

## **GENESIS AR SLIP (EXCLUDING CONVEX)**

### **RISK DETAILS CONDITIONS 50/50 SETTLEMENT CLAUSE:**

50/50 Provisional Claims Settlement Clause AVS 103 (Slip provision and not to appear in wording).

## **GENESIS AR POLICY**

### **SCHEDULE ITEM 4 POLICY PERIOD:**

From: 15<sup>th</sup> March 2021

To: 15<sup>th</sup> March 2022

Both days at 12.01 a.m. Local Standard Time at the address of the Insured.

### **SCHEDULE ITEM 7 SUM INSURED:**

#### **PART ONE**

#### **SECTION ONE:**

##### **1.1 CONTINGENT AIRCRAFT HULL: COVERED**

###### **Aircraft Hull:**

Amounts as per Schedule of Aircraft subject to a maximum of **USD 150,000,000** any one Aircraft.

Engines in which the Insured has a financial interest whilst attached to an aircraft in which the Insured does not have a financial interest is limited to **USD 25,000,000** any one engine/Occurrence.

The Contingent Hull coverage afforded by this Policy to engines in which the Insured has a financial interest whilst attached to an aircraft in which the Insured does not have a financial interest is limited to **USD 25,000,000** any one engine/Occurrence.

##### **1.2 CONTINGENT AIRCRAFT SPARES AND EQUIPMENT: COVERED**

###### **Spare Parts and Equipment:**

As declared subject to a maximum limit of **USD 45,000,000** any one location/sending/Occurrence.

##### **1.3 POSSESSED AIRCRAFT HULL: COVERED**

###### **Aircraft Hull:**

Amounts as per Schedule of Aircraft subject to a maximum limit of **USD 150,000,000** any one Aircraft.

##### **1.4 POSSESSED AIRCRAFT SPARES AND EQUIPMENT: COVERED**

###### **Spare Parts and Equipment:**

As declared subject to a maximum limit of **USD 45,000,000** any one location/sending/Occurrence.

##### **1.5 HULL TOTAL LOSS ONLY: COVERED**

As declared subject to a maximum Value of **USD 25,000,000** any one Aircraft.

##### **1.6 REPOSSESSION EXPENSES: COVERED**

**USD 1,000,000** any one Aircraft and in the annual aggregate in respect of all The Trustees of the Aircraft (subject 10% co- insurance by the Insured).

##### **1.7 ADDITIONAL PAYMENTS:**

Dismantling and Reassembling Costs: COVERED

Safety and Preservation Expenses: COVERED

Supplementary Payments (AVN76): COVERED

up to **USD 4,000,000** any one loss and in the annual aggregate in respect of all The Trustees of the Aircraft.

1.8 TECHNICAL RECORDS: COVERED

**USD 7,500,000** any one Occurrence / Aircraft /Engine set of Technical Records and **USD 20,000,000** in the annual aggregate (subject 10% co- insurance by the Insured).

## SCHEDULE ITEM 9 DEDUCTIBLES CLAUSE 1.3:

### 1.3 Possessed Aircraft Hull:

Aircraft Deductibles (Excluding Total Loss, Arranged Total Loss and Constructive Total Loss)...

## SECTION ONE CLAUSE 1.1:

### 1.1 CONTINGENT AIRCRAFT HULL

Insurers agree to cover Aircraft not in the care, custody or control of the Insured or their agents in which the Insured has a Financial Interest (as set forth in the Policy Schedule or added during the Policy Period) against all risks of physical loss or damage howsoever occasioned, sustained during the Policy Period, except as hereinafter excluded.

The coverage afforded by this insuring agreement 1.1 also applies to Engines in which the Insured has a Financial Interest whilst attached to an aircraft in which the Insured does not have a Financial Interest.

## SECTION ONE CLAUSE 1.2:

### 1.2 CONTINGENT SPARES AND/OR EQUIPMENT

Insurers agree to cover Spares and/or Equipment not in the care, custody or control of the Insured or their agents (including whilst in transit by any means and including Engine running), in which the Insured has a Financial Interest (as set forth in the Policy Schedule or added during the Policy Period) against all risks of physical loss or damage howsoever occasioned, sustained during the Policy Period, except as hereinafter excluded.

