
4. the insurance provided by this Endorsement may be cancelled by the Insurers giving notice effective on the expiry of seven days from midnight GMT on the day on which notice is issued.

AVN 51(A) 04.8.06

In common with all AICG produced AVN Clauses, this Clause is published by AICG, but it is expressly non-binding and AICG makes no recommendation as to its use in particular policies. Insurers are of course free to offer different policy wordings and clauses to their policy holders.

AVN 52G 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), IN CONSIDERATION of an Additional Premium of, it is hereby understood and agreed that with effect from, all sub-paragraphs other than 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 a sub-limit of or the applicable Policy limit whichever the lesser any one Occurrence and in the annual in aggregate. 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 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 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.

AVN 52G 17.10.01

(Applicable to coverage provided to services providers)

AVN 52E 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), IN CONSIDERATION of an Additional Premium of, it is hereby understood and agreed that with effect from, all sub-paragraphs other than 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 a sub-limit of or the applicable Policy limit whichever the lesser any one Occurrence 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 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 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.

AVN 52E 20.9.01

AVN 53 ADDITIONAL INSURED ENDORSEMENT (LIABILITIES)

It is hereby understood and agreed that are added as an additional insured but only insofar as their interests arise as owners (in whole or in part) of the insured aircraft and only with respect to the operation of the aircraft by the named insured.

This endorsement does not provide coverage for the additional insured with respect to claims arising out of their legal liability as manufacturers, repairers, suppliers or servicing agents and shall not operate to prejudice insurers' rights of recourse against the additional insured as manufacturers, repairers, suppliers or servicing agents where such rights of recourse would have existed had this endorsement not been effected under this policy.

This endorsement attaches to and forms part of policy no. and is effective from the

AVN 53 1.10.96

AVN 54 NON-OWNED AIRCRAFT ENDORSEMENT

In consideration of an additional premium of it is understood and agreed that in addition to the aircraft declared hereunder, cover granted under this policy applies to aircraft used by the named insured but not so declared, always provided the named insured :

1. has no interest in the aircraft as owner in whole or in part
2. exercises no part in the servicing or maintenance of the aircraft
3. exercises no part in the appointment or provision of personnel for the operation of the aircraft.

This endorsement does not apply :

- (a) to liability arising out of any product manufactured, sold, handled or distributed by the named insured
- (b) to any aircraft having a seating capacity, including crew, in excess of
- (c) to liability for loss of or damage to the aircraft or any consequential loss arising therefrom
- (d) when the aircraft is used by the named insured for hire and reward.

All other terms and conditions of the policy remain unchanged.

AVN 54 1.10.96

AVN 56 ENGINE ENDORSEMENT

Any claim in respect of an engine is restricted to loss or damage caused by theft, lightning, flood, outbreak of fire external to the engine or by sudden and unexpected impact with a foreign object requiring immediate withdrawal of the engine from service.

As used herein "engine" means an engine for propulsion or auxiliary power complete with all parts necessary for test cell running.

Subject otherwise to all terms and conditions of the policy.

AVN 56 10.12.80

D.O.T. 14 CFR PART 205

(hereinafter called "part 205")

AVN 57A AIRCRAFT ACCIDENT LIABILITY INSURANCE

Attaching to and forming part of policy no.

Issued in the name of

It is understood and agreed that:-

1. The policy to which this endorsement is attached is hereby amended to provide coverage in compliance with the provisions of part 205.
2. Such coverage shall be within the limits of liability in the policy and not in addition to or in excess thereof.
3. Such coverage shall continue until cancelled by insurers or their authorized representative giving the appropriate notice.
4. Unless the policy otherwise provides the following exclusions not prohibited by the provisions of part 205 shall apply:-
 - (i) war exclusions clause AVN48b paragraphs (a) and (b) or equivalent clause(s).
 - (ii) noise and pollution and other perils exclusion clause AVN46b or equivalent clause(s).
 - (iii) nuclear risks exclusion clause AVN38b or equivalent clause(s).
 - (iv) bodily injury to or sickness disease or death of any employee arising out of and in the course of his/her employment.
 - (v) injury to or destruction of property owned rented leased or loaned to or occupied or used by the insured.
5. If insurers are called upon to provide coverage to the insured in compliance with part 205 including the defence and legal costs associated therewith and if by reason of the terms

conditions, limitations and exclusions of the policy such coverage would not have been provided except for this endorsement then the insured will reimburse insurers for such payments made in providing coverage under part 205.

