

AEROSPACE

Insurance product Information Document

Company: Aviabel, an AXIS Capital company

Product: Aerospace Liability Insurance (Airports and Manufacturers)

This document provides information about the purpose and cover of the Aerospace Industry Liability Insurance for airports and manufacturers, but does not serve as a formal part of the contract. You can find all terms and conditions in the general and special conditions.

What is this type of insurance?

This product insures airports, aircraft manufacturers or service providers to the aviation industry for their legal liability. This legal liability can result from activities such as the production of aircraft, aircraft components or subcomponents, avionics, raw materials for the aviation industry or airport service providers.

The Products Liability Aviation Industry Insurance is designed for manufacturers and vendors in the aviation industry: whole aircraft manufacturers, manufacturers of aircraft engines and parts as well as maintenance and repair companies.

Aviabel classifies insured based on the products and services that aviation firms offer:

- **critical manufacturers:** are manufacturers of entire airline type aircraft or engines.
- **non-critical manufacturers:** are manufacturers of general aviation aircraft, aircraft components or other non-critical parts.
- **aircraft dealers / maintenance firms / hangar firms**
- **consultant companies:** providing advice and service for aircraft design and manufacturing

Aviabel is a leading insurer for the latter three categories.

For airports, whether large airports, regional airports or municipal airports, Aviabel offers liability insurance with a wide range of insurance cover for numerous risks and activities:

- Air traffic control
- Aircraft fuelling and refuelling, including fuel storage and distribution
- Aircraft maintenance, hangarkeeping and cleaning
- Aircraft ground handling
- Passenger and Baggage handling
- Commercial activities (such as tax-free shops)
- Catering
- Information and communication for passengers and pilots
- Aviation school and pilot training

Aviabel is a leading insurer for small and medium sized airports and all activities above except for air traffic controllers. On large airports or air traffic controllers, Aviabel acts as a co-insurer. Aviabel specialises in liability insurance. We do not cover property risks. For property risks, you should contact industrial risks insurers.



What is insured?

- ✓ **Premises and operations liability**
covers the financial consequences of legal liability of the insured party towards third parties during the conduct of its activities.
- ✓ **Hangar keeper's liability**
covers the financial consequences of legal liability of the insured party for damages caused to objects of customers entrusted to the insured party (e.g. aircraft and aircraft parts).
- ✓ **Products Liability insurance**
covers the financial consequences of legal liability of the insured party towards third parties for personal injury and material and nonmaterial consequential damages caused by aviation industry products after their delivery or caused by the works done to the aircraft after its execution.



What is not insured?

- ✗ liabilities caused by deliberate conduct or illegal behaviour of the insured.
- ✗ the consequences of noncompliance with the contractual obligations, such as guarantees, delivery periods or penalties against the policyholder and which exceed normal legal obligations
- ✗ claims based on the Belgian act of 30 June 1979 linked to the objective liability for fire and explosion or based on any other mandatory insurance, coverage of which is not specifically stated in the general or special terms and conditions (this exclusion is only applicable for Belgian risks);
- ✗ liability as owner, renter, holder or user of a vehicle that falls under the act on mandatory legal liability insurance of motor vehicles
- ✗ the liability for accidents that affect an employee of the policyholder while that employee is performing his/her tasks under the supervision of the policyholder



✓ Possible coverage extensions (optional depending on airports or manufacturers)

- professional liability
- products recall
- grounding liability
- personal injury
- vehicle airside liability
- test flights after aircraft maintenance
- war risk and related risks



Where am I covered?

For premise liability and hangarkeeper's liability and all other extensions, coverage is within the territory of the European Union. For product liability and grounding and recall coverage is worldwide but USA and Canada are generally excluded.



- ✗ cost of making good any faulty workmanship except for consequential loss of a faulty workmanship
- ✗ employer's liability or social security compensation for accident at work or professional disease
- ✗ damage to movable or immovable property as a property owner, lessor or user.
- ✗ damage caused by movable or immovable property which are not used for its active operation insured.
- ✗ claims caused by financial transactions, abuse of trust, unfair competition and breach of intellectual ownership rights.
- ✗ Claims caused by fire, water, explosion or implosives as owner, lessor or lessee of a building, place or installations.
- ✗ Other Exclusions generally applicable to all insurance contracts such as nuclear, asbestos damages, sanctions and embargo limitations.

The general and special conditions specify the underwritten insurance and reciprocal obligations between the insurer and the policyholder in more detail.



What are my obligations?

- ✓ You must take all reasonable steps to avoid or reduce any damage or loss.
- ✓ You must inform Aviabel immediately in case of a damage that is insured by this insurance product.
- ✓ The contract is only valid where the policyholder submits proof that the company is run in accordance with the regulations governing the sector. In addition, the company must comply with the rules governing operation permits. All of these restrictions apply for the full duration of the contract.
- ✓ The company must hold the qualifications and licenses required for the aviation industry activity it conducts. To this end, the company will comply with the technical prescriptions imposed by governmental authorities and/or manufacturers.
- ✓ Aviabel has the right, but not the obligation, to have the representations verified by representatives designated by the insurer. Additionally, Aviabel may opt for inspection of the company or all documents relating to the operations permit. Upon demand, the policyholder and insured party must take all steps deemed necessary by Aviabel to prevent damage incidents.



Are there any restrictions on cover?

- ! Sublimits are applicable for personal injury extension, product grounding and recall.
- ! For special extensions for territorial scope extensions into USA and Canada, higher deductibles or sublimits can be applicable.



When and how do I pay?

You pay the full annual premium on policy purchase or pay in half year or quarterly instalments.



When does the cover start and end?

You can choose the start and end date of the coverage. Both are mentioned in the special conditions. In general, we do not accept short term policies (less than a year) or multi-year policies without annual resigning.



How do I cancel the contract?

For contracts with tacit renewal, cancellation needs to be sent in by registered letter on a date prior to three months before the expiry date.

For contracts without tacit renewal, cancellation can be done: 1. any date before expiry if the insured does not accept the change of insurance premium or the insured and insurer does not reach an agreement on the reduction of premium due to reduced exposure; 2. After each claim notification, at least 30 days after claims payment or refusal of claims payment; 3. in case that Aviabel has been deprived of its license due to bankruptcy or legal agreement.

For other details please refer to our general conditions.