## SECTION ONE CLAUSE 1.3:

### 1.3 POSSESSED AIRCRAFT HULL

Insurers agree to cover Aircraft in which the Insured has a Financial Interest (as set forth in the Policy Schedule or added during the Policy Period), being Aircraft that are

- a) awaiting commencement of a Lease Agreement
- b) returned on expiry/termination of a Lease Agreement
- c) repossessed (or in the course of repossession) from a Lease Agreement

against all risks of physical loss or damage sustained during the Policy Period, except as hereinafter excluded.

In the event of a Lease Agreement being terminated, individual Aircraft are automatically covered from the time the Insured becomes responsible for such Aircraft, including non-

renewal or cancellation of any coverage purchased by lessee for the benefit of an Insured hereon. All Additional Insureds and Loss Payees for each aircraft will transfer from Contingent to Possessed Coverage thereon.

#### SECTION ONE CLAUSE 1.4:

##### 1.4 POSSESSED SPARES AND/OR EQUIPMENT

Insurers agree to cover Spares and/or Equipment in which the Insured has a Financial Interest (as set forth in the Policy Schedule or added during the Policy Period), being Spares and/or Equipment that are:

- a) awaiting commencement of a Lease Agreement, or
- b) returned on expiry/termination of a Lease Agreement, or
- c) repossessed (or in the course of repossession) from a Lease Agreement,

against all risks of physical loss or damage including engine transits sustained during the Policy Period, except as hereinafter excluded.

#### SECTION ONE CLAUSE 1.5:

##### 1.5 AIRCRAFT HULL TOTAL LOSS ONLY

In the event of a claim being settled on the basis of a total loss, constructive total loss or arranged total loss (whether under the Principal Policy or this Policy) of any Aircraft insured for Total Loss Only coverage (as set forth in the Policy Schedule or added during the Policy Period), Insurers will pay the applicable Total Loss Only amount shown in the Schedule of Total Loss Only Aircraft herein. This amount shall be payable in addition to any other amounts payable in respect of total loss but in no event shall the total amount payable hereunder exceed the maximum sum insured specified in the Policy Schedule.

#### SECTION ONE CLAUSE 1.6:

##### 1.6 REPOSSESSION EXPENSES

Insurers agree to indemnify the Insured in respect of expenses incurred in connection with the repossession or attempted repossession of an Aircraft and/or Spares and/or Equipment in exercise of rights vested in the Insured under the terms of a Lease Agreement, provided the right of repossession is established during the Policy Period and advised to Insurers within fourteen (14) days of such right of repossession being established.

Insurers will indemnify the Insured up to the limit as set forth in the Policy Schedule for expenses that are:

- i) the cost of engaging and positioning the statutory minimum flight crew for the purposes of the flight,
- ii) the cost of fuel, lubricants and hydraulics necessarily incurred for the purposes of the flight,
- iii) all airport dues and air navigation charges incurred during the course of the flight but excluding any fees incurred subsequent to landing at destination airport.

In the event of any payment, the Insured shall diligently pursue any rights of recovery against the operator, and any proceeds received will be due to Insurers, provided always that Insurers shall not be entitled to benefit in any general recoveries obtained by the Insured unless and until the Insured's own losses have been made good.

#### SECTION ONE CLAUSE 1.7:

## 1.7 ADDITIONAL PAYMENTS

In respect of the coverage afforded by the relevant parts of this Section One and in addition to the sum insured as set forth in the Policy Schedule, to the extent that recovery is not available from the Principal Policy where applicable, Insurers also agree to cover the Insured Proportion of the following costs and expenses:

### 1.7.1 DISMANTLING AND REASSEMBLING COSTS

If an Aircraft, through force majeure or error in judgement, lands in a place from which it is unable to take off again, even if no damage has been sustained. Insurers will indemnify the Insured for:

1.7.1.1 the cost of dismantling the Aircraft, the cost of transportation from the place of landing to the nearest suitable airport and the cost of reassembling the Aircraft there and returning it to its home airport, up to the Agreed Value of the Aircraft,

or if in the opinion of the Insurers this is impractical

1.7.1.2 the Agreed Value of such Aircraft as a total loss claim, plus the costs of removing the Aircraft from such a place and disposal thereof.

