

Aviation Hull

“War and Allied Perils”

Policy Wording



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Schedule

Policy No: _____

The name of the Insured: _____

The address of the Insured: _____

Additional Insured(s): _____

Approved Lienholder(s) for Breach of Warranty protection: _____

Aircraft hereby insured: _____

Manufacturer	Model	Registration	Agreed Value

Geographical Limits: _____

Excluding Confiscation, etcetera by Government(s) of: _____

Period of Insurance:

From: _____

To: _____

Both days inclusive

Extortion and Hi-jack Expenses Limit of Policy: _____

90% of _____ any one loss and in all

Premium: _____

Immediate notice of changes in risk or of circumstances likely to give rise to a loss hereunder to be communicated to:

Vero Aviation
GPO Box 41
Brisbane QLD 4001

Dated: _____

Duty of Disclosure Notice

Your Duty of Disclosure

Before you enter into a contract of general insurance with an Insurer, you have a duty under the Insurance Contracts Act 1984, to disclose to the Insurer every matter that you know, or could reasonably be expected to know, is relevant to the Insurer's decision whether to accept the risk of the insurance, and if so on what terms.

You have the same duty to disclose those matters to the Insurer before you renew, extend, vary or reinstate a contract of general insurance.

Your duty however does not require disclosure of matter:

- ▼ that diminishes the risk to be undertaken by the Insurer;
- ▼ that is of common knowledge;
- ▼ that your Insurer knows or, in the ordinary course of his business, ought to know;
- ▼ as to which compliance with your duty is waived by the Insurer.

Non-disclosure

If you fail to comply with your duty of disclosure, the Insurer may be entitled to reduce his liability under the contract in respect of a claim or may cancel the contract.

If your non-disclosure is fraudulent, the Insurer may also have the option of avoiding the contract from its beginning.

Privacy Statement

The Privacy Act 1988 (as amended) now applies and requires us to inform you that:

Purpose of Collection

We collect personal information (this is information or an opinion about an individual whose identity is apparent or can reasonably be ascertained and which relates to a natural living person) from or about you, for the purposes of:

- ▼ providing insurance services to you,
- ▼ evaluate your application,
- ▼ evaluate any request for amendment to any insurance provided,
- ▼ issuing, administering and managing the insurance provided following acceptance of an application; and
- ▼ investigating and, if covered, manage claims made in relation to any insurance you have with us or other companies within the group.

The personal information collected can be used or disclosed by us for a secondary purpose related to those purposes listed above, but only if you would reasonably expect us to use or disclose the information for this secondary purpose.

However for sensitive information, the secondary purpose must be directly related to the purposes listed above.

Disclosure

When necessary and in connection with the purposes listed above, we may disclose your personal information to, and/or receive some personal information from:

- ▼ other companies within the group,
- ▼ your insurance intermediary or our agent,
- ▼ Government bodies, loss assessors, claim investigators, reinsurers,
- ▼ other insurance companies, mailing houses, claims reference providers, legal and other professional advisers,
- ▼ other service providers, hospitals, medical and health professionals.

Consequences if Information is not Provided

If you do not provide us with the information we need we will be unable to consider your application for insurance cover, administer your policy or manage any claim under your policy.

Access

You can request access to the personal information we hold about you by contacting us at the address shown on this proposal form.

In some circumstances we may not agree to allow you access to some or all of the personal information we hold such as when it is unlawful to give it to you. In such cases we will give you reasons for our decision.

Privacy Statement issued

Vero Insurance Limited, GPO Box 3999, Sydney NSW 2001.

Code of Practice

We have adopted the General Insurance Code of Practice. Please contact us for more information.

Vero Insurance Limited (“the Insurer”) agrees to insure against loss of or damage to the Aircraft occurring during the Period of Insurance to the extent and in the manner provided by this Policy.

