

An aerial photograph of a city, likely New York City, showing a dense urban landscape with numerous skyscrapers and buildings. A grid of small, semi-transparent dots is overlaid on the image, with some dots in red and others in green. The dots are arranged in a regular pattern, suggesting a data overlay or a sensor grid.

PRECISION UTONOMY



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## ABOUT THIS BOOKLET

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Our Policy with you is made up of the Important Information, Policy Wording and the Schedule.

The Important Information includes information about how we will protect your privacy and how to make a complaint or access our dispute resolution service.

The Policy Wording sets out the detailed terms, conditions and exclusions of the Policy.

The Schedule sets out your Policy number and other details of cover particular to you.

Because we do not know your own personal circumstances, you should treat any advice in this booklet as purely general in nature. It does not consider your objectives, financial situation or needs.

You should carefully consider the information provided about your personal circumstances to decide if it is right for you.

For more information or to make a claim

Please take the time to read through this booklet and if you have any questions, need more information or to confirm a transaction, please contact:

- Your financial services provider. The contact details for your financial services provider are set out in the financial services guide or other documentation they give you.

The section titled 'Claims' at the end of this booklet tells you the full details about what you need to do in the event of a claim. If you would like to make a claim or to enquire about an existing claim, please contact:

- Your financial services provider.

### About Precision Autonomy

Precision Autonomy Insurance Pty Ltd (Precision Autonomy) ABN: 46 659 687 144 AR: 001298717 of Insurtech Gateway Australia Pty Ltd AFSL: 525866 is an underwriting agency authorised to provide general financial products, advice and deal in general insurance products. Precision Autonomy has entered into a binding authority agreement with HDI Global Specialty SE- Australia which enable it to enter into, vary or cancel insurance products and handle and settle claims on behalf of HDI Global Specialty SE-Australia.

### About HDI Global Specialty SE- Australia (Insurer)

The Insurer of the Policy is the HDI Global Specialty SE – Australia (HDI Global Specialty) (ABN 58 129 395 544, AFS License number 458776) and its registered address is Level 19, 20 Martin Place, Sydney NSW 2000, Australia. The Insurer is regulated by the Australian Prudential Regulation Authority ("APRA").

HDI Global Specialty SE is registered in Germany, with its registered office at Roderbruchstrasse 26, 30655 Hannover, Germany with registration number HRB211924 and authorised by Bundesanstalt für Finanzdienstleistungsaufsicht ("BaFin"). It is authorised to carry on insurance Business in Germany under the German Insurance Supervisory Act ("Versicherungsaufsichtsgesetz").





## Important Information

In this first part of the booklet we explain important information about this Policy including how we will protect your privacy and how to make a complaint or access our dispute resolution service.

## Duty of disclosure

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you renew, extend, vary or reinstate an insurance contract.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

## If you do not tell us something

If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

## Privacy

In this statement “We” “Us” and “Our” means HDI Global Specialty SE – Australia and Precision Autonomy Insurance Pty Ltd as its agent.

We are bound by the Privacy Act 1988 (Cth) which includes the Australian Privacy Principles (APPs), when collecting and handling Your personal information including health information.

We will only collect personal information from or about You for the purpose of assessing Your proposal for insurance and administering Your insurance Policy, including any claims You make or claims made against You.

We may need to disclose personal information to other entities within Our group, re-insurers (who may be located overseas including the UK and EU), insurance intermediaries, insurance reference bureaux, credit reference agencies, Our advisers, Our agents, Our administrators and those involved in the claims handling process (including assessors, investigators and others), for the purpose of assisting Us and them in providing relevant services and products, or for the purpose of recovery or litigation. When we disclose information to someone overseas, including in the UK, and EU, We will ensure that they are subject to laws with equivalent protection as the Privacy Act 1988 (Cth) or that they agree to hold and deal with Your personal information in a manner that affords You similar protection.