6. The terms conditions, limitations and exclusions of the policy shall apply to claims made under the policy which (a) are in excess of the limits specified in part 205 or (b) are not governed by the provisions of part 205.

AVN 57A (USA) 1.10.96.

CIVIL AVIATION (CARRIERS' LIABILITY) ACT 1959 - AUSTRALIA

(applicable to passenger liability only)

AVN 59 NON-AVIATION LIABILITY CLAUSE

This policy does not cover the insured's liability unless it arises from one or more of the following:-

1. Occurrences involving aircraft or parts or equipment relating thereto.
2. Occurrences arising at airport locations.
3. Occurrences arising at any other location in connection with the insured's business of transporting passengers or goods by air.
4. Occurrences arising out of the supply of goods or services to others (i) in connection with the use and/or operation of aircraft (ii) involved in the air transport industry.

AVN 59 1.10.96

AVN 60A PERSONAL INJURY EXTENSION

The insurance provided by this policy extends to indemnify the insured for legal liability for damages awarded to any person arising out of one or more of the following offences committed during the policy period but only where such offences are committed in connection with that part of the insured's aviation operations or interests for which other coverage is granted by the policy:-

1. false arrest, restraint, detention or imprisonment.
2. malicious prosecution.
3. wrongful entry, eviction or other invasion of the right of private occupancy.
4. inadvertent discrimination with respect to withholding or refusal of transportation except with respect to overbooking.
5. the publication or utterance of a libel or slander or of other defamatory or disparaging material in violation of an individual's right of privacy except publication or utterance in the course of or related to advertising, broadcasting or telecasting activities conducted by or on behalf of the named insured.

6. incidental medical malpractice error or mistake by a physician, surgeon, nurse, medical technician or other person performing medical services but only for or on behalf of the insured in the provision of emergency medical relief.

The following additional exclusions shall apply to the insurance provided by this extension:-

- (a) liability assumed by the named insured under any contract or agreement
- (b) personal injury arising out of the wilful violation of penal statute or ordinance committed by or with the knowledge or consent of the named insured
- (c) personal injury arising out of offence 5 above
 - (i) if the first injurious publication or utterance of the same or similar material was made prior to the effective date of this insurance
 - (ii) if such publication or utterance was made by or at the direction of the insured with the knowledge of the false nature thereof
- (d) liability for personal injury sustained by any person directly or indirectly related to the past, present or potential employment of such person by the insured.

The limit of liability applicable to this extension shall be in the aggregate during the policy period being within the overall policy limit and not in addition thereto.

All other terms and conditions of this policy remain unchanged.

AVN 60A 24.12.2004

AVN 61 AGREED VALUE CLAUSE

It is hereby understood and agreed that in consideration of the insured Aircraft being covered on an Agreed Value basis all reference herein to replacement shall be deemed to be deleted but only in respect of claims adjusted on the basis of a total loss.

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.

AVN 61 1.10.96

AVN 62 SEARCH AND RESCUE EXTENSION CLAUSE

In consideration of an additional premium of it is agreed that this Policy is extended to indemnify the Insured for 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.

Provided always that Insurers' liability shall not exceed in respect of any one search and rescue operation and in the aggregate.

This clause does not extend the Policy to cover salvage costs and expenses.

All other terms and conditions of this Policy remain unchanged.

AVN 62 1.10.96

AVN 63 CROSS LIABILITY CLAUSE

In consideration of an additional premium of the inclusion of Additional Insureds under this Policy shall not preclude the right of recovery hereon by the Original Insured named below in respect of claims made against them by such Additional Insureds or the employees of such Additional Insureds.

Where the coverage provided by this Policy is also provided by other policy or policies, then this Policy shall only pay that amount which is in excess of the amount(s) which would have been payable under such other policy(ies) had this insurance not been effected.

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.

Original Insured:

AVN 63 1.10.96

AVN 64A PROFIT COMMISSION ON RENEWAL CLAUSE

After expiry of the Policy and following the receipt by the Insurers of the final adjustment of the premium due in respect of this period of insurance and subject to renewal with the Insurers hereon, Insurers agree to return to the Insured a provisional profit commission of% of the net ascertained profit in respect of this period of insurance.