## SECTION ONE CLAUSE 1.8:

### 1.8 TECHNICAL RECORDS

To cover costs and expenses arising from the loss of or damage to the Technical Records of Aircraft and/or Spares and/or Equipment as set forth in the Policy Schedule, which are discovered when such Aircraft and/or Spares and/or Equipment are:

- a) returned on expiry/termination of a Lease Agreement or
- b) repossessed (or in the course of repossession) from a Lease Agreement (provided such repossession is established during the Policy Period)

including mysterious disappearance and deficiencies in the Technical Records (or justifiable suspicions thereof) against the standard stipulated in the Lease Agreement and/or deficiencies against the requirements of the applicable airworthiness authority provided such deficiencies (or justifiable suspicions thereof) are advised to Insurers within 14 days of the Aircraft and/or Spares and/or Equipment being returned to the Insured's care, custody, subject to the Exclusions, Conditions and Warranties detailed herein.

Insurers will indemnify the Insured up to the limit as set forth in the Policy Schedule for 90% of the additional costs and expenses, described below, incurred solely by reason of the loss of or damage to the Technical Records, or justifiable suspicions thereof, that are:

- i) costs incurred for a technical audit of the Aircraft and/or Spares and/or Equipment, even if such audit shows nil technical deficiencies;
- ii) costs of any maintenance and/or overhaul which is found to be necessary to bring the Technical Records to the standard stipulated in the Lease Agreement;
- iii) costs of updating or reconstituting the actual Technical Records;
- iv) the expense of any flight necessary to position the Aircraft for any technical audit, maintenance and/or overhaul and any associated test flights, but excluding any expense which is or would be covered under the Repossession Expenses section of this Policy. For the purposes of this item (iv) expense shall mean:
  - a) the cost of engaging and positioning the statutory minimum flight crew for the purposes of the flight,

- b) the cost of fuel, lubricants and hydraulics necessarily incurred for the purposes of the flight,
- c) all airport dues and air navigation charges incurred during the course of the flight but excluding any fees incurred subsequent to landing at the final destination airport.

#### SECTION ONE CLAUSE 1.9.1:

#### 1.9 EXCLUSIONS APPLICABLE TO ALL OF SECTION ONE

This Policy does not cover

- 1.9.1 Wear and tear, deterioration, breakdown or failure but this exclusion does not apply to any subsequent damage to the insured Aircraft caused by such wear and tear, deterioration, breakdown or failure;

#### SECTION ONE CLAUSE 1.10:

#### 1.10 ADDITIONAL EXCLUSIONS APPLICABLE TO SECTION 1.1 CONTINGENT AIRCRAFT HULL AND SECTION 1.2 CONTINGENT SPARES AND/OR EQUIPMENT

This Policy does not cover

- 1.10.1 Claims which are recoverable under the Principal Policy;
- 1.10.2 Claims which are not recoverable under the Principal Policy by reason of the insolvency of any insurer(s).

#### SECTION ONE CLAUSE 1.13.1.2:

#### 1.13 CONDITIONS APPLICABLE TO ALL OF SECTION ONE

##### 1.13.1 TOTAL LOSS

...

- 1.13.1.2 A constructive total loss may be declared under this Policy, at the option of the Insured, in the event that the cost of repair of the damage together with the cost of salvage and/or transport from the place of the accident to the place of repair and return to service be estimated at 75% or more of the Agreed Value of the Aircraft/Engine.

#### SECTION ONE CLAUSE 1.13.3:

#### 1.13.3 NO ABANDONMENT

In the event of loss or damage the Insured may not abandon the damaged Aircraft/Engine and/or Spares and/or Equipment to Insurers.

#### SECTION ONE CLAUSE 1.13.4:

#### 1.13.4 DISAPPEARANCE

If any Aircraft is missing and not reported for a period of ten (10) days subsequent to take off then in the absence of any evidence of a war loss or other allied perils the Aircraft shall be deemed to have been lost due to a peril covered by this section.

