

# **Schedule 12**

## **Insurance**

## **1. THIRD PARTY (NON-AVIATION) PUBLIC LIABILITY INSURANCE**

### **1.1 Insured**

Contractor

### **1.2 Interest**

To indemnify the Insured in respect of all sums which the insured (as set out in paragraph 1.1) shall become legally liable to pay as damages, including claimant's costs and expenses, 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;

1.1 happening during the period of insurance (as set out in paragraph 1.4) and arising out of or in connection with this Contract.

### **1.3 Limit of indemnity**

Not less than [REDACTED] ([REDACTED]) in respect of any one occurrence, the number of occurrences being unlimited, but ten million [REDACTED] ([REDACTED]) any one occurrence and in the aggregate per annum in respect of products and pollution liability (to the extent insured by the policy). Where the limit of indemnity is provided in the annual aggregate, Condition 3.8.5 will apply.

### **1.4 Period of insurance**

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

### **1.5 Territorial limits**

Worldwide

### **1.6 Principal cover features and extensions**

1.6.1 Indemnity to principal's clause

1.6.2 Legal defence costs in addition to limit

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 (as set out in paragraph 1.1) 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 applicable law 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 (as set out in paragraph 1.1).

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 the ownership, possession or use of any aircraft or marine vessel.

1.7.8 Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.

**1.8 Maximum deductible threshold**

Not to exceed [REDACTED] for each and every occurrence.

**2. AVIATION MANUFACTURING HULL THIRD PARTY PUBLIC AND PRODUCTS LIABILITY INSURANCE**

**2.1 Insured**

Contractor

**2.2 Interest**

Excluding any indemnity or limitation upon claims as set out in DEFCON 684 (Limitation Upon Claims in Respect of Aviation Products) and DEFCON 638 (Flights Liability and Indemnity), to indemnify the insured (as set out in paragraph 2.1) in respect of all sums that the insured (as set out in paragraph 2.1) may become legally liable to pay as damages in respect of:

2.2.1 death or bodily injury contracted by any person; and

2.2.2 loss of or damage to property;

happening during the period of insurance and arising out of or in connection with this Contract excluding legal liability in respect of non-aviation liability coverage specified in paragraph 1, Third Party (Non-Aviation) Public Liability Insurance and paragraph 3 1. Aviation Third Party And Products Liability Insurance of this Schedule 12 (Insurance Annex).

**2.3 Limit of indemnity**

Not less than a combined single limit for bodily injury and property damage, [REDACTED] ([REDACTED]) any one occurrence the number of occurrences being unlimited in any annual policy period but in the annual aggregate in respect of aviation product liability and in respect of war risks and allied perils. Where the limit of indemnity is provided in the annual aggregate, Condition 3.8.5 will apply.

**2.4 Period of insurance**

From the date of this Contract [until delivery and acceptance of the aircraft] and renewable on an annual basis unless agreed otherwise by the parties.

**2.5 Territorial limits**

Worldwide subject to the geographical areas exclusion clause in accordance with prevailing aviation insurance market practice LSW617G (or equivalent).

**2.6 Principal cover features and extensions**

2.6.1 Extended coverage endorsement (aviation liability) AVN52E (or equivalent).

**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**

No deductible applies to Aviation Product Liability insurance.

## **3. AVIATION THIRD PARTY AND PRODUCTS LIABILITY INSURANCE**

### **3.1 Insured**

Contractor

### **3.2 Interest**

Excluding any indemnity or limitation upon claims as set out in DEFCON 684 (Limitation Upon Claims in Respect of Aviation Products) and DEFCON 638 (Flights Liability and Indemnity), to indemnify the insured (as set out in paragraph 3.1) in respect of all sums that the insured (as set out in paragraph 3.1) may become legally liable to pay as damages in respect of:

- 3.2.1 death or bodily injury contracted by any person; and
- 3.2.2 loss of or damage to property;

happening during the period of insurance and arising out of or in connection with this Contract excluding legal liability in respect of non-aviation liability coverage specified in Paragraph 1, Third Party (Non-Aviation) Public Liability Insurance and paragraph 2 Aviation Manufacturing Hull Third Party Public and Products Liability Insurance of this Schedule 12 (Insurance Annex).

### **3.3 Limit of indemnity**

Not less than a combined single limit for bodily injury and property damage, [REDACTED] ( [REDACTED] ) any one occurrence the number of occurrences being unlimited in any annual policy period but in the annual aggregate in respect of aviation product liability and in respect of war risks and allied perils. Where the limit of indemnity is provided in the annual aggregate, Condition 3.8.5 will apply.

### **3.4 Period of insurance**

From the commencement date any maintenance, servicing and / or repair to Authority owned aircraft (which is the subject matter of this Contract) and for the duration of this Contract and renewable on an annual basis unless agreed otherwise by the parties.

### **3.5 Territorial limits**

Worldwide subject to the geographical areas exclusion clause in accordance with prevailing aviation insurance market practice LSW617G (or equivalent).

### **3.6 Principal cover features and extensions**

3.6.1 Extended coverage endorsement (aviation liability) AVN52E (or equivalent).

### **3.7 Principal exclusions**

3.7.1 Nuclear risks exclusion clause (AVN38B or equivalent)

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

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

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

3.7.5 Asbestos (AGM248800003) or equivalent)

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

### **3.8 Maximum deductible threshold**

Not to exceed [REDACTED] each and every claim on any one occurrence in case of property damage to cargo and not to exceed [REDACTED] on any one occurrence in case of property damage to passenger baggage and personal effects. No other deductible applies.

Deductibles in USD will be applied in GBP based on the rate of exchange at the date of loss. In such instances, OANDA will be used to determine the rate of exchange.

## **4. PROPERTY DAMAGE "ALL RISKS" INSURANCE**

### **4.1 Insured's**

4.1.1 Contractor

4.1.2 Authority

each for their respective rights and interests.

### **4.2 Insured property**

Any property owned by the Authority which is in the care custody and control of the Contractor in connection with the Contract.

### **4.3 Coverage**

"All risks" of physical loss or damage to the insured property (as set out in paragraph 4.2) from any cause not excluded.

### **4.4 Sum insured**

At all times an amount not less than the total reinstatement or replacement value of the insured property (as set out in paragraph 4.2).

### **4.5 Maximum deductible threshold**

Not to exceed [REDACTED] each and every claim with respect to damages to an aircraft and [REDACTED] each and every claim with respect to damages to other property.

Deductibles in USD and EURO will be applied in GBP based on the rate of exchange at the

date of loss. In such instances, OANDA will be used to determine the rate of exchange.

#### **4.6 Period of insurance**

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

#### **4.7 Principal cover features and extensions**

- 4.7.1 Automatic reinstatement of sum insured
- 4.7.2 Capital additions clause
- 4.7.3 Replacement of computer records
- 4.7.4 Professional fees
- 4.7.5 Debris removal
- 4.7.6 Repair/reinstatement basis of claims settlement with cash option for non-reinstatement where the Authority decides not to reinstate
- 4.7.7 Authority co-insurance with attendant non vitiation, waiver of subrogation and notice of cancellation clause

#### **4.8 Principal Exclusions**

- 4.8.1 War and related perils
- 4.8.2 Nuclear/radioactive risks
- 4.8.3 Pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds
- 4.8.4 Wear, tear and gradual deterioration
- 4.8.5 Consequential financial losses
- 4.8.6 Cyber risks

### **5. MOTOR THIRD PARTY AIRSIDE LIABILITY INSURANCE**

Where relevant, motor third party airside liability insurance with a limit of indemnity of not less than [REDACTED] ([REDACTED]) 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 this Contract.