The net ascertained profit shall be calculated by deducting the 'outgo' from the 'income' as follows:-

Income

.....% of premium less all returns of premium.

Outgo

- (1) All settled claims and related expenses less any salvages and recoveries.
- (2) Insurers' reserves for all claims outstanding and related expenses.

Thereafter, adjustments to the provisional profit commission calculated shall be made on an annual basis until all outstanding claims have been settled or unless otherwise mutually agreed between the Insurers and the Insured.

AVN 64A 1.10.96

AVN 64B PROFIT COMMISSION ON RENEWAL CLAUSE

After expiry of the Policy and following the receipt by the Insurers of the final adjustment of all premiums due and settlement of all claims in respect of this period of insurance and subject to renewal with the Insurers hereon, Insurers agree to return to the Insured a profit commission of% of the net ascertained profit in respect of this period of insurance.

The net ascertained profit shall be calculated by deducting the 'outgo' from the 'income' as follows:-

Income

.....% of premium less all returns of premium.

Outgo

Total of settled claims and related expenses less any salvages and recoveries.

AVN 64B 1.10.96

AVN 65 SERVICE OF SUIT CLAUSE (U.S.A.)

It is agreed that in the event of the failure of the Insurers hereon to pay any amount claimed to be due hereunder, the Insurers hereon, at the request of the Insured, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Insurers' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon

.....

.....and that in any suit instituted against any one of them upon this contract, Insurers will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Insurers in any such suit and/or upon the request of the Insured to give a written undertaking to the Insured that they will enter a general appearance upon Insurers' behalf in the event that such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Insurers hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this contract of insurance, and hereby designate the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

AVN 65 10.8.87

AVN 72 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 EXCLUSION CLAUSE

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

AVN 72 9.2.2000

AVN 73 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

AVN 74 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.C

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 09.02.01

AVN 75 FLYING CLOTHING AND EFFECTS CLAUSE

This Policy is extended to cover the Insured or any pilot described in the Schedule of the Policy against loss or damage by theft or fire (or accidental damage if the Aircraft itself be damaged) in respect of flying clothing, maps, navigating equipment and instruments, headsets or similar equipment

(not being fixtures in the Aircraft) and baggage (including contents) actually in or on the Aircraft being the property of the Insured or any pilot described in the Schedule of the Policy, but excluding money, credit cards, securities, jewellery and furs of all kinds. This extension is limited to a maximum indemnity of _____ each Accident. Subject to a deductible of _____ each Accident.

AVN 75 09.02.01

AVN 76 SUPPLEMENTARY PAYMENTS CLAUSE

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.

Coverage is provided under paragraphs _____ above.

Provided always that Insurers' liability shall not exceed _____ in the aggregate over all paragraphs insured.

AVN 76 09.02.01

AVN 77 UNAUTHORIZED USE CLAUSE

No claim under this Policy shall be rejected on the grounds that the Aircraft was used in a place or in a manner or by a person not permitted under the terms of this Policy provided such use was not authorized by the Insured and that the Insured had taken reasonable precautions to prevent such unauthorized use. Any consent given by an employee or agent of the Insured outside the normal scope of his authority shall be deemed not to be authorization given by the Insured.

AVN 77 09.02.01

AVN 78 FORCED LANDING CLAUSE

Insurers hereon agree that in the event of an insured Aircraft making a forced landing in any place where subsequent safe take-off is impossible they will pay all reasonable costs, expenses or expenditure for the removal of the Aircraft to the nearest suitable take-off area provided always that Insurers' liability for such costs, expenses or expenditure, and for any loss of or damage to the Aircraft, shall not exceed the value of the Aircraft as declared in the Policy.

AVN 78 09.02.01

AVN 79 UNEARNED PREMIUM INSURANCE CLAUSE

In the event of a claim adjustable on the basis of a total loss the Insurers will indemnify the Insured for and will pay as a claim the unearned portion of the premium paid for loss of or physical damage to the Aircraft the subject of the loss computed at pro rata from the day following the loss to the expiry date of this Policy.

AVN 79 09.02.01

AVN 80 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 _____ 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.
does not extend *

*Delete as appropriate.