We may disclose personal information to people listed as co-insured on Your Schedule and to family members or agents authorised by You. Disclosures may also be made to government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law. We will request Your consent to any other purpose.





By providing Your personal information to Us, You consent to Us making the disclosures set out above which require consent. This consent to the use and disclosure of Your personal information remains valid unless You alter or revoke it by giving Us written notice. Without Your personal information We may not be able to issue insurance to You or process Your claim.

You also have the opportunity to find out what personal information We hold about You and, when necessary, correct any errors in this information. Generally, We will do this without restriction or charge. For further information about Our Privacy Policy or to access or correct Your personal information, please contact Us at the following address:

Please visit [precision-autonomy.com/privacy-policy](https://precision-autonomy.com/privacy-policy) or contact [underwriting@precision-autonomy.com](mailto:underwriting@precision-autonomy.com).

Or

HDI Global Specialty SE – Australia  
Level 19, 20 Martin Place, Sydney NSW 2000  
<https://www.hdi-specialty.com/int/en/legals/privacy>  
E-mail: [PrivacyAustralianBranch@hdi-specialty.com](mailto:PrivacyAustralianBranch@hdi-specialty.com)

If You believe that We have interfered with Your privacy in the handling of Your personal information You may lodge a complaint by contacting Us. We will attempt to resolve Your complaint in accordance with Our Privacy Complaints Handling Procedure.

If You would like more information about Our Privacy Complaints Procedure please visit <https://www.hdi-specialty.com/int/en/legals/privacy>

## Resolving Complaints and Disputes

### How we resolve your complaints

We welcome every opportunity to resolve any concerns you may have with our products or service. Any enquiry or complaint relating to this insurance or Precision Autonomy should first be referred to:

**Precision Autonomy Insurance Pty Ltd**  
Level 26, 161 Castlereagh Street, SYDNEY, NSW, 2000  
Email: [underwriting@precision-autonomy.com](mailto:underwriting@precision-autonomy.com)

If you are not satisfied with Our response to your complaint, you may wish to have the matter reviewed by Our Internal Dispute Resolution Committee ("Committee") by using the following contact details:

**Internal Dispute Resolution Committee**  
**HDI Global Specialty SE–Australia**  
GPO Box 3973, NSW 2001  
Email: [ComplaintsAustralianBranch@hdi-specialty.com](mailto:ComplaintsAustralianBranch@hdi-specialty.com)

We undertake to resolve your complaint within fifteen (15) working days. If we are unable to provide a written response setting out the final decision, we will keep you informed of progress at least every ten (10) days.

If you are not satisfied with the finding of the committee, or if we have been unable to resolve your complaint within forty five (45) calendar days, you may be able to take your matter to an independent dispute resolution body, the Australian Financial Complaints Authority (AFCA).





AFCA is an ASIC approved external dispute resolution body and resolves certain insurance disputes between consumers and insurers and will provide an independent review at no cost to you.

We are bound by the determination of AFCA but the determination is not binding on you.

Contact details are:

**Australian Financial Complaints Authority**

GPO Box 3, Melbourne, VIC 3001

Tel: 1800 931 678 (local call fee applies)

Email: [info@afca.org.au](mailto:info@afca.org.au)

