



QBE Insurance (Australia) Limited

# Aviation

Aircraft Insurance Policy

This is an important document about insurance. It explains what is and what is not covered under the insurance policy and your and our obligations. To check the policy meets your needs, you need to understand it. If you cannot read and understand English please seek assistance from someone who can help you understand it in your preferred language.

此乃關於保險的重要文件，它解釋了根據保單條款什麼是受保、什麼是不受保項目，以及你方和我方的責任條款。你必須要了解後才能決定這項保險是否能滿足你的需要。如果你不能閱讀和理解英文，請向能幫助你用你熟悉的語言理解內容的人求助。

هذه وثيقة هامة عن التأمين، تشرح ما تغطيه بوليصة التأمين وما لا تغطيه بالإضافة إلى التزاماتنا والتزاماتك. يجب عليك فهم محتوى البوليصة حتى تتأكد من أنها تفي باحتياجاتك. إذا لم تكن تجيد قراءة الإنجليزية وفهمها، أطلب المساعدة من شخص يستطيع أن يعينك على فهم هذه الوثيقة باللغة التي تفضلها.

此乃關於保險的重要文件，它解釋了根據保單條款什麼是受保、什麼是不受保項目，以及你方和我方的責任條款。你必須要了解後才能決定這項保險是否能滿足你的需要。如果你不能閱讀和理解英文，請向能幫助你用你熟悉的語言理解內容的人求助。

Đây là một tài liệu quan trọng về bảo hiểm. Nó giải thích những gì được và những gì không được bảo hiểm theo hợp đồng bảo hiểm cũng như những nghĩa vụ của quý vị và của chúng tôi. Để kiểm tra liệu hợp đồng bảo hiểm có đáp ứng được những nhu cầu của quý vị hay không, quý vị cần phải hiểu nó. Nếu quý vị không thể đọc và hiểu tiếng Anh, vui lòng nhờ ai đó có thể giúp giải thích hợp đồng cho quý vị bằng ngôn ngữ quý vị ưa dùng.

Questo è un documento importante sull'assicurazione. Spiega cosa è e cosa non è coperto in base alla polizza assicurativa ed i tuoi ed i nostri obblighi. Per verificare che la polizza soddisfi le tue esigenze, devi capirla. Se non puoi leggere e capire l'inglese, fatti assistere da qualcuno che possa aiutarti a capirla nella tua lingua preferita.

Αυτό είναι ένα σημαντικό έγγραφο σχετικά με την ασφάλιση. Εξηγεί τι είναι και τι δεν καλύπτεται από το ασφαλιστήριο συμβόλαιο και τις δικές σας και τις δικές μας υποχρεώσεις. Για να ελέγξετε αν αυτό ανταποκρίνεται στις ανάγκες σας, πρέπει να το κατανοήσετε. Εάν δεν διαβάζετε ή δεν κατανοείτε την αγγλική γλώσσα, παρακαλείστε να ζητήσετε βοήθεια από κάποιον που μπορεί να σας βοηθήσει να το κατανοήσετε στη γλώσσα που προτιμάτε.

यह बीमा के बारे में एक महत्वपूर्ण दस्तावेज़ है। इसमें यह विवरण दिया गया है कि बीमा पॉलिसी में क्या कवर्ड (बीमे द्वारा सुरक्षित) है और क्या कवर्ड (बीमे द्वारा कवर्ड) नहीं है तथा इसमें आपके और हमारे दायित्वों के बारे में भी बताया गया है। यह जांच करने के लिए कि क्या पॉलिसी आपकी आवश्यकताओं को पूरा करती है, आपको इसे समझने की आवश्यकता है। यदि आप अंग्रेज़ी पढ़ और समझ नहीं सकते/सकती हैं तो कृपया किसी ऐसे व्यक्ति से सहायता लें जो आपको इसे आपकी पसंदीदा भाषा में समझने में मदद कर सकता हो।

Este es un documento importante sobre seguros. En él se explica lo que cubre y no cubre su póliza de seguro y tanto sus obligaciones como las nuestras. Deberá entenderlo para determinar si la póliza se adapta a sus necesidades. Si no lee ni entiende inglés, solicite la ayuda de alguien que le pueda ayudar a entenderlo en su idioma.