AVN 80 09.02.01

AVN 81 OUT OF NOTIFIED HOURS CLAUSE

The coverage provided by this Policy shall not be invalidated as a result of the use, by the Insured, of certain airfields and/or airports out of the notified hours, subject to prior permission having been granted by the appropriate owner and/or operator of such airfield and/or airport.

AVN 81 09.02.01

AVN 82 NO CLAIM BONUS CLAUSE

In the event of no claim having been made on this Policy the Insurers will allow to the Insured a No Claim Bonus of _____% of the premium paid hereon.

AVN 82 09.02.01

AVN 83 NO CLAIM BONUS CLAUSE

In the event of no claim having been made on the Aircraft loss or physical damage Section of this Policy the Insurers will allow to the Insured a No Claim Bonus of _____% of the premium paid for the Aircraft loss or physical damage coverage hereon.

AVN 83 09.02.01

AVN 84 NO CLAIM BONUS ON RENEWAL CLAUSE

In the event of no claim having been made on this Policy, and the renewal of this insurance being effected with the Insurers hereon, the Insurers will allow to the Insured a No Claim Bonus of ____% of the premium paid hereon.

AVN 84 09.02.01

AVN 85 NO CLAIM BONUS ON RENEWAL CLAUSE

In the event of no claim having been made on the Aircraft loss or physical damage Section of this Policy, and the renewal of this insurance being effected with the Insurers hereon, the Insurers will allow to the Insured a No Claim Bonus of _____% of the premium paid for the Aircraft loss or physical damage coverage hereon.

AVN 85 09.02.01

AVN 89 INNOCENT OPERATORS COVERAGE CLAUSE

This Policy is extended to cover physical damage to the Aircraft hereby insured arising from the action of any Government, Government Department, Authority or Agency by reason of actual or alleged infringement of Customs, Quarantine or Public Health regulations.

Warranted the Insured shall

- (a) not knowingly carry cargo incorrectly described or labeled;

(b) take reasonable precautions to adhere to any Customs, Quarantine or Public Health regulations.

AVN 89 09.02.01

AVN 90 FERRY FLIGHT ENDORSEMENT

This Policy is extended to cover a Ferry Flight of Aircraft (type/registration)
 from to

The term "Ferry Flight" shall be understood to mean the specific flight for which this insurance is provided commencing when the pilot enters the Aircraft for the purpose of taking off (including any intervening period whilst on the ground incidental to the flight in question) and ending at the time the pilot has descended from the Aircraft after the Aircraft has completed its landing run at the airfield of delivery.

Notwithstanding the above this Endorsement is extended to for flight risks only include up to two hours familiarisation flying carried out no more than forty eight hours prior to the commencement of the Ferry Flight.

The Ferry Flight must be completed within 30 days of....., unless due to "force majeure" or if prior notice has been given to Insurers of an extension otherwise required by the Insured then this Endorsement may be extended at terms to be agreed.

Additional Premium:

In the event of a claim arising under this Endorsement which exceeds the premium paid the balance of the full annual premium of..... shall become due and payable forthwith.

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.

AVN 90 4.2.02

AVN 91 TRESPASSERS COST CLAUSE

Subject to the payment of an additional premium of {Response}, it is agreed that Insurers will, at the request of and regardless of legal liability of the Insured, offer reasonable settlement in respect of loss of or damage to crops and/or other property caused by trespassers following a crash or forced landing of the Aircraft up to but not exceeding {Response} in the aggregate during the currency of the Policy.

AVN 91 30.4.02

AVN 92 CARGO LEGAL LIABILITY ENDORSEMENT

This Endorsement extends the coverage provided under Section 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

.....

DEDUCTIBLE

.....

AVN 92 30.4.02

AVN 93 WORK IN PROGRESS ENDORSEMENT

The coverage provided by this Policy in respect of aircraft registration applies only whilst it is on the ground undergoing modification or repair or is being re-built.

The Agreed Value of the Aircraft at the effective date of this Endorsement is and shall increase as the modification, repair or re-building proceeds; the increases in value shall be determined from the actual cost(s) of part(s) and/or labour as substantiated by invoices presented by the firm or firms undertaking the modification, repair or re-building.

