

Schedule 16
REQUIRED INSURANCES



MINISTRY OF DEFENCE

**AIR SUPPORT TO DEFENCE OPERATIONAL TRAINING
(ASDOT)**

CONTRACT NO. UKMFTS/2017/03

This is Schedule 16 (Required Insurances) referred to in the ASDOT Contract between the Secretary of State for Defence and [*Insert name of Contractor*].

Required Insurances

1. **Third party public (non aviation) liability insurance**

1.1 **Insured**

Contractor.

1.2 **Interest**

To indemnify the insured in respect of all sums which the insured shall become legally liable to pay, whether contractually or otherwise (including claimant's costs and expenses), as damages in respect of accidental:

1.2.1 death or bodily injury to or sickness, illness or disease contracted by any person;

1.2.2 loss of or damage to property;

happening during the period of insurance (in paragraph 1.5 below) and arising out of or in connection with this Contract.

1.3 **Limit of indemnity**

Not less than ten million pounds (£10,000,000) in respect of any one occurrence, the number of occurrences being unlimited in any annual period of insurance, but ten million pounds (£10,000,000) any one occurrence and in the aggregate per annum in respect of products and pollution liability (to the extent insured by the policy).

1.4 **Territorial limits**

Worldwide.

1.5 **Period of insurance**

From the date of this Contract and for the duration of the Contract and renewable on an annual basis unless agreed otherwise.

1.6 **Cover features and extensions**

1.6.1 Indemnity to principals clause.

1.6.2 Legal defence costs.

1.6.3 Contingent motor liability.

1.7 **Principal exclusions**

1.7.1 War and related perils.

1.7.2 Nuclear and radioactive risks.

1.7.3 Liability for death, illness, disease or bodily injury sustained by employees of the insured arising out of the course of their employment.

1.7.4 Liability arising out of the use of mechanically propelled vehicles whilst required to be compulsorily insured by legislation in respect of such vehicles.

- 1.7.5 Liability in respect of predetermined penalties or liquidated damages imposed under any contract entered into by the insured.
- 1.7.6 Liability arising out of technical or professional advice other than in respect of death or bodily injury to persons or damage to third party property.
- 1.7.7 Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.

1.8 Maximum deductible threshold

Not to exceed [*maximum deductible threshold to be proposed by bidder*] for each and every third party property damage claim (personal injury claims to be paid in full).

2. Aviation liability insurance (including aviation products liability insurance)

2.1 Insured

Contractor.

2.2 Interest

To indemnify the insured in respect of all sums that the insured may become legally liable to pay (including claimants costs and expenses) as damages in respect of:

2.2.1 death, or bodily injury, illness, disease contracted by any person;

2.2.2 loss of or damage to property

happening during the period of insurance (in paragraph 2.5 below) and arising out the provision of aviation services or in connection with aircraft relative to this Contract.

2.3 Limit of indemnity

Not less than a combined single limit for bodily injury and property damage three hundred and fifty million pounds £350,000,000 any one occurrence the number of occurrences being unlimited in any annual period of insurance but three hundred and fifty million pounds (£350,000,000) any one occurrence in the annual aggregate in respect of aviation products liability (to the extent insured by the policy).

2.4 Territorial limits

Worldwide.

2.5 Period of insurance

From the date of the Contract for the duration of the Contract and renewable on an annual basis unless agreed otherwise.

2.6 Cover features and extensions

2.6.1 Personal injury extension clause (AVN60A or equivalent)

2.6.2 Supplementary payments clause (AVN76 or equivalent)

2.6.3 Airside third party motor liability (unless covered under a third party motor liability insurance policy)

2.6.4 Hangarkeepers liability and/or cover in respect of relevant Authority property in the care, custody and control of the Contractor in connection with the Contract

2.7 Principal exclusions

2.7.1 Nuclear risks exclusion clause (AVN38B or equivalent)

2.7.2 War, hijacking and other perils exclusion clause (AVN48B or equivalent)

2.7.3 Noise and pollution and other perils exclusion clause (AVN46B or equivalent)

2.7.4 Date recognition exclusion (AVN2000A subject to AVN2001A or equivalent)

2.7.5 Asbestos (AGM248800003) or equivalent)

2.7.6 Contracts (Rights of Third Parties) Act 1999 (AVN72 or equivalent)

2.8 Maximum deductible threshold

Not to exceed [*maximum deductible threshold to be proposed by bidder*] each and every claim.

3. [Property Damage "All Risks" Insurance]

3.1 Insureds

3.1.1 Contractor

3.1.2 [Authority]

[each for their separate interests.]

3.2 Insured property

[*To be determined upon bidder project solution relative to MoD assets.*]

3.3 Coverage

"All Risks" of physical loss or damage to the insured property (in paragraph 3.2 above) from any cause not excluded.

3.4 Sum insured

At all times an amount not less than the total reinstatement or replacement value of the insured property plus provision to include cover features and extensions, as appropriate.

3.5 Period of insurance

From the date of this Contract and for the duration of the Contract and renewable on an annual basis unless agreed otherwise.

3.6 Cover features and extensions

- 3.6.1 Terrorism (relevant only to insured property in the United Kingdom excluding Northern Ireland)
- 3.6.2 Automatic reinstatement of sum insured.
- 3.6.3 Capital additions clause.
- 3.6.4 Seventy two (72) hour clause.
- 3.6.5 European Union local authorities clause.
- 3.6.6 Professional fees.
- 3.6.7 Debris removal.
- 3.6.8 Repair/reinstatement basis of claims settlement with cash option for non-reinstatement.
- 3.6.9 Temporary off-site storage.
- 3.6.10 Authority co-insurance with attendant non vitiation, waiver of subrogation and notice of cancellation clause.

3.7 **Principal exclusions**

- 3.7.1 War and related perils.
- 3.7.2 Nuclear/radioactive risks.
- 3.7.3 Pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.
- 3.7.4 Wear, tear and gradual deterioration.
- 3.7.5 Consequential financial losses.
- 3.7.6 Cyber risks.

3.8 **Maximum deductible threshold**

Not to exceed [*maximum deductible threshold to be proposed by bidder*].

4. **Compulsory insurances (employers liability insurance and motor vehicle insurance)**

- 4.1 The Contractor is required to meet its United Kingdom and all other statutory or insurances required by law worldwide in full. Insurances are required to comply with all statutory requirements including, but not limited to, United Kingdom employers' liability insurance and motor third party liability insurance.
- 4.2 Employers liability insurance
 - 4.2.1 The limit of indemnity for the employers' liability insurance shall be any one occurrence inclusive of costs, the number of occurrences being unlimited in any annual period of insurance.
 - 4.2.2 The employers' liability insurance shall contain an indemnity to principals clause.
- 4.3 Motor vehicle insurance

- 4.3.1 The limit of indemnity for motor vehicle third party liability insurance shall be any one occurrence the number of occurrences being unlimited in any annual period of insurance.
- 4.3.2 Where relevant, motor third party airside liability insurance with a limit of indemnity of not less than fifty million pounds (£50,000,000) in respect of any one occurrence the number of occurrences being unlimited in any annual period of insurance in respect of any relevant claims associated with the Contract.