ਇਹ ਬੀਮੇ ਬਾਰੇ ਇੱਕ ਮਹਤਵਪੂਰਨ ਦਸਤਾਵੇਜ਼ ਹੈ। ਇਸ ਵਿੱਚ ਇਹ ਵੇਰਵਾ ਦਿਤਾ ਗਿਆ ਹੈ ਕਿ ਬੀਮਾ ਪਾਲਿਸੀ ਤਹਿਤ ਕੀ ਕਵਰਡ (ਬੀਮੇ ਦੁਆਰਾ ਸੁਰਖਿਅਤ) ਹੈ ਅਤੇ ਕਿ ਕਵਰਡ (ਬੀਮੇ ਦੁਆਰਾ ਸੁਰਖਿਅਤ) ਨਹੀਂ ਹੈ ਅਤੇ ਇਸ ਵਿੱਚ ਤੁਹਾਡੀਆਂ ਅਤੇ ਸਾਡੀਆਂ ਜ਼ਿੰਮੇਵਾਰੀਆਂ ਬਾਰੇ ਵੀ ਦੱਸਿਆ ਗਿਆ ਹੈ। ਇਹ ਜਾਂਚ ਕਰਨ ਲਈ ਕਿ ਕੀ ਪਾਲਿਸੀ ਤੁਹਾਡੀਆਂ ਲੋੜਾਂ ਨੂੰ ਪੂਰਾ ਕਰਦੀ ਹੈ, ਤੁਹਾਨੂੰ ਇਸਨੂੰ ਸਮਝਣ ਦੀ ਲੋੜ ਹੈ। ਜੇ ਤੁਸੀਂ ਅੰਗਰੇਜ਼ੀ ਪੜ੍ਹ ਤੇ ਸਮਝ ਨਹੀਂ ਸਕਦੇ ਹੋ ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਕਿਸੇ ਅਜਿਹੇ ਵਿਅਕਤੀ ਤੋਂ ਮਦਦ ਲਵੋ ਜੋ ਤੁਹਾਡੀ ਪਸੰਦੀਦਾ ਭਾਸ਼ਾ ਵਿੱਚ ਤੁਹਾਨੂੰ ਇਸਨੂੰ ਸਮਝਣ ਵਿੱਚ ਮਦਦ ਦੇ ਸਕੇ।

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## About this booklet

There are two parts to this booklet. The first part is Important Information about this Policy including information about how we'll protect your privacy and how to make a complaint or access our dispute resolution service.

The second part is your Policy Wording which sets out the detailed terms, conditions and exclusions of the Policy.

Because we don't know your own personal circumstances, you should treat any advice in this booklet as purely general in nature. It doesn't consider your objectives, financial situation or needs. You should carefully consider the information provided with regard to your personal circumstances to decide if it's right for you.

### For more information or to make a claim

Please take the time to read through this booklet and if you have any questions, need more information or to confirm a transaction, please contact:

- Your financial services provider. The contact details for your financial services provider are set out in the financial services guide or other documentation they give you.

The section titled 'Claims' at the end of this booklet tells you the full details about what you need to do in the event of a claim. If you'd like to make a claim or to enquire about an existing claim please contact:

- Your financial services provider.

## About QBE

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 (QBE) is a member of the QBE Insurance Group of companies. QBE Insurance Group Limited ABN 28 008 485 014 is the ultimate parent entity and is listed on the Australian Securities Exchange (ASX: QBE). We have been helping Australians protect the things that are important to them since 1886.

### QBE in the community

#### Premiums4Good™

We are committed to giving back to the communities that we operate in. Through Premiums4Good, we invest a portion of customer premiums into impact investments that aim to make positive environmental or social change, alongside a financial return. It's just another way we help in enabling a more resilient future.

## Important Information

In this first part of the booklet we explain important information about this Policy including how we'll protect your privacy and how to make a complaint or access our dispute resolution service.

### General Insurance Code of Practice

QBE is a signatory to the General Insurance Code of Practice (Code) and is committed to providing high standards of service. The Code covers topics like buying insurance, how claims are handled, what happens if financial hardship occurs, and complaint handling. You can read the Code at [codeofpractice.com.au](http://codeofpractice.com.au)

The Code Governance Committee is an independent body that monitors and enforces insurers' compliance with the Code. For more information about the Code Governance Committee please visit [insurancecode.org.au](http://insurancecode.org.au)

We recognise that family and domestic violence is a complex issue and we take it seriously. For more information about support, our Family and Domestic Violence Customer Support Policy is available at [qbe.com/au](http://qbe.com/au)

### Privacy

We take the security of your personal information seriously.

We will collect personal information directly from you when you deal with us, or sometimes through our agents, other companies in the QBE group or suppliers acting on our behalf. We will only ever collect the personal information we need in order to provide our services to you, such as issuing and administering our products and services and processing claims. We will obtain consent before collecting sensitive information, such as health information, unless we are required or permitted by law to collect it without consent. Sometimes we may store and disclose your personal information overseas. When we do this, we ensure your information is retained in accordance with the Australian *Privacy Act 1988* and local privacy laws.

