

Schedule 16 - Insurance

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

1.1 Insured

Contractor

1.2 Interest

To indemnify the insured (as set out in paragraph 1.1) 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;

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 [ten million pounds (£10,000,000)] in respect of any one occurrence, the number of occurrences being unlimited, 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). Where any limit of indemnity is supplied in the annual aggregate, Clause 9.4 (Insurance Requirements) will apply.

1.4 Period of insurance

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

1.5 Principal cover features and extensions

1.5.1 Indemnity to principal's clause

1.5.2 Legal defence costs

1.5.3 Contingent motor liability

1.6 Principal exclusions

1.6.1 War and related perils.

1.6.2 Nuclear and radioactive risks.

1.6.3 Liability for death, illness, disease or bodily injury sustained by employees of the insured (as set out in paragraph 1.4) arising out of the course of their employment.

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

- 1.6.5 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).
- 1.6.6 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.
- 1.6.7 Liability arising from the ownership, possession or use of any aircraft or marine vessel.
- 1.6.8 Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.

1.7 **Maximum deductible threshold**

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

2. **AVIATION THIRD PARTY AND PRODUCTS LIABILITY INSURANCE**

2.1 **Insured**

Contractor

2.2 **Interest**

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 of this Schedule 16.

2.3 **Limit of indemnity**

Not less than a combined single limit for bodily injury and property damage, [two hundred and fifty million pounds (£250,000,000)] 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 (to the extent insured by the policy). Where the limit of indemnity is supplied in the annual aggregate, Clause 9.4 (Insurance Requirements) will apply.

2.4 **Period of insurance**

From the commencement of the Contract and for the duration of this Contract 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 Personal injury extension clause AVN60A (or equivalent).
- 2.6.2 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

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

3. FREIGHT AND CARGO INSURANCE

3.1 Insured

Contractor

3.2 Insured property

All property and interest of every description for all transits by air that are in the care, custody or control or are otherwise the responsibility of the Contractor in connection with the Contract.

3.3 Coverage

Primary property damage perils in respect of physical loss or damage to the insured property (as set out in paragraph 5.2) unless otherwise excluded.

3.4 Limit of indemnity

Not less than the replacement value in respect of any one transit / conveyance unless specified by the Authority.

3.5 Periods of insurance

From the commencement of the relevant transits until the delivery at the destination including loading and unloading.

3.6 Maximum deductible threshold

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