

GENERAL AVIATION AIRCRAFT INSURANCE

Insurance Product Information Document

Company: Aviabel, an AXIS Capital company

Product: Aircraft Insurance

This document provides information about the purpose and cover of the Aircraft Hull/Liability Insurance, but is no formal part of the contract. You can find all terms and conditions in the general and particular conditions.

What is this type of insurance?

This insurance covers risks arising from the ownership or operation of an aircraft (such as theft of the aircraft, material damage ...) and liabilities to third parties. This insurance product is designed for owners, operators and pilots of motorized and non-motorized aircraft, both private and commercial.



What is insured?

The insured parties are the policyholder, the owner, the operator, and the crew of the aircraft.

The insured risks are

- ✓ **Hull:** Physical damage to and loss of the insured aircraft (all risks are covered, except the mentioned exclusions)
- ✓ **Legal liability:** liability to third parties and passengers



Are there any restrictions on cover?

What kind of aircraft types can be insured?

Aviabel's General Aviation Insurance covers Commercial General Aviation, Corporate General Aviation and Light General Aviation.

Specifically, Aviabel covers the following aircraft types:

Piston and turbine aircraft | Fixed Wing and Rotor Wing aircraft | Corporate and private jets | Commercial aircraft | gliders | hot air balloons

Declared value or agreed value

The aircrafts are insured at the declared value or agreed value.

! **Declared value:** the policyholder determines the value to be insured. If there is a difference between the resale value and declared value of the aircraft, then in the event of a damage claim the amount paid under the insurance will be adjusted in proportion to this difference

! **Agreed value:** the insured value is determined by an evaluation statement. The proportionality rule, as described above, will not be applied.

Deductible

The Hull insurance includes a deductible (which the policyholder has to pay). The amount of this deductible varies by type of aircraft.

Legal liability

In the event of insured damages, Aviabel will reimburse up to the capital sum insured under the policy. If the damages are higher than the insured amounts, then the policyholder or insured party must pay the difference.



What is not insured?

The following losses are always excluded:

- ✗ loss caused intentionally by the policyholder(s), the insured(s), the beneficiary(ies) or the victim(s), and/or at their instigation;
- ✗ loss caused by any crew member who is under the influence of alcohol, drugs, or any other substance which according to aviation regulations are not compatible with flying an aircraft or participating to flying an aircraft;
- ✗ loss caused by any crew member who fails to respect the conditions of his or her licences and/or qualifications
- ✗ loss arising during manoeuvres which are reckless and not justified by use of the aircraft as foreseen in the insurance contract or whilst Hedge-hopping of flying below the safety altitudes foreseen in the air regulations for this type of aircraft, except in the event of force majeure;
- ✗ loss arising during the starting of the engines in an aircraft hangar/ workshop or when the insured aircraft moves in the hangar/ workshop with the engines running;
- ✗ loss due to failure to comply with the prescriptions for weight and balance of the aircraft;
- ✗ loss due to failure to comply with the regulations relating to the transport of explosive or incendiary materials or other dangerous goods on board of the insured aircraft;
- ✗ loss arising whilst the aircraft is being used for illegal purposes;
- ✗ loss arising whilst the aircraft is outside the authorized geographical limits stated in the particular conditions, except in the event of force majeure;
- ✗ loss arising whilst the aircraft runs out of fuel, except in the event of force majeure;
- ✗ loss arising in the circumstances described in the 'Nuclear Risk Exclusion Clause' and 'Noise and Pollution and other perils exclusion clause' in the particular conditions;

Except prior written agreement and subject to the payment of an additional premium, if applicable, the following losses are excluded from the contract:

- ✗ loss occurring during acrobatic manoeuvres;
- ✗ loss whilst the insured aircraft is taking part in competition, wages, speed trials, attempts to break records, or during preparatory trial or training. However, the participation of the insured aircraft to



Combined legal liability or combined single limit

The aircraft legal liability policy makes a distinction between damages to third parties outside of the aircraft (third parties liability) and within the aircraft (passenger liability). A third party is defined as any natural or legal person who is not an insured party. The minimum insured amount is derived from European directive EU785/2004. The combined formula offers the advantage that no individual coverage amounts need to be determined for non-passenger third parties or passengers. The liability is insured up to a total capital sum. The policyholder stipulates the number of passengers to be insured.