Our Privacy Policy describes in more detail from whom we collect personal information, as well as where we store it and the ways we could use it. You can find it at [qbe.com/au/about/governance/privacy-policy](http://qbe.com/au/about/governance/privacy-policy)

If you would like to access or correct your personal information please contact us at [customer@qbe.com](mailto:customer@qbe.com) or on 1300 650 503.

### Complaints

We're here to help. If you're unhappy with any of our products or services, or the service or conduct of any of our suppliers, please let us know and we'll do our best to put things right.

#### Step 1 – Talk to us

Your first step is to get in touch with the team looking after your Policy, direct debit or claim. You'll find their contact details on your policy documents, letters or emails from us.

Please provide our team with as much information as possible so they can try to fix the problem quickly and fairly.

For additional assistance in lodging a complaint, please refer to [qbe.com/au](http://qbe.com/au)

#### Step 2 – Customer Relations

If your complaint isn't resolved by the team looking after your Policy, direct debit or claim, you can ask them to refer your complaint on to our Customer Relations team. A Dispute Resolution Specialist will review your complaint independently and provide you with our final decision.

You can also contact the Customer Relations team directly:

<b>Phone:</b>	1300 650 503
<b>Fax:</b>	(02) 8227 8594
<b>Email:</b>	<a href="mailto:complaints@qbe.com">complaints@qbe.com</a>
<b>Post:</b>	GPO Box 219, Parramatta NSW 2124

#### Step 3 – Still not resolved?

If we're unable to resolve your complaint to your satisfaction within a reasonable time, or you're not happy with our final decision, you can refer your complaint for external dispute resolution by contacting the Australian Financial Complaints Authority (AFCA). We are a member of AFCA and their decisions are binding on us.

<b>Phone:</b>	1800 931 678
<b>Email:</b>	<a href="mailto:info@afca.org.au">info@afca.org.au</a>
<b>Post:</b>	GPO Box 3, Melbourne VIC 3001

AFCA will inform you if your complaint falls within its jurisdiction. Time limits apply to most complaints to AFCA. For more information, visit [afca.org.au](http://afca.org.au)

#### More information

You can find more information about how we deal with complaints on our website at [qbe.com/au](http://qbe.com/au) or you can call us on 133 723 to speak with us or request a copy of our complaints brochure at no charge by us.

#### Complaints just about privacy

If you're not happy with how we've handled your personal information, call us on 1300 650 503 or email us at [customer@qbe.com](mailto:customer@qbe.com). If you're not satisfied with our response, you can contact the Office of the Australian Information Commissioner (OAIC):

<b>Phone:</b>	1300 363 992
<b>Email:</b>	<a href="mailto:enquiries@oaic.gov.au">enquiries@oaic.gov.au</a>
<b>Post:</b>	GPO Box 5288, Sydney NSW 2001

## Policy Wording

This Policy is underwritten by QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545.

### Our agreement

QBE Insurance (Australia) Ltd ABN 78 003 191 035 in consideration of the payment of the premium and in reliance upon the information provided by You including any proposal which is agreed to be the basis of and incorporated into this Policy, agrees to insure against loss, damage or liability, arising out of an Accident occurring during the Period of Insurance to the extent and in the manner provided in this Policy.

### Preamble

Headings are inserted for the purpose of convenient reference only and are not to be deemed part of this Policy.

Certain words and phrases used in this Policy have special meanings which can be found later in this section under "Definitions – Words with special meanings".

### Proportions

In the case of co-insurance, the additional insurer/s will be shown on the Schedule to the Policy along with the proportions underwritten by each of the insurers and the expression "We", "Us" or "Our" shall refer to the insurers collectively. Should any amount become payable under this Policy, the insurers shall not be jointly liable but shall pay to or on behalf of You and Your respective proportions of the amount payable and no more.

### Paying your premium

Your Debit Note and Policy set out Your Premium, its due date and how You've chosen to pay it.

You must pay Your Premium by the due date shown on Your Policy Schedule. If You don't pay the premium Your Policy may be cancelled and we'll write to You to let You know when this will happen.

### Words with special meanings

The words and terms used throughout this Policy have special meanings set out below.

Where other words and terms are only used in one section of the Policy, we'll describe their special meaning in that section.

Word or Term	Meaning
Accident	any one accident or series of accidents arising out of one event.
Australia	continental Australia and extending 50 miles into territorial waters, external territories (excluding Australian Antarctic Territory, Macquarie Island, Heard Island and McDonald Island) and passage between continental Australia and the external territories (other than the excluded territories).
Bodily Injury	bodily injury (fatal or otherwise) but excludes nervous shock or psychological injury unaccompanied by, or not caused by, physical injury.
Compensatory Damages	does not include punitive, exemplary or aggravated damages.