#### SECTION THREE DEFINITION 3.11:

#### 3.11 PRINCIPAL POLICY

Means the policy or policies required to be effected by the Operator pursuant to the provisions of the Lease Agreement (inclusive of policies such as hull deductible policies as may be necessary to meet the lease requirements).

#### EXCERPT FROM SECTION FOUR CLAUSE 4.10:

##### 4.10 CANCELLATION CLAUSE (OTHER THAN AS PROVIDED FOR IN AVN6A/ AVN52E/ AVN38B)

This Policy may be cancelled at the request of the Insured at any time by written notice to the Insurers stating when thereafter such cancellation shall be effective. This Policy may be cancelled by the Insurers by 90 days notice in writing to the Insured at the address as shown in this Policy...

#### SECTION FOUR CLAUSE 4.11:

##### 4.11 DEDUCTIBLES

Except in the event of total loss, constructive total loss or arranged total loss, the applicable amount as set forth in Item 9 of the Policy Schedule will be deducted from each claim.

Nevertheless, in the event of an incident arising hereon involving the application of more than one deductible, only one deductible shall apply being the highest deductible applicable to the incident. This deductible shall be applied as an aggregate deductible for all losses arising out of that incident.

#### SECTION FOUR CLAUSE 4.12:

##### 4.12 REASONABLE PRECAUTIONS

The Insured shall take all reasonable precautions to ensure that:

4.13.1 all air navigation and airworthiness orders and requirements issued by any competent authority are complied with by the Insured's employees and agents;

4.13.2 the Aircraft shall be airworthy at the commencement of each flight, and any flying of the Aircraft is conducted by appropriately licensed pilots whose competence has been established to the Insured's satisfaction;

4.13.3 the ways, implements, plant, machinery and appliances used in the Insured's business are substantial and sound and in proper order, and fit for the purpose for which they are used, and that all reasonable safeguards and precautions against accidents are provided and used;

4.13.4 all international and government regulations and civil instructions are complied with.

#### ATTACHMENT ONE:

This Policy does not cover claims caused by

- (a) War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power.
- (b) Any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- (c) Strikes, riots, civil commotions or labour disturbances.

- (d) Any act of one or more persons, whether or not agents of a sovereign Power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional.
- (e) Any malicious act or act of sabotage.
- (f) Confiscation, nationalisation, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any Government (whether civil military or de facto) or public or local authority.
- (g) Hi-jacking or any unlawful seizure or wrongful exercise of control of the Aircraft or crew in Flight (including any attempt at such seizure or control) made by any person or persons on board the Aircraft acting without the consent of the Insured.

Furthermore this Policy does not cover claims arising whilst the Aircraft is outside the control of the Insured by reason of any of the above perils. The Aircraft shall be deemed to have been restored to the control of the Insured on the safe return of the Aircraft to the Insured at an airfield not excluded by the geographical limits of this Policy, and entirely suitable for the operation of the Aircraft (such safe return shall require that the Aircraft be parked with engines shut down and under no duress).

#### **AVN 48B 1.10.96**

#### **ENDORSEMENT EIGHT CLAUSE 3:**

3. In the event of any law or regulation becoming applicable during the Policy Period which will restrict the ability of an Insurer to provide coverage as specified in paragraph 1, then both the Insured and the Insurer shall have the right to cancel its participation on this Policy in accordance with the laws and regulations applicable to the Policy provided that in respect of cancellation by the Insurer a minimum of 30 days notice in writing be given. In the event of cancellation by either the Insured or the Insurer, the Insurer shall retain the pro rata proportion of the premium for the period that the Policy has been in force. However, in the event that the incurred claims at the effective date of cancellation exceed the earned or pro rata premium (as applicable) due to the Insurer, and in the absence of a more specific provision in the Policy relating to the return of premium, any return premium shall be subject to mutual agreement. Notice of cancellation by the Insurer shall be effective even though the Insurer makes no payment or tender of return premium.

#### **GENESIS WR SLIP**

#### **RISK DETAILS CONDITIONS THE 50/50 CLAIMS TERM:**

50/50 Provisional Claims Settlement Clause AVS103.