Internet: <http://www.afca.org.au>





## DEFINITIONS

<b><i>Accident</i></b>	Any one accident or series of accidents arising out of one event
<b><i>Bodily Injury</i></b>	Bodily injury (fatal or otherwise) but excludes nervous shock, mental anguish, shock, fright or any other psychological injury not caused by physical injury.
<b><i>Beyond Visual Line of Sight (BVLOS)</i></b>	An operation requiring aid to maintain visual contact with the System or radio communication out of Visual Line of Sight with the System
<b><i>Compensatory Damages</i></b>	A sum of money awarded in a civil action to indemnify a person or organisation for a particular loss, detriment, or injury suffered as a result of the unlawful conduct. Does not include punitive, exemplary or aggravated damages.
<b><i>Drone</i></b>	<p>A conventional aircraft of either fixed, rotary wing or powered lift design that operates Autonomously or requires remote control from a pilot not on board.</p> <p>Payloads, Ground Control Stations and Spares do not form part of the Drone and must be declared and agreed separately.</p>
<b><i>Extended Line of Sight (ELOS)</i></b>	An Operation where the crew maintains direct visual contact however is unable to orientate the aircraft without assistance. The usual distance classified as Extended Line of Sight is beyond 500m.
<b><i>Flight</i></b>	<p>From the time the Drone moves forward in taking off or attempting to take off, whilst in the air, and until the Drone completes its landing run.</p> <p>A rotary-wing Drone shall be deemed in Flight when the rotors are in motion as a result of the engine power, the momentum generated therefrom, or autorotation.</p>
<b><i>Ground</i></b>	Whilst the Drone is not in Flight as defined herein.
<b><i>Ground Control Station (GCS)</i></b>	Ground based equipment and personnel (Remote Pilot and Observers) used to maintain or monitor the flight of the Drone and/or Payload defined herein.
<b><i>Moored</i></b>	In the case of a Drone that is designed to land on water, whilst the Drone is afloat and is not in Flight as defined and includes the risks of launching and hauling up.
<b><i>Observer</i></b>	any person appropriately licenced by the competent authority for the observation of the Drone during flight; This includes Payload Operators.





<b><i>Payload</i></b>	Equipment, cameras, sensors, and monitoring equipment carried on board the Drone and are not required to maintain and/or sustain flight.
<b><i>Period of Insurance</i></b>	The period this Policy operates for as shown on the Schedule
<b><i>Privacy Invasion</i></b>	Data collected from the System that is inadvertently made available to third parties without the consent of the party to whom the data relates, including any breach of confidentiality, infringement, or violation of any right to privacy, or of any statutes, laws and regulations associated with the confidentiality, access, control, and use of personally identifiable, non-public information.
<b><i>Property Damage</i></b>	Loss of or damage to the property of others.
<b><i>Remote Pilot</i></b>	<p>Any person appropriately licenced by the competent authority for the operation of the Drone and approved in accordance with the terms of this.</p> <p>In the event of an award being made both against the Insured (or their estate) and against the remote pilot (or their estate), the named Insured shall to the extent of his liability be entitled to priority in respect of any indemnity payable by the Insurer.</p>
<b><i>Schedule</i></b>	Schedule attaching to and forming part of this Policy
<b><i>Standard Policy</i></b>	A type of insurance whereby the Insured pays an upfront premium for coverage over a given Period of Insurance.
<b><i>Statutory Requirements</i></b>	Includes all the legislation and delegated legislation requirements (including applicable legislation and delegated legislation of another country) and orders, rules, directions, notices, approvals, certificates and licences issued by a competent authority.
<b><i>System</i></b>	The Drone, Payload and GCS collectively.
<b><i>Usage Based Insurance (UBI)</i></b>	<p>A type of insurance whereby the costs are dependent on the usage of the Drone.</p> <p>The maximum premium charged during Period of Insurance will not exceed 130% of a Standard Policy, or as agreed from time to time.</p>
<b><i>Uses</i></b>	Use of the Drone as set out under the section of the Policy headed "Uses"
<b><i>Visual Line of Sight</i></b>	An Operation in which the remote crew maintains direct unaided visual contact with the Drone to manage its flight and meet separation and collision avoidance responsibilities.