Word or Term	Meaning
Data	any information, text, figures, voice, images or any machine-readable data, software or programs including any person's or organisation's confidential, proprietary, or personal information.
Data Event	any access to, inability to access, loss of, loss of use of, damage to, corruption of, alteration to or disclosure of Data.
Flight	from the time the Aircraft moves forward in taking off or attempting to take off, whilst in the air, and until the Aircraft completes its landing run. A rotary-wing aircraft shall be deemed to be in Flight when the rotors are in motion as a result of engine power, the momentum generated therefrom, or autorotation.
Ground	whilst the Aircraft is not in Flight or Taxiing or Moored as defined herein.
Insured, You, Your, Yours	the person(s), company(ies) or firm(s) named on the current Policy Schedule as the 'Insured'.
Moored	in the case of aircraft designed to land on water, whilst the Aircraft is afloat and is not in Flight or Taxiing as defined, and includes the risks of launching and hauling up.
Overhaul Cost	the costs of labour and materials which are or would be incurred in overhaul or replacement (whichever is necessary) at the end of the Overhaul Life of the damaged or a similar Unit.
Overhaul Life	the amount of use, or operational and/or calendar time which, according to the manufacturer, determines when overhaul or replacement of a Unit is required.
Passenger	includes a student pilot or a pilot undergoing instruction and excludes any pilot who is responsible for providing instruction or supervision to another pilot.
Period of insurance	the period this Policy operates for as shown on Your Policy Schedule.
Premium	what You pay Us to insure You. It's the cost of this Policy.
Policy Schedule	the Schedule attaching to and forming part of this Policy.
Statutory Requirements	includes all legislation and delegated legislation (including applicable legislation and delegated legislation of another country) and orders, rules, directions, notices, approvals, certificates and licences issued by a competent authority.

Word or Term	Meaning
Taxiing	movement of the Aircraft under its own power other than in Flight as defined above. Taxiing shall not be deemed to cease merely by reason of a temporary halting of the Aircraft.
Unit	a part or an assembly of parts (including any sub-assemblies) of the Aircraft which has been assigned an Overhaul Life as a part or an assembly. Nevertheless, an engine complete with all parts normally attached when removed for the purpose of overhaul or replacement shall together constitute a single Unit.
The Company, We, Our, Us	QBE Insurance (Australia) Limited ABN 78 003 191 035.
Uses:	
Business	the uses stated in Private Pleasure and use for business or professional purposes but NOT use for hire or reward.
Commercial	the uses stated in Private Pleasure and Business and use for the carriage, by You, of Passengers, baggage, accompanying Passengers and cargo for hire or reward.
Private Pleasure	use for private and pleasure purposes but NOT use for any business or profession nor for hire or reward.
Rental	rental, lease or hire by You to any person, company or organisation for Private Pleasure and Business uses only, where the operation of the Aircraft is not under Your control. Rental for any other purpose is NOT insured under this Policy unless specifically declared to Us and the detail of such use(s) stated in the Policy Schedule under SPECIAL RENTAL USES.
<p>Provided always that definitions 'Business', 'Commercial', 'Private Pleasure' and 'Rental' constitute Standard Uses and do not include instruction, hunting, mustering, patrol, fire-fighting, the intentional dropping, spraying or release of anything, any form of experimental or competitive flying, testing of new parts (other than replaced parts), new devices or new designs, and any other use involving abnormal hazard, but when cover is provided details of such use(s) are stated in the Policy Schedule under SPECIAL USES.</p>	

## Section 1: Loss of or Damage to Aircraft

### 1. Coverage

- (a) We will either pay for, repair, or pay for the repair of, accidental loss of or damage to the Aircraft described in the Policy Schedule arising from the risks covered, including disappearance if the Aircraft is unreported for thirty days after the commencement of Flight, but not exceeding the Amount Insured as specified in the Policy Schedule and subject to the amounts to be deducted as specified in the Policy Schedule.
- (b) If the Aircraft is insured hereby for the risks of Flight, We will, in addition, pay reasonable recovery expenses and reasonable emergency expenses necessarily incurred by You for the immediate safety of the Aircraft consequent upon damage or forced landing, up to 10 per cent of the Amount Insured as specified in the Policy Schedule.
- (c) Units, parts or components temporarily removed from the Aircraft for repairs or maintenance or safe-keeping shall be insured unless replaced on the Aircraft in which case the replacement Units, or components shall be insured under this Policy.