The Insured shall submit the invoices to the Insurers on a weekly/monthly/quarterly basis.

In no event shall the Agreed Value exceed *

*not to exceed the final value of the Aircraft

Additional Premium:

AVN 93 30.4.02

AVN 94 BREACH OF AIR NAVIGATION REGULATIONS CLAUSE

The cover afforded to each Insured by the Policy shall not be invalidated by any act or omission which results in a breach of any air navigation or airworthiness orders or requirements issued by any competent authority affecting the safe operation of the Aircraft provided that the Insured so protected has not caused, contributed to or knowingly condoned the said act or omission. Any Insured who has caused, contributed to or knowingly condoned the said act or omission shall not be entitled to indemnity under the Policy.

Except as specifically varied by this clause, all other terms, conditions, limitations, warranties, exclusions and cancellation provisions of the Policy apply.

AVN 94 30.4.02

AVN 95 CIVIL USE OF MOD AIRFIELDS ENDORSEMENT

It is noted that the Insured(s) may wish to use, for civil aircraft purposes, Ministry of Defence (MOD) airfields and be required to enter into an agreement with the Crown incorporating certain conditions for the civil (flying) use of such airfields and to afford an indemnity to the Crown in the form of INDEM3.81/Form4a.

The Insurers will indemnify the Insured for all sums which the Insured shall become legally liable to pay and shall pay to the Crown under such an agreement 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 any Aircraft insured under the Policy or by any person or object falling therefrom.

The limit applicable to this Endorsement is GBP..... any one Accident and such limit shall not be in addition to nor in excess of any other limit of liability provided in the Policy.

Additional Premium:

Unless the Policy otherwise provides, the following exclusions shall apply:

- (a) Nuclear Risks Exclusion Clause AVN 38B;
- (b) War, Hi-jacking and Other Perils Exclusion Clause (Aviation) AVN 48B;
- (c) Noise and Pollution and Other Perils Exclusion Clause AVN 46B;
- (d) Contracts (Rights of Third Parties) Act 1999 Exclusion Clause AVN 72; and

(e) Date Recognition Exclusion Clause AVN 2000A.

If Insurers are called upon to provide coverage to the Insured in compliance with INDEM3.81/Form4a including the defence and legal costs associated therewith and if by reason of the terms conditions limitations and exclusions of the Policy such coverage would not have been provided except for this

Endorsement then the Insured will reimburse Insurers for such payments made in providing coverage under INDEM3.81/Form4a.

Nothing in this Endorsement shall restrict the coverages otherwise provided under the Policy.

AVN 95 30.4.02

AVN 96 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 or exposure to asbestos in any form whatsoever, 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, indemnify for any costs or damages relating to or in any other way respond to the actual, alleged or threatened presence of asbestos in any form whatsoever.

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.

AVN 96 17.3.04

AVN 100 FRAUDULENT CLAIMS

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

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

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

AVN 100 26.7.08

In common with all AICG produced AVN Clauses, this Clause is published by AICG, but it is expressly non-binding and AICG makes no recommendation as to its use in particular policies. Insurers are of course free to offer different policy wordings and clauses to their policy holders.

AVN 102 WAIVER OF SUBROGATION ENDORSEMENT

It is hereby understood and agreed that Insurers' rights of subrogation are waived against

This Endorsement does not prejudice Insurers' rights of recourse against the above as manufacturer of or performer of maintenance, repairs, service or supply to the Aircraft where such rights of recourse would have existed had this Endorsement not been effected under this Policy.

(For use in respect of Loss or Damage to Aircraft)

AVN 102 22.5.08

In common with all AICG produced AVN Clauses, this Clause is published by AICG, but it is expressly non-binding and AICG makes no recommendation as to its use in particular policies. Insurers are of course free to offer different policy wordings and clauses to their policy holders.

AVN 2000A DATE RECOGNITION EXCLUSION CLAUSE

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

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

possession of the Insured or of any third party) in anticipation of or in response to any such change of year, date or time, or any advice given or services performed in connection with any such change or modification;

- (c) any non-use or unavailability for use of any property or equipment of any kind whatsoever resulting from any act, failure to act or decision of the Insured or of any third party related to any such change of year, date or time;

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

AVN 2000A 14.03.01

AVN 2001A 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 of 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 accident 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 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.