Section 1 – Loss of or Damage to Aircraft

Subject to the terms, conditions and limitations set out below, this Policy covers loss of or damage to the Aircraft nominated in the Schedule against claims excluded from the Insured’s **Aircraft Insurance Policy** as 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) Strikes, riots, civil commotions or labour disturbances.
- (c) 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.
- (d) Any malicious act or act of sabotage.
- (e) 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.
- (f) Hi-jacking 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 the consent of the Insured. For the purpose of this paragraph (f) only, an aircraft is considered to be in flight at any time from the moment when all its external doors are closed following embarkation until the moment when any such door is opened for disembarkation or when the aircraft is in motion. A rotor-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.

Furthermore this Policy covers claims excluded from the **Aircraft Insurance Policy** from occurrences whilst the Aircraft is outside the control of the Insured by reason of any of the above perils. The Aircraft shall be deemed to have been restored to the control of the Insured on the safe return of the Aircraft to the Insured 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).

Section 2 – Extortion and Hi-jack Expenses

1. This Policy will also indemnify the Insured subject to the terms, conditions, exclusions and limitations set out below, and up to the limit stated in the Schedule, for 90% of any payment properly made in respect of:
 - (a) threats against any Aircraft described in the Schedule or its passengers or crew made during the currency of this Policy.
 - (b) extra expenses necessarily incurred following confiscation, etcetera (as Section One clause (e)) or hi-jacking, etcetera (as Section One clause (f)) of any Aircraft described in the Schedule.
2. No cover will be provided under this Section of the Policy in any territory where such insurance is not lawful, and the Insured is at all times responsible for ensuring that no arrangements of any kind are made which are not permitted by the proper authorities.

Section 3 – General Exclusions

This Policy excludes loss, damage or expense

- (i) caused by one or any combinations of any of the following:
 - (a) War (whether there be a declaration of war or not) between any of the following States: the United Kingdom, the United States of America, France, the Russian Federation, the People’s Republic of China; nevertheless, if any Aircraft is in the air when an outbreak of such war occurs, this exclusion shall not apply in respect of such Aircraft until the said Aircraft has completed its first landing thereafter;
 - (b) Confiscation, nationalisation, seizure, restraint, detention, appropriation, requisition for title or use by or under the authority of the Government(s) named in the Schedule, or any public or local authority under its jurisdiction;
 - (c) the emission, discharge, release or escape of any chemical, biological or biochemical materials or the threat of same unless such materials are used or threatened to be used solely and directly in
 - (i) the Hi-jacking, unlawful seizure or wrongful exercise of control of an Aircraft as stated in the Schedule and then only in respect of loss of or damage to such aircraft as insured under clause (f) Section One above; or
 - (ii) any threat against an Aircraft stated in the Schedule or its passengers or crew and then only in respect of payments as are insured under Section Two Above;
 - (d) Any debt, failure to provide bond or security or any other financial cause under court order or otherwise;

- (e) The repossession or attempted repossession of the Aircraft either by any title holder, or arising out of any contractual agreement to which any Insured protected under this Policy may be party;
- (f) Delay, loss of use, or except as specifically provided in Section Two any other consequential loss; whether following upon loss of or damage to the Aircraft or otherwise.
- (g) any
 - (i) detonation, hostile or otherwise, of any device employing atomic or nuclear fission and/or fusion or other like reaction,
 - (ii) use, hostile or otherwise, of radioactive contamination or matter,
 - (iii) use, hostile or otherwise, of an electromagnetic pulse.
- (ii) directly or indirectly arising out of any detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter whether hostile or otherwise.