#### **SUBSCRIPTION AGREEMENT (DEFINITION OF SLIP LEADER):**

Slip Leader: Slip Leader shall mean Tokio Marine Kiln 510 only, regardless of the market security structure attaching to this slip.

#### **SUBSCRIPTION AGREEMENT (TERM FOR BASIS OF AGREEMENT TO CONTRACT CHANGES):**

Basis of Agreement to Contract Changes: LEADING UNDERWRITERS' CLAUSE (AVIATION BUSINESS) - AVS 100B, except as amended in this Subscription Agreement or in the submission to Insurers.

All Insurers to follow the Slip Leader in the application of any notices under AVN52E and reinstatement and/or amendments to the condition, rates, geographic limits in relation thereto shall be automatically binding on all Insurers without notice, upon agreement by the Slip Leader only.

## **GENESIS WR POLICY**

### **SCHEDULE ITEM 4: POLICY PERIOD**

From 15<sup>th</sup> March 2021 to 15<sup>th</sup> March 2022

Both days at 12.01 hours Local Standard Time at the address of the Insured.

### **SCHEDULE ITEM 6: SUM INSURED**

#### **APPLICABLE TO 1.1 CONTINGENT HULL ALL RISKS (WAR):**

Maximum Limit of **USD 150,000,000** any one Aircraft.

#### **APPLICABLE TO 1.2 CONTINGENT SPARES AND/OR EQUIPMENT ALL RISKS (WAR):**

Maximum Limit of **USD 45,000,000** any one sending/location.

#### **APPLICABLE TO 1.3 POSSESSED HULL ALL RISKS (WAR):**

Maximum Limit of **USD 150,000,000** any one Aircraft.

#### **APPLICABLE TO 1.4 POSSESSED SPARES AND/OR EQUIPMENT ALL RISKS (WAR):**

Maximum Limit of **USD 45,000,000** any one sending/location.

#### **APPLICABLE TO 1.5 iii) SUPPLEMENTARY PAYMENTS (AVN76 AMENDED) ADDITIONAL PAYMENTS (WAR):**

**USD 1,000,000** any one loss and in the annual aggregate.

#### **APPLICABLE TO ENDORSEMENT 4 HULL TOTAL LOSS ONLY:**

As declared up to a maximum value of **USD 25,000,000** any one aircraft.

**Subject to an overall Policy aggregate of USD 300,000,000.**

### **SECTION ONE CLAUSE 1.1:**

#### **1. SECTION ONE: HULL, SPARES AND EQUIPMENT - WAR AND ALLIED PERILS**

##### **1.1 Contingent Hull All Risks**

To cover Aircraft and/or Engines not in the care, custody or control of the Insured or their agents in which the Insured has a Financial Interest as per Schedule of Aircraft, Spares and Equipment against all risks of physical loss or damage howsoever occasioned, sustained during the Policy Period except as hereinafter excluded, in the event that:

- a) the Principal Policy fails to respond and/or
- b) the Operator fails to fully insure the perils required under Lease Agreement with the Insured.
- c) lack or insufficiency of required insurance is due to error or accidental omission.

The coverage afforded by this Section 1.1. also applies to Aircraft Engines and/or Aircraft Equipment in which the Insured has a Financial Interest whilst attached to an Aircraft in which the Insured does not have a Financial Interest.

This Section 1.1. also covers loss or damage to the Aircraft insured hereby insured arising from the action of any Government by reason of actual or alleged infringement of customs, quarantine or public health regulations.



**Warranty applicable to this clause:**

Warranted that the Insured shall have no knowledge of or consent to any action by the Lessee/Operator as set forth in the Policy Schedule and that the Principal Policy provides the above coverage.

**SECTION ONE CLAUSE 1.2:**

**1.2 Contingent Spares and/or Equipment All Risks**

To cover Spares and/or Equipment not in the care, custody or control of the Insured or their agents (including whilst in transit by any means and including Engine running), in which the Insured has a Financial Interest, as per Schedule of Aircraft, Spares and Equipment against all risks of physical loss or damage howsoever occasioned, sustained during the Policy Period, except as hereinafter excluded, in the event that:

- a) the Principal Policy fails to respond and/or
- b) the Operator fails to insure fully the perils required under Lease Agreement with the Insured.
- c) lack or insufficiency of required insurance is due to error or accidental omission.