<b><i>We, Our, Us, Insurer</i></b>	HDI Global Specialty SE- Australia and/or Precision Autonomy acting as the agent of HDI Global Specialty
<b><i>You, Your, Insured</i></b>	The person(s), company(ies) or firm(s) named as the 'Insured' on the current Schedule

## USES

<b><i>Recreational</i></b>	Use for private and pleasure purposes and NOT use for any business or profession nor for hire or reward.
<b><i>Business</i></b>	The uses stated in Recreational and use for business or professional purposes but NOT use for hire or reward.
<b><i>Commercial</i></b>	The uses stated in Recreational and Business and for hire or reward.
<b><i>Rental</i></b>	<p>Rental, lease or hire by the Insured to any person, company or organisation for Commercial uses only, where the operation of the System is not under the control of the Insured.</p> <p>Rental for any other purpose is NOT insured under this Policy unless specifically declared to the Insurer and the detail of such use(s) stated in the Schedule under Special Rental Uses.</p>

The uses 'Recreational', 'Business', 'Commercial' and 'Rental' constitute Standard Uses and do not include any Special Uses, Special Rental Uses or any other use involving abnormal hazard.





## SPECIAL USES AND SPECIAL RENTAL USES

<b><i>Instruction</i></b>	<p>Training of Remote Pilots for Commercial purposes. This does not include:</p> <ul style="list-style-type: none"> <li>• re-currency training;</li> <li>• internal training unless the training is to obtain a licence or certificate issued by the regulating authority;</li> <li>• training for any other Special Use or Other Abnormal Uses</li> </ul>
<b><i>Research and Development</i></b>	Flights directed towards the innovation, introduction, and improvement of products and processes.
<b><i>Powerline Inspection</i></b>	<p>To inspect powerlines or associated infrastructure connected with the powerline.</p> <p>Consequential loss in respect of Section 2(A) is excluded unless otherwise agreed by endorsement.</p>
<b><i>Controlled Delivery</i></b>	<p>Delivery of parcels to a specific location at a specific time.</p> <p>Example: parcel or postal delivery.</p>
<b><i>Uncontrolled Delivery</i></b>	<p>The intentional dropping, spraying or releasing of anything in which the delivery defined herein is not at a specific location or time.</p> <p>Example: fertiliser spraying or waterbombing.</p>
<b><i>Surveillance</i></b>	Use of a System to capture still images and video to gather information about specific targets, whether individuals, groups or environments.
<b><i>Populous Events</i></b>	An event with sufficient density of people that an Accident may pose an unreasonable risk of bodily injury or property damage in the area but not connected with the operation.
<b><i>Swarming</i></b>	<p>Multiple Drones deployed to accomplish a shared objective, with the platforms autonomously altering their behaviour based on intercommunication.</p> <p>Section 2(A) extends to cover damage to third-party Drones also swarming.</p>
<b><i>Other Abnormal Uses</i></b>	An operation, which is not a defined Special Use, deemed by any relevant authority or regulator to require specific approval.





## SECTION 1: LOSS OF OR DAMAGE TO THE SYSTEM

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### Coverage

#### *The System*

1. The Insurer will, at its option, replace, repair or pay for repair of, accidental loss of or damage to the System described in the Schedule arising from the risks covered, including disappearance if the System is unreported for ten (10) days after the commencement of Flight.

#### *Recovery of the System*

2. If the System is insured hereby for the risks of Flight, the Insurer will, in addition, pay reasonable emergency expenses necessarily incurred by the Insured for the immediate safety of the System consequent upon damage or forced landing, up to 10 per cent (10%) of the sum insured as specified in the Schedule.

#### *Parts Temporarily Removed*

3. Units, parts or components temporarily removed from the System for repairs or maintenance or safe keeping shall be insured unless replaced on the System in which case the replacement units, parts, or components shall be insured under this Policy.

#### *Road Transit*

4. The Insurer will cover the Insured up to the limit specified on your Schedule for loss or damage to the System whilst in the normal course of transit by road, on a vehicle owned or operated by the Insured, occurring during the Period of Insurance caused by:
  - a. Fire, flood, lightning, hail or explosion;
  - b. Collision, overturning or jack-knifing of the conveying vehicle;
  - c. Impact of any object which is not on or part of the System;
  - d. Theft following forcible and violent entry which causes damage to the locked vehicle;
  - e. Malicious Damage.