### 2. Exclusions applicable to this Section only

#### Wear and tear breakdown

We shall not be liable for:

- (a) wear and tear, deterioration, breakdown, defect or failure howsoever caused in any Unit of the Aircraft and the consequences thereof within such Unit;
- (b) damage to any Unit by anything which has a progressive or cumulative effect but damage attributable to a single recorded incident is covered under paragraph 1(a) above;
- (c) loss of or damage to any Unit directly caused by maintenance, inspection or repair of the Aircraft;

PROVIDED accidental loss of or damage to the Aircraft consequent upon 2(a), (b) or (c) above is covered under paragraph 1(a) above;

- (d) Consequential loss or economic loss, whether direct or indirect and including loss in value of the Aircraft.

### 3. Conditions applicable to this Section only

#### Dismantling transport and repairs

- (a) If the Aircraft is damaged:
  - (i) no dismantling or repairs shall be commenced without Our consent except whatever is necessary in the interests of safety, or to prevent further damage, or to comply with orders issued by the appropriate authority; and
  - (ii) We will pay only for repairs and transport of labour and materials by the most economical method, unless We otherwise agree.

**GST**

- (b) If We repair or pay for the repair of the Aircraft We will pay the amount of any Goods and Services Tax ("GST"), where applicable, included in the cost of the repairs (but not to cause the amount payable by Us to exceed the limit of liability specified in the Policy Schedule) less any Input Tax Credit to which You are entitled in respect of the GST payable on the cost of the repairs.
- (c) You shall inform Us of Your Australian Business Number and any entitlement to an Input Tax Credit for GST, where applicable, on the premium. In the event of any misstatement by You, We shall not be liable to pay any GST.

Goods and Services Tax and Input Tax Credit have the same meaning as in the *New Tax System (Goods and Services Tax) Act 1999* and related legislation as amended.

**Payment**

- (d) If We pay for the Aircraft:
  - (i) the basis of the settlement of the claim shall be the agreed value which is specified in the Policy Schedule as the sum insured;
  - (ii) We may take the Aircraft (together with all documents of record, registration and title thereto) as salvage; and
  - (iii) the cover afforded by this Section is terminated in respect of the Aircraft even if the Aircraft is retained by You for valuable consideration or otherwise.

**Amounts to be deducted from the claim**

- (e) Except where We pay for the Aircraft, there shall be deducted from the claim under paragraph 1(a) of this Section:
  - (i) the amount specified as a deductible in the Policy Schedule; and
  - (ii) such proportion of the Overhaul Cost of any Unit repaired or replaced as the used time bears to the Overhaul Life of the Unit.

**No abandonment**

- (f) Unless We elect to take the Aircraft as salvage, the Aircraft shall at all times remain Your property and You shall have no right of abandonment to Us.

**Contribution and other insurance**

- (g) When making a claim, You must notify Us of any other insurance that You're aware will or may, whether in whole or in part, cover any loss insured under Your Policy.
- (h) If at the time of any loss, damage or liability there's any other insurance (whether issued to You or any other person) which covers the same loss, damage or liability You must provide Us with any reasonable assistance We require to make a claim for contribution from any other insurer(s).

**See also Section 4**

**Section 2: Legal Liability to Third Parties (Other than Passengers)****1. Coverage**

We will indemnify You for all sums which You shall become legally liable to pay, and shall pay, as Compensatory Damages (including costs awarded against You) in respect of accidental bodily injury (fatal or otherwise) and accidental damage to property caused by the Aircraft or by a person or object falling therefrom.

**2. Exclusions applicable to this Section only**

We shall not be liable for:

**Employees and others**

- (a) injury (fatal or otherwise) or loss sustained by Your director(s), employee(s) or business partner(s) whilst acting in the course of their employment with or duties for You;
- (b) any liability for injury (fatal or otherwise) or loss under or by reason of any workers' compensation, employees' compensation, accident compensation or similar legislation other than a subrogation claim brought by an insurer to recover sums paid pursuant to such legislation;

**Operational crew**

- (c) injury (fatal or otherwise) or loss sustained by any member of the flight, cabin or other crew whilst engaged in the operation of the Aircraft;

**Passengers**

- (d) injury (fatal or otherwise) or loss sustained by any Passenger whilst entering, on board, or alighting from the Aircraft; or

**Property**

- (e) loss of or damage to any property belonging to or in Your care, custody or control.

**3. Conditions applicable to this Section****Limit of indemnity**

- (a) Our liability under this Section shall not exceed the amount stated in the Policy Schedule, less any amount specified as a deductible in the Policy Schedule.