This Section 1.2. also covers loss or damage to the Spares and/or Equipment hereby insured arising from the action of any Government by reason of actual or alleged infringement of customs, quarantine or public health regulations.

**Warranty applicable to this clause:**

Warranted that the Insured shall have no knowledge of or consent to any action by the Lessee/Operator as set forth in the Policy Schedule and that the Principal Policy provides the above coverage.

**SECTION ONE CLAUSE 1.3:**

**1.3 Possessed Hull All Risks**

To cover Aircraft and/or Engines in which the Insured or their agents has a Financial Interest as per Schedule of Aircraft/Engines, Spares and Equipment, being Aircraft and/or Engines that are:

- a) awaiting commencement of a Lease Agreement,
- b) returned on expiry/termination of a Lease Agreement,
- c) repossessed (or in the course of repossession) from a Lease Agreement,

against all risks of physical loss or damage, including transits.

**SECTION ONE CLAUSE 1.4:**

**1.4 Possessed Spares and/or Equipment All Risks**

To cover Spares and/or Equipment in which the Insured or their agents has a Financial Interest as per Schedule of Aircraft, Spares and Equipment, being Spares and/or Equipment that are:

- a) awaiting commencement of a Lease Agreement, or
- b) returned on expiry/termination of a Lease Agreement, or
- c) repossessed (or in the course of repossession) from a Lease Agreement

against all risks of physical loss or damage, including transits.

**This Section One to cover the Insured against physical loss or damage caused by the following: (paragraphs (a) and (c) to (g) of the War, Hi-Jacking and Other Perils Exclusion Clause (Aviation) AVN48B)**

- a) War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power.
- b) Strikes, riots, civil commotions or labour disturbances.
- c) Any act of one or more persons, whether or not agents of a sovereign power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional.
- d) Any malicious act or act of sabotage.
- e) Confiscation, nationalisation, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any Government (whether civil military or de facto) or public or local authority.
- f) Hi-jacking or any unlawful seizure or wrongful exercise of control of the Aircraft or crew in flight (including any attempt at such seizure or control) made by any person or persons on board the Aircraft acting without the consent of the Insured and/or Operator. For the purpose of this paragraph f) only, an Aircraft is considered to be in flight at any time from the moment when all its external doors are closed following embarkation until the moment when any such door is opened for disembarkation or when the Aircraft is in motion. A rotor-wing Aircraft shall be deemed to be in flight when the rotors are in motion as a result of engine power, the momentum generated therefrom, or autorotation.

Furthermore, Section One of this Policy is reinstated to cover claims arising whilst such Aircraft and/or Engines and/or Spares and/or Equipment are outside the control of the Insured and/or Operator under the terms of a Lease Agreement by reason of any of the above perils. The Aircraft and/or Engines and/or Spares and/or Equipment shall be deemed to have been restored to the control of the Insured and/or Operator under the terms of a Lease Agreement on the safe return of the Aircraft and/or Engines and/or Spares and/or Equipment 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).

**SECTION ONE CLAUSE 1.5(I):**

**1.5 Additional Payments**

In respect of the coverage afforded by the relevant parts of this Section One and in addition to the Limits of Liability as set forth in the Policy Schedule, to the extent that recovery is not available from the Principal Policy where applicable, Insurers also agree to cover the Insured Proportion of:

- i) Dismantling and Reassembling Costs

If an Aircraft through force majeure or error in judgement lands in a place from which it is unable to take off again, even if no damage has been sustained, Insurers will indemnify the Insured for:

- a) the cost of dismantling the Aircraft, the cost of transportation from the place of landing to the nearest suitable airport and the cost of reassembling the Aircraft there and returning it to its home airport, up to the Agreed Value of the Aircraft,

or if in the opinion of the Insurers this is impractical

- b) the Agreed Value of such Aircraft as a total loss claim, plus the costs of removing the Aircraft from such a place and disposal thereof.