### Exclusions applicable to Section 1

The Insurer shall not be liable for

#### *Wear and Tear*

1. Wear and tear, deterioration, breakdown, defect or failure howsoever caused in any unit, part or component of the System and the consequences thereof within such unit, part or component;

#### *Consequential or Economic Loss*

2. Consequential loss or economic loss, whether direct or indirect and including loss in value of the System;

#### *Damage to Lenses*

3. Scratching, fogging, or misting of lenses;





#### *Damage to Data*

4. Physical loss and/or damage to photographic film or similar recording medium.

#### *Conditions applicable to Section 1*

##### *Dismantling, Transport and Repairs*

1. If the System is damaged:
  - a. No dismantling or repairs shall be commenced without the Insurer's consent except whatever is necessary in the interests of safety, preventing further damage, or to comply with orders issued by the competent authority;
  - b. The Insurer will pay only for repairs and transport of labour of materials by the most economical method unless the Insurer and Insured agree otherwise.

##### *Payment of a claim:*

2. If the Insurer exercises its option to pay for the replacement of the System
  - a. The basis of settlement of the claim shall be the agreed value which is specified in the Schedule as the sum insured;
  - b. The Insurer may take the System (together with all documents of record, registration and title thereto) as salvage; and
  - c. The cover afforded by this Section is terminated in respect of the System even if the System is retained by the Insured for valuable consideration or otherwise.

##### *Amounts to be deducted from the claim*

3. Except where the Insurer exercises its option to pay for the System, there shall be deducted from the claim under Section 1:
  - a. The amount specified as a deductible in the Schedule.
    - i. In the event of an accident involving the application of more than one deductible, then the highest applicable deductible shall be applied as an aggregate deductible for all losses arising out of that accident.

##### *No Abandonment*

4. Unless the Insurer elects to take the System as salvage, the System shall always remain the property of the Insured who shall have no right of abandonment to the Insurer.

**See also Section 4.**





## SECTION 2 AND 3: LIABILITY

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### Section 2: Flight Legal Liability

#### Coverage

The Insurer will indemnify the Insured for all sums which the Insured shall become legally liable to pay, and shall pay, as Compensatory Damages (costs awarded against the Insured and with the Insurer's written consent any legal costs and expenses incurred) in respect of:

#### *Flight*

1. Accidental Bodily Injury (fatal or otherwise) and Accidental Property Damage caused by the System or object falling therefrom.

#### *Remote Pilots or Observers*

2. During Flight we will cover Accidental Bodily Injury (fatal or otherwise) and Accidental Property Damage caused by the Remote Pilot or Observers involved directly in the operation of the System.

### Section 3: Public Legal Liability

#### Coverage

The Insurer will indemnify the Insured for all sums which the Insured shall become legally liable to pay, and shall pay, as Compensatory Damages (costs awarded against the Insured and with the Insurer's written consent any legal costs and expenses incurred) in respect of:

#### *Ground Operations*

1. Accidental Bodily Injury (fatal or otherwise), or Property Damage; or

#### *Privacy Liability*

2. Privacy Invasion caused by an occurrence in relation to the Insured's business is covered for ten per cent (10%), of the sum insured specified in the Schedule up to a maximum of five hundred thousand dollars (\$500,000).

### Exclusions applicable to Section 2 & 3

The Insurer shall not be liable for:

#### *Operational Personnel*

1. Bodily Injury or loss sustained by any employee, member of the flight or other crew whilst engaged in the operation of the System;

#### *Property*

2. Property Damage belonging to or in the care, custody or control of the Insured;

#### *Other vehicles*

3. Bodily Injury or Property Damage caused by;
  - a. Any mechanically propelled vehicle which the Insured may cause or permit any other person to use on the road in such a manner as to render them responsible for insurance under any domestic or international law appertaining to road traffic, or where no such law exists, whilst such vehicle is on any public highway;





- b. Any ships, vessels, craft, or aircraft owned, chartered, used or operated by or on account of the Insured.