**Legal costs**

- (b) In addition, We will defray any legal costs and expenses incurred with Our written consent in defending any action which may be brought against You in respect of any claim for Compensatory Damages covered by this Section, but should Your liability or the amount paid or awarded in settlement of such claim exceed the Limit of Indemnity then Our liability in respect of such legal costs and expenses shall be limited to such proportion of the said legal costs and expenses as the Limit of Indemnity bears to the amount paid to dispose of the claim.

**See also Section 4**



## Section 3: Legal Liability to Passengers

### 1. Coverage

We will indemnify You in respect of all sums which You shall become legally liable to pay, and shall pay, as Compensatory Damages (including costs awarded against You) in respect of:

- (a) accidental bodily injury (fatal or otherwise) to Passengers whilst entering, on board, or alighting from the Aircraft; and
- (b) loss of or damage to baggage and personal articles of Passengers arising out of an Accident to the Aircraft.

PROVIDED ALWAYS THAT

#### Documentary precautions

- (i) before a Passenger boards the Aircraft You shall take such measures as are necessary to exclude or limit liability from claims under (a) and (b) above to the extent permitted by law;
- (ii) if the measures referred to in proviso (i) above include the issue of a Passenger ticket/baggage check, the same shall be delivered correctly completed to the Passenger a reasonable time before the Passenger boards the Aircraft.

#### Effect of non-compliance

In the event of failure to comply with proviso (i) or (ii) Our liability under this Section shall not exceed the amount of the legal liability, if any, that would have existed had the proviso been complied with.

### 2. Exclusions applicable to this Section only

We shall not be liable for:

#### Employees and others

- (a) injury (fatal or otherwise) or loss sustained by Your director(s), employee(s) or business partner(s) whilst acting in the course of their employment with or duties for You;
- (b) any liability for injury (fatal or otherwise) or loss under or by reason of any workers' compensation, employees' compensation, accident compensation or similar legislation other than a subrogation claim brought by an insurer to recover sums paid pursuant to such legislation;

#### Operational crew

- (c) injury (fatal or otherwise) or loss sustained by any member of the flight, cabin or other crew whilst engaged in the operation of the Aircraft;
- (d) any liability to Passengers under the *Civil Aviation (Carriers' Liability) Act 1959* (Cth) or the corresponding Act of any Australian State or Territory in force from time to time unless such cover is endorsed on this Policy.

### 3. Conditions applicable to this Section

#### Limit of indemnity

- (a) Our liability under this Section shall not exceed the amounts stated in the Policy Schedule, less any amount specified as a deductible in the Policy Schedule.

#### Legal costs

- (b) In addition, We will defray any legal costs and expenses incurred with Our written consent in defending any action which may be brought against You in respect of any claim for Compensatory Damages covered by this Section, but should Your liability or the amount paid or awarded in settlement of such claim exceed the Limit of Indemnity then Our liability in respect of such legal costs and expenses shall be limited to such proportion of the said legal costs and expenses as the Limit of Indemnity bears to the amount paid to dispose of the claim.

See also Section 4

## Section 4: (A) General Exclusions applicable to all Sections

This Policy does not apply:

#### Illegal uses

1. Whilst the Aircraft is being used for any illegal purpose or for any purpose other than those stated in the Policy Schedule.

#### Geographical limits

2. Whilst the Aircraft is outside the geographical limits stated in the Policy Schedule unless due to force majeure.

#### Pilots

3. Whilst the Aircraft is being piloted by any person other than as stated in the Policy Schedule except that the Aircraft may be operated on the ground by any person competent for that purpose.

#### Transportation by other conveyance

4. Whilst the Aircraft is being transported by any means of conveyance except as the result of an Accident giving rise to a claim under Section 1 of this Policy.

#### Landing and take-off areas

5. Whilst the Aircraft is landing on or taking off or attempting to do so from a place which does not comply with the recommendations laid down by the manufacturer of the Aircraft except as a result of force majeure.

#### Contractual liability

6. To liability assumed or rights waived by You under any agreement (other than a Passenger ticket/baggage check issued under Section 3 hereof) except to the extent that such liability would have attached to You in the absence of such agreement.
7. To liability assumed by an agreement which has the effect of waiving the limits of liability provided for under the *Civil Aviation (Carriers' Liability) Act 1959* (Cth) or the corresponding Act of any Australian State or Territory in force from time to time.

#### Number of Passengers

8. Whilst the total number of Passengers being carried in the Aircraft exceeds the declared maximum number of Passengers stated in the Policy Schedule except that if there is no violation of the Statutory Requirements as to Passenger seating capacity or maximum allowable gross weight, Our liability in respect of each Passenger shall be calculated by dividing the limit of Our liability in respect of Passengers for any one Accident as stated in the Policy Schedule by the number of Passengers actually in the Aircraft at the time of the accident.