## SECTION ONE CLAUSE 1.7.2:

### 1.7.2 AMENDMENT OF TERMS OR CANCELLATION

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

## SECTION THREE CLAUSES 3.3 AND 3.4:

### 3.3 Aggregate

This Policy does not cover claims arising out of the exhaustion of the aggregate limits contained in the Principal Policy.

### 3.4 Principal Policy

This Policy does not cover loss or damage which is recoverable as a claim from the Principal Policy.

## SECTION THREE CLAUSE 3.5:

### 3.5 Insolvency and Financial Default

This Policy will not pay any claim for loss or damage which is not recoverable (in whole or in part) as a claim from the Principal Policy by reason of the insolvency and/or financial default of an Insurer or insurers.

## SECTION FOUR CONDITION 4.1:

### 4.1 Additions and/or Deletions

Automatic additions and/or deletions of Aircraft and/or Engines and/or Spares and/or Equipment of similar type to follow the Insured's Hull and Spares "All Risks" Insurance and provided the agreed value does not exceed the maximum Sum Insured hereunder.

## SECTION FOUR CONDITION 4.6:

### 4.6 Non-Contribution

This Policy does not cover claims which are recoverable under any other policy in favour of the Insured, applicable to such claims except for any excess beyond the amount which would be payable under such other policy had this Policy not been effected.

## SECTION FOUR CONDITION 4.10:

### 4.10 Reasonable Precautions

The Insured shall take all reasonable precautions to ensure that:

- i) all air navigation and airworthiness orders and requirements issued by any competent authority are complied with by the Insured's employees and Agents
- ii) the Aircraft shall be airworthy at the commencement of each Flight, and

- iii) any flying of the Aircraft is conducted by appropriately licensed pilots whose competence has been established to the Insured's satisfaction.

### **ENDORSEMENT 1 CLAUSE 3:**

Notwithstanding anything to the contrary in the Policy the following shall apply:

...

3. In the event of any law or regulation becoming applicable during the Policy period which will restrict the ability of an Insurer to provide coverage as specified in paragraph 1, then both the Insured and the Insurer shall have the right to cancel its participation on this Policy in accordance with the laws and regulations applicable to the Policy provided that in respect of cancellation by the Insurer a minimum of 30 days notice in writing be given. In the event of cancellation by either the Insured or the Insurer, the Insurer shall retain the pro rata proportion of the premium for the period that the Policy has been in force. However, in the event that the incurred claims at the effective date of cancellation exceed the earned or pro rata premium (as applicable) due to the Insurer, and in the absence of a more specific provision in the Policy relating to the return of premium, any return premium shall be subject to mutual agreement. Notice of cancellation by the Insurer shall be effective even though the Insurer makes no payment or tender of return premium.

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### **ENDORSEMENT 3 AMENDMENTS 3 AND 4:**

It is understood and agreed by Insurers that with effect from inception, subject to Policy terms, conditions, limitations and exclusions, the following provisions apply hereon:

...

3. In the event of a Lease Agreement being terminated, individual Aircraft are automatically covered from the time the Insured becomes responsible for such Aircraft, including non-renewal or cancellation of any coverage purchased by the operator (lessee) for the benefit of an Insured hereon. All Additional Insureds and Loss Payees for each Aircraft will transfer from Contingent to Possessed Coverage hereon.
4. The coverage in respect of Interest 1.1 Contingent Hull All Risk Insurance (War) and 1.2 Contingent Spares and/or Equipment All Risk Insurance (War) shall include Automatic movements between Contingent and Possessed coverage at pro rata Policy terms to be agreed by Insurers as soon as practicable....

### **ENDORSEMENT 4:**

#### **HULL TOTAL LOSS ONLY**

In the event of a claim being settled on the basis of a total loss, constructive total loss or arranged total loss (whether under the Principal Policy or this Policy) of any Aircraft insured for Total Loss Only coverage (as set forth in the Policy Schedule or added during the Policy Period), Insurers will pay the applicable Total Loss Only amount shown in the Schedule of Total Loss Only Aircraft herein. This amount shall be payable in addition to any other amounts payable in respect of total loss but in no event shall the total amount payable hereunder exceed the maximum sum insured specified in the Policy Schedule.

Subject to the Policy Coverage Terms, Conditions, Limitations and Exclusions.