#### *Construction or Demolition*

- 4. Bodily Injury or Property Damage arising out of construction of, demolition of or alterations to buildings, runways or installations by the Insured or its contractors or sub-contractors (other than normal maintenance operations) unless previously agreed by the Insurer;

#### *Manufacturing*

- 5. Bodily Injury or Property Damage arising out of any goods or products manufactured, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the Insured or his employees after such goods or products have ceased to be in the possession or under the control of the Insured, but this exclusion shall be deemed not to apply to the supply, by the Insured, of food or drink at the Insured's premises;

#### *Stock or Merchandise*

- 6. Loss of or damage to stock and/or merchandise of any description;

#### *Advice or Professional Duty*

- 7. Liability arising out of the provision of advice, the failure to advise or any breach of any professional duty owed by the Insured or by the Insured's employees, agents or contractors.

### **Conditions applicable to Sections 2 & 3**

#### *Limit of Indemnity*

- 1. The liability of the Insurer under this section shall not exceed the amount set out as sum insured in the Schedule, less any amount specified as the Deductible in the Schedule.

**See also Section 4.**





## SECTION 4: CONDITIONS AND EXCLUSIONS

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### Section 4(A): General Exclusions applicable to All Sections

This Policy does not apply;

#### *Illegal Uses*

1. Whilst the System is being used for any illegal purpose or for any purpose other than those stated in the Schedule.

#### *Populated Event*

2. Bodily Injury or Property Damage arising out of any populated event, air meet, air race or air show, nor any stand used for the accommodation of spectators in connection therewith unless previously agreed by the Insurer and authorised by all relevant authorities.

#### *Date Recognition Exclusion*

3. Any claim, damage, injury, loss, cost, expense or liability (whether in contract, tort, negligence, product liability, misrepresentation, fraud or otherwise) of any nature whatsoever arising from or occasioned by or in consequence of (whether directly or indirectly and whether wholly or partly):
  - a. the failure or inability of any computer hardware, software, integrated circuit, chip or information technology equipment or system (whether in the possession of the Insured or of any third party) accurately or completely to process, exchange or transfer year, date or time data or information in connection with any change of year, date or time; whether on or before or after such change of year, date or time;
  - b. any implemented or attempted change or modification of any computer hardware, software, integrated circuit, chip or information technology equipment or system (whether in the possession of the Insured or of any third party) in anticipation of or in response to any such change of year, date or time, or any advice given or services performed in connection with any such change or modification;
  - c. any non-use or unavailability for use of any property or equipment of any kind whatsoever resulting from any act, failure to act or decision of the Insured or of any third party related to any such change of year, date or time;

and any provision in this Policy concerning any duty of the Insurer to investigate or defend claims shall not apply to any claims so excluded.

#### *Asbestos Exclusion*

4. Any claims of any kind whatsoever directly or indirectly relating to, arising out of or in consequence of:
  - a. the actual, alleged or threatened presence of asbestos in any form whatsoever, or any material or product containing, or alleged to contain, asbestos; or
  - b. any obligation, request, demand, order, or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, neutralize, protect against or in any other way respond to the actual, alleged





or threatened presence of asbestos or any material or product containing, or alleged to contain, asbestos.

However, this exclusion shall not apply to any claim caused by or resulting in a crash fire explosion or collision or a recorded in-flight emergency causing abnormal operations.

Notwithstanding any other provisions of this Policy, the Insurer will have no duty to investigate, defend or pay defence costs in respect of any claim excluded in whole or in part under paragraphs (a) or (b) hereof.