Where am I covered?

As per the particular conditions. Standardly the Geographic Exclusion clause LSW617H is applicable, which excludes difficult regions and countries in war. Extensions to be agreed specifically by Aviabel.



What are my obligations?

✓ **Registration and airworthiness:** the aircraft insured in flight shall hold a valid airworthiness certificate, a permit to fly or equivalent prescribed documents, as well as certificates of regular control and conformity issued by the manufacturer and/or the competent authorities. No flight shall be undertaken without prior verification that the aircraft is compliant with the requirements of airworthiness per the above mentioned documents. The aircraft shall be properly registered and, unless otherwise agreed, shall continue to be registered in the aeronautical register of the country mentioned in the insurance application.

✓ **Licences and qualifications:** the crew shall hold the licenses and qualifications required by the regulations applicable to the functions they conduct on board, the type of flight undertaken and the type of aircraft. They shall also meet any additional criteria defined in the particular conditions.

✓ **Use of the aircraft:** the aircraft shall only be used in compliance with the terms of the certificate of airworthiness, the permit to fly, the flight manual, and any other document relating to the conditions of use of the aircraft. The cover shall only be valid for these uses stated in the particular conditions.

✓ **Accident prevention:** on first request, the policyholder and/or the insured shall take all loss prevention measures considered necessary by the company.

These conditions are applicable under penalty of absence of coverage. The company reserves the right to have representatives of its choice verify any declarations made, control all the documents relating to the aircraft or the crew members and inspect the aircraft without being obliged to do so.



rallies and air tours during which the speed is not the deciding factor for ranking the participants, as well as participations to air shows when the aircraft is merely presented in flight, are covered;

- ✗ loss following the intentional release of objects or persons from the insured aircraft, except in the event of force majeure;
- ✗ loss whilst an aircraft insured for hull is transported by land, sea on the inland waterways or by air;
- ✗ loss arising in the circumstances described in 'War, Hi-jacking and other perils exclusion clause' in the particular conditions;
- ✗ loss during maiden flights, test flights of prototypes, or test flights after alterations to the aircraft

Exclusions of the 'aircraft hull' cover:

- ✗ damage to the dismantled parts of the aircraft whilst being fitted or removed or which are removed, unless otherwise stated in the particular conditions;
- ✗ a) damage suffered directly by the insured aircraft, caused by wear and tear, age, structural fatigue, erosion and/or corrosion. The following shall be deemed to be wear and tear: absorption by the engine of stones, gravel, dust, sand, ice, or any other corrosive or abrasive material or any other substance, such as inappropriate fuel, lack of oil or fluid, causing gradual or cumulative damage. Nevertheless, such damage is covered if arising from a sudden and unforeseeable event.
- ✗ b) damage caused directly to an engine or any other part, caused by mechanical, electrical, or engineering disorder, failure to operate, or heat when starting or using the engine.
- ✗ c) in-flight damage to the aircraft resulting from the damages described under a) or b) remain covered.
- ✗ damage caused to the aircraft by cargo on board of the aircraft, or whilst loading and unloading, or incorrect stowage.

Exclusions applicable to all the legal liability coverage:

The losses that are or should be covered by a 'workers compensation' type insurance are excluded from this contract.

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



When and how do I pay?

You pay the full annual premium on policy purchase or in maximum 4 installments upon agreement of Aviabel.



When does the cover start and end?

You can choose the start and end date of the coverage. Both are mentioned in the particular conditions.



How do I cancel the contract?

By registered post at least 3 months prior to the annual renewal date.