AVN 2001A 21.3.01

(Applicable to Hull and Aircraft Liability Coverage)

PRODUCTS LIABILITY

The term “Products Liability” means Bodily Injury and/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, after such goods or products have ceased to be in the possession or under the control of the Insured. However, liability arising out of the supply by the Insured of food or drink at the Airport(s) specified in Item 5 of the Schedule shall not be considered Products Liability.

INSURED

The term “Insured” means the Insured specified in Item 1 of the Schedule and shall include directors, officers and employees of the Insured whilst acting within the scope of their duties on behalf of the Insured.

CONDITIONS PRECEDENT

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

- 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 Insurers who shall be entitled, if they so desire, 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, and the Insured shall give all such information and assistance as Insurers may require.
- 2 Pay all costs taxed against the Insured in any such suit or proceedings and all 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. The Insurers shall only be liable to pay for that proportion of the said costs and interest which the applicable limit of the Insurers' liability bears to the amount of such judgement.
- 3 The amounts incurred under this clause, except settlements of claims and suits, are payable by the Insurers in addition to the limit of the Insurers' liability stated in the Schedule. However with respect to any coverage which is subject to an aggregate limit hereunder the Insurers shall not be obligated to defend any suit nor to pay any costs or expenses after the aggregate limit of liability under this Policy has been exhausted and in this event the Insured shall have the right to take over control of proceedings from the Insurers.

GENERAL CONDITIONS

1. Upon the happening of any event likely to give rise to a claim under this Policy or upon 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 the Insurers as soon as possible after 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 firm named for the purpose in Item 8 of the Schedule.
3. If the Insured has other insurance against loss covered by this Policy, the Insurers shall not be liable for a greater proportion of such loss than the Limit of Liability stated in the Schedule bears to the limit of indemnity of all valid and collectible insurance against such loss.
4. 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. (Where 30 days notice is contrary to law or statute then the minimum period that is permitted shall be substituted therefor).

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

1 month on risk... ..	.20% annual premium
2 months on risk30% annual premium
3 months on risk40% annual premium
4 months on risk50% annual premium
5 months on risk... ..	.60% annual premium
6 months on risk... ..	70% annual premium
7 months on risk	75% annual premium
8 months on risk	80% annual premium
9 months on risk... ..	85% annual premium
Over 9 months equivalent to Annual.	

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

5. Should there be any material 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.
6. An Insured shall not in the presentation and furtherance of any claim:
 - (a) deliberately or recklessly conceal from Insurers any information which such Insured knows or ought to know might be material to their consideration of any claim;
 - (b) provide to Insurers information, which such Insured knows to be false, with respect either to any event relied upon as a cause of loss or as to the amount claimed; nor

- (c) otherwise use fraudulent means or devices, including suppressing a known defence to Insurers' liability.

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

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

- (i) terminate the cover provided by the Policy to 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.

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

- 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 of liability stated in the Schedule.
- 8. This Insurance shall be governed by and construed in accordance with the law ofand each party agrees to submit to the exclusive jurisdiction of the Courts of in any dispute arising hereunder.
- 9. The coverage provided by this Policy shall not be invalidated by any reasonable act by or on behalf of the Insured for the purpose of protecting persons or property.

AVN 104 22.1.09

In common with all AICG produced AVN Clauses, this Clause is published by AICG, but it is expressly non-binding and AICG makes no recommendation as to its use in particular policies. Insurers are of course free to offer different policy wordings and clauses to their policy holders.

ATTACHMENTS HERETO:

- 1) WAR, HI-JACKING AND OTHER PERILS EXCLUSION CLAUSE (AVIATION) AVN 48B
- 2) NOISE AND POLLUTION AND OTHER PERILS EXCLUSION CLAUSE AVN 46B
- 3) NUCLEAR RISKS EXCLUSION CLAUSE AVN 38B
- 4) DATE RECOGNITION EXCLUSION CLAUSE AVN 2000A
- 5) ASBESTOS EXCLUSION CLAUSE 2488AGM00003 (=AVN 96 17.3.04)
- 6) CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 EXCLUSION CLAUSE AVN 72

In this Policy Form the Clauses above are given in full, however insofar as they have been included in this Form Book they are presented only by their headings (Translator's remark)