Annex N to Contract SACC/00018

Schedule 1 (Insurances)

Policies of insurance the Contractor shall take out and maintain or procure the taking out and maintenance of for the period of the Contract

1. Third Party Public 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 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;

happening during the period of insurance and arising out of or in connection with the 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 policy period, but ten million pounds (£10,000,000) any one occurrence and in the aggregate per annum in respect of 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 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 principal clause or additional insured provision.

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 during 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 the ownership, possession or use of any aircraft or marine vessel.
- 1.7.9 Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.

2. Aviation Liability Insurance

2.1 Insured

Contractor

2.2 Interest

Excluding any indemnity or limitation upon claims in respect of aviation products as set out in DEFCON 684 to indemnify the Insured's legal liability arising out of aviation activity and products including grounding liability happening during the period of insurance and arising out of or in connection with the Contract.

2.3 Limit of indemnity

Not less than:

- 2.3.1 Aviation products liability one hundred million pounds (£100,000,000) any one occurrence and in the aggregate in respect of any occurrences per annum.
- 2.3.2 Grounding liability one hundred million pounds (£100,000,000) any one grounding and in the aggregate in respect of all groundings per annum.
- 2.3.3 Aviation and grounding liability combined one hundred million pounds (£100,000,000) in the aggregate per annum.

2.4 Territorial limits

Worldwide

2.5 **Period of insurance**

From commencement of the In-Service Support Period (following successful completion of Technical Transfer 1) and renewable on an annual basis unless agreed otherwise.

2.6 Cover features and extensions

- 2.6.1 Aviation products, grounding and other aviation liabilities insurance (AVN 98 Section One only aviation products and grounding liability insurance).
- 2.6.2 Date Recognition Limited Coverage Clause (AVN 2002A).
- 2.6.3 Personal Injury Extension (AVN 60A).
- 2.6.4 Contracts (Rights of Third Parties) Act 1999 Exclusion clause (AVN 72).

2.7 Principal exclusions

- 2.7.1 Asbestos Exclusion Clause (AGM24880003).
- 2.7.2 Date Recognition Exclusion Clause (AVN 2000A).
- 2.7.3 Nuclear Risks Exclusion Clause (AVN 38B).
- 2.7.4 Noise and Pollution and Other Perils Exclusion Clause (AVN 46B) (paragraph C.1 (b) does not apply to the pollution or contamination of products sold or supplied by Insured).