## Laws impacting cover

9. We will not be liable to provide any cover, pay any claim or provide any benefit under this policy, to the extent that it is unlawful for Us to do so.

## Nuclear risks

10. To 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 or any legal liability of any nature directly or indirectly caused by, or contributed to by or arising from:
- (a) the radioactivity, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof; or
  - (b) ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.

## War, hijacking and other perils

11. To 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) Hijacking 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 Your consent.

Furthermore, this Policy does not cover claims arising whilst the Aircraft is outside Your control by reason of any of the above perils.

The Aircraft shall be deemed to have been restored to Your control on the safe return of the Aircraft to You 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).

## Noise and pollution

12. To 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 not otherwise excluded under this Policy.

With respect to any provision in the Policy concerning Our duty to investigate or defend claims, such provision shall not apply and We shall not be required to defend:

- (a) claims excluded by this exclusion; or
- (b) a claim or claims covered by the Policy when combined with any claims excluded by this exclusion (referred to below as 'Combined Claims').

In respect of any Combined Claims, We shall (subject to proof of loss and the limits of the Policy) reimburse You for that portion of the following items which may be allocated to the claims covered by the Policy:

- (i) damages awarded against You; and
- (ii) defence fees and expenses incurred by You.

## Sanctions and Embargo Clause

13. Notwithstanding anything to the contrary in the Policy the following shall apply:
- (a) If, by virtue of any law or regulation which is applicable to Us at the inception of this Policy or becomes applicable at any time thereafter, providing coverage to You is or would be unlawful because it breaches an embargo or sanction, We shall provide no coverage and have no liability whatsoever nor provide any defence to You or make any payment of defence costs or provide any form of security on Your behalf, to the extent that it would be in breach of such law or regulation.
  - (b) In circumstances where it is lawful for Us provide coverage under the Policy, but the payment of a valid and otherwise collectable claim may breach an embargo or sanction, then We will take all reasonable measures to obtain the necessary authorisation to make such payment.
  - (c) In the event of any law or regulation becoming applicable during the Policy period which will restrict the ability of Us to provide coverage as specified in paragraph 1, then both You and Us 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 Us a minimum of 30 days' notice in writing be given. In the event of cancellation by either You or Us, We 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 Us, 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 Us shall be effective even though We make no payment or tender of return premium.

## Data Event

14. To any loss, damage, expense or liability arising out of a Data Event.

This exclusion does not apply to:

- (a) physical loss of or physical damage to an aircraft or spares and equipment; and/or
- (b) bodily injury and/or property damage caused by an aircraft accident; and/or
- (c) bodily injury and/or damage to tangible property including resultant loss of use of such property arising out of Your aviation operations caused other than by an aircraft accident.

For the purpose of sub-paragraphs (b) and (c):

- (i) solely;
- (ii) Data shall not be considered as tangible property.

## Section 4: (B) General Conditions applicable to all Sections

It is necessary that You observe and fulfil the following Conditions of this Policy.

### Due diligence

1. You shall at all times use due diligence and do and concur in doing everything reasonably practicable to avoid accidents and to avoid or diminish any loss hereon.

### Compliance with statutory requirements

2. You shall comply with all Statutory Requirements which affect the safety or maintenance or operation of the Aircraft and shall ensure that:
  - (a) the Aircraft is airworthy at the commencement of each Flight;
  - (b) all Log Books, maintenance releases and other records in connection with the Aircraft which are required from time to time shall be kept up to date and shall be provided to Us or Our agents on request;
  - (c) Your employees and agents comply with such orders and requirements.

### Claims procedure

3. Notice of any event likely to give rise to a claim under this Policy shall be given as soon as reasonably practicable and as stated in the Policy Schedule. In all cases You shall:
  - (a) furnish full particulars in writing of such event and forward notice of any claim with any letters or documents relating to such claim as soon as reasonably practicable;
  - (b) give notice of any impending prosecution;
  - (c) give all relevant information and do all things reasonably necessary to assist Us and Our agents in the investigation of an event likely to give rise to a claim under this Policy or in connection with any third party claim, proceeding or inquiry;
  - (d) take all reasonable steps to be available to attend conferences and give evidence and/or instructions when requested by Us or Our agents, and ensure Your employees or other persons connected to You are available to assist Us and give evidence (if so required);
  - (e) not act in any way to the detriment or prejudice of Our interests.
4. You shall not make any admission of liability or payment or offer or promise of payment without Our written consent.