Section 4 – General Conditions

1. This Policy is subject to the same warranties, terms and conditions (except as regards the premium, the obligations to investigate and defend, the renewal agreement (if any), the amount of deductible or self insurance provision where applicable AND EXCEPT AS OTHERWISE PROVIDED HEREIN) as are contained in or may be added to the Insured's **Aircraft Insurance Policy**.
2. Should there be any Material Change in the nature or area of the Insured's operations, the Insured shall give immediate notice of such change to the Insurer; no claim arising subsequent to a Material Change over which the Insured had control shall be recoverable hereunder unless such change has been accepted by the Insurer.
 "Material Change" shall be understood to mean any change in the operation of the Insured which might reasonably be regarded by the Insurer as increasing its risk in degree or frequency, or reducing possibilities of recovery or subrogation.
3. The due observance and fulfilment of the terms, provisions, conditions and endorsements of this Policy shall be conditions precedent to any liability of the Insurer to make any payment under this policy: in particular the Insured shall use all reasonable efforts to ensure that he complies and continues to comply with the laws (local or otherwise) of any country within whose jurisdiction the Aircraft may be, and to obtain all permits necessary for the lawful operation of the Aircraft.
4. Subject always to the provisions of Section Five, and the Schedule, the Insurer hereon agrees to follow the **Aircraft Insurance Policy** in respect of Breach of Warranty Cover, Hold Harmless Agreements and Waivers of Subrogation.
5. It is a condition of this insurance that the 10% proportion of any claim made under Section Two that is not recoverable under this Policy remains uninsured.
6. The premium charged for this policy will include an amount on account of Goods and Services Tax (GST), where applicable.

The insured must inform the Insurer of the extent to which the Insured is entitled to an input tax credit for the premium, in relation to the period during which the insured event happened, each time that a claim is made under this policy. No payment will be made to the insured for any GST liability that the Insured may incur on the settlement of a claim if the insured has not informed the Insurer of their entitlement or correct entitlement to an input tax credit.

Despite the other provisions of this insurance (including provisions in the wordings, any schedules and any endorsements), the Insurer's liability will be calculated taking into account any input tax credit to which the Insured is entitled for any acquisition relevant to a claim, or to which the Insured would have been entitled were the Insured to have made a relevant acquisition.

If the sum insured or policy limit is not sufficient to cover the Insured's loss, the Insurer will only pay GST (less any relevant input tax credit) that relates to the Insurer's proportion of the Insured's loss. The Insurer will pay that GST amount in addition to the sum Insured or policy limit.

'GST', 'input tax credit', and 'acquisition' have the meaning given in the *A New Tax System (Goods and Services Tax) Act 1999*.

Section 5 – Cancellation Revision and Automatic Termination

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| Amendment of Terms or Cancellation | 1. (a) The Insurer may give notice, effective on the expiry of 7 days from midnight on the day on which notice is issued, to review the rate of premium and/or the geographical limits. In the event of the review of the rate of premium and/or geographical limits not being accepted by the Assured then at the expiry of the said 7 days, this Policy shall become cancelled at that date. |
| Automatic Review of Terms or Cancellation | (b) Notwithstanding 1.(a) above, this Policy is subject to automatic review by the Insurer of the rate of premium and/or conditions and/or geographical limits effective on the expiry of 7 days from the time of 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 wheresoever or whensoever such detonation may occur and whether or not the insured Aircraft may be directly affected. In the event of the review of the rate of premium and/or conditions and/or geographical limits not being accepted by the Insured then at the expiry of the said 7 days, this Policy shall become cancelled at that date. |
| Cancellation by Notice | (c) This Policy may be cancelled by the Insured or Insurer giving notice not less than 7 days prior to the end of each period of 3 months from inception. |
| Automatic Termination | 2. Whether or not such notice of cancellation has been given this Insurance shall TERMINATE AUTOMATICALLY

Upon the outbreak of war (whether there be a declaration of war or not) between any of the following States, namely, the United Kingdom, the United States of America, France, the Russian Federation, the People’s Republic of China.

PROVIDED THAT if the Aircraft is in the air when such outbreak of war occurs then this insurance, subject to its terms and conditions and provided not otherwise cancelled, terminated or suspended, will be continued in respect of such Aircraft until the said Aircraft has completed its first landing thereafter. |

Section 6 – Definitions

“**Aircraft Insurance Policy**” refers to a policy which, subject to its full terms and conditions, covers loss or damage to the Aircraft described in the Schedule against flight, taxiing and ground risks.

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Vero Aviation is a division of Vero Insurance Limited

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