## Section 4: (C) General Conditions applicable to all Sections

### Subrogation

1. Upon an indemnity being given or a payment being made by Us under this Policy:
  - (a) We shall be subrogated to Your rights and remedies and You shall co-operate with, and do all things reasonably necessary to assist, Us and Our agents to exercise such rights and remedies;
  - (b) We shall have the exclusive right to conduct proceedings, shall have full discretion in the conduct of any negotiations or proceedings or the settlement of any claim and You hereby appoint and authorise Us and Our legal representatives to compromise any proceeding or threatened proceeding and to execute any terms of settlement in Your name;
  - (c) You shall in any proceeding brought by You do all things necessary to recover and hold on trust for Us any amount which We would have been entitled to recover in a subrogated action.

### Variation in risk

2. Changes known by You and within Your control should be notified to Us, in writing, within five business days. Claim(s) arising subsequent to such change may not be recoverable hereunder unless the subject change has been accepted by Us.

### Assignment

3. This Policy shall not be assigned in whole or in part except with Our consent verified by endorsement hereon.

### Not marine insurance

4. This Policy is not and the parties hereto expressly agree that it shall not be construed as a policy of marine insurance.

### Governing law

5. This Policy shall be construed in accordance with Australian Law.

### Two or more aircraft

6. When two or more Aircraft are insured hereunder the terms of this Policy apply separately to each.

### Cross liability/limit(s) of indemnity

7. The inclusion of more than one person as insured under this Policy shall not affect the rights under this Policy in respect of any claim brought by another insured or by an employee of another insured. Notwithstanding the inclusion herein of more than one Insured, whether by endorsement or otherwise, Our total liability in respect of any or all Insureds shall not exceed the Limit(s) of Indemnity stated in this Policy.

### False and fraudulent claims

8. If You, or anyone acting for You, makes a fraudulent claim, for example a loss which is fraudulently caused and/or exaggerated We:
  - (a) will not be liable to pay the claim; and
  - (b) may recover from You any sums paid by Us to You in respect of the claim; and
  - (c) may cancel this Policy.

### Pilot cover

9. Sections 2 and 3 of this Policy extend to indemnify jointly and severally with You any pilot approved in accordance with the terms of this Policy provided such pilot observes and fulfils the conditions and is subject to the exclusions of the Policy. In the event of an award being made both against You (or Your estate) and against the pilot (or their estate), the named Insured shall to the extent of their liability be entitled to priority in respect of any indemnity payable by Us.

### References to legislation

10. Legislation referenced in this Policy includes subsequent legislation. Any term used in this Policy and defined by reference to legislation will have the meaning given in any replacement definition or definition with materially the same object or purpose in subsequent legislation.

'Subsequent legislation' means:

- an act or regulation as amended, replaced or re-enacted;
- where an act or regulation has been repealed, the current equivalent act or regulation (Commonwealth, State or Territory) with materially the same object or purpose whether in whole or in part.

## Section 5: Cancellation

1. This Policy may be cancelled by Us or Our agents where:
- (a) You fail to comply with the duty of the utmost good faith;
  - (b) You make a misrepresentation to Us during negotiations prior to this issue of this Policy;
  - (c) You fail to comply with a provision of this Policy;
  - (d) You fail to pay the premium or any part or instalment of the premium;
  - (e) You make a fraudulent claim under the Policy;
  - (f) You make a fraudulent claim under some other policy of insurance (whether with Us or with some other insurer) that provides insurance cover during any part of the term of this Policy;
  - (g) You fail to give Us written notice of a change in the circumstances or the nature of the risks disclosed at the commencement or renewal of this Policy or in the Policy Schedule which are covered by this Policy; or
  - (h) We otherwise are lawfully entitled to cancel.
2. This Policy may be cancelled by Us or Our agents giving notice of cancellation which shall take effect at the earlier of the following times:
- (a) at the time when another policy which replaces this Policy takes effect; or
  - (b) at 4.00 p.m. on the third business day after the day on which the notice was given to You.
3. If this Policy is cancelled by Us We shall retain the earned Premium for the period that this Policy has been in force calculated on a pro rata basis. Notice of cancellation by Us shall be effective even though We make no payment or tender of a proportion of the Premium. There will be no return Premium in the event that any claim is paid or is payable under this Policy.

4. This Policy may be cancelled at any time by You giving 15 days' notice in writing to Us. If cancelled by You a return premium shall be at the Aviation Cancellation Scale as follows:

Aviation Cancellation Scale	
1 month on risk	20% of annual premium
2 months on risk	30% of annual premium
3 months on risk	40% of annual premium
4 months on risk	50% of annual premium
5 months on risk	60% of annual premium
6 months on risk	70% of annual premium
7 months on risk	75% of annual premium
8 months on risk	80% of annual premium
9 months on risk	85% of annual premium

There will be no return premium in the event that any claim is paid or is payable under this Policy.