#### *Geographical Limits*

5. Whilst the System is outside the geographical limits stated in the Schedule unless due to force majeure.

#### *Remote Pilots*

6. Whilst the System is being piloted by any person other than as stated in the Schedule.

#### *Landing and Take-off Areas*

7. Whilst the System is landing on or taking off or attempting to do so from a place which does not comply with the recommendations laid down by the manufacturer of the System except as a result of force majeure.

#### *Workers Compensation*

8. This Policy does not cover liability for Bodily Injury to any person, who at the time of sustaining such injury is engaged in the service of the Insured or acting on his behalf or liability for which the Insured or Insurer may be held liable under any workers' compensation, employees' compensation, accident compensation or any similar law other than subrogation claims brought by the Insurer to recover sums paid pursuant to such legislation.

#### *Contractual Liability*

9. To liability assumed or rights waived by the Insured under any agreement except to the extent that such liability would have attached to the Insured in the absence of such agreement.

#### *Non Contribution*

10. To any claim which are payable under any other policy or policies, except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this Policy not been effected.

#### *Nuclear Risks*

11. To loss of, or destruction of, or damage to
  - a. any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or
  - b. any legal liability of any nature directly or indirectly caused by or contributed to by or arising from;
    - i. the radioactivity, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof; or







- ii. ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.

#### *War, Hijacking and Other Perils*

##### 12. To claims 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. 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.
  - c. strikes, riots, civil commotions or labour disturbances.
  - d. 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.
  - e. any malicious act or acts of sabotage.
  - f. 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.
  - g. hijacking or any unlawful seizure or wrongful exercise of control of the System or crew in Flight (including any attempt at such seizure of control) made by any person or persons acting without the consent of the Insured.
- Furthermore, this Policy does not cover claims arising whilst the System is outside the control of the Insured by reason of any of the above perils.

The System shall be deemed to have been restored to the control of the Insured on the safe return of the System to the Insured at an airfield and/or business premises not excluded by the geographical limits of this Policy, and entirely suitable for the operation of the System (such safe return shall require that the System be parked with engines shut down and under no duress).

#### *Noise and Pollution*

##### 13. To claims directly or indirectly occasioned by, happening through or in consequence of:

- a. noise (whether audible to the human ear or not), vibration, sonic boom and any phenomena associated therewith;
- b. pollution and contamination of any kind whatsoever;
- c. electrical and electromagnetic interference unless giving rise to a claim under Section 1;
- d. interference with the use of property

Unless caused by or resulting in a crash fire explosion or collision or a recorded in-flight emergency causing abnormal System operation not otherwise excluded under this Policy.

With respect of any provision in the Policy concerning any duty of the Insurer to investigate or defend claims, such provision shall not apply, and the Insurer shall not be required to defend;

- a. Claims excluded by this exclusion; or;





- b. a claim or claims covered by the Policy then combined with any claims excluded by this exclusion (referred to below as 'Combined claims').

In respect of any combined claims, the Insurer shall (subject to proof of loss and the limits of the Policy) reimburse the Insured for that portion of the following items which may be allocated to the claims covered by the Policy;

- a. Damages awarded against the Insured; and
- b. Defence fees and expenses incurred by the Insured.

### *Sanctions and Embargo*

14. If, by virtue of any law or regulation which is applicable to the Insurer at the inception of this Policy or becomes applicable at any time thereafter, providing coverage to the Insured is or would be unlawful because it breaches an embargo or sanction, the Insurer shall provide no coverage and have no liability whatsoever nor provide any defence to the Insured or make any payment of defence costs or provide any form of security on behalf of the Insured, to the extent that it would be in breach of such law or regulation.

- a. In circumstances where it is lawful for a Insurer to provide coverage under the Policy, but the payment of a valid and otherwise collectable claim may breach an embargo or sanction, then the Insurer will take all reasonable measures to obtain the necessary authorisation to make such payment.
- b. In the event of any law or regulation becoming applicable during the Policy period which will restrict the ability of a Insurer to provide coverage as specified in Section 4(A) – Sanctions and Embargo, then both the Insured and the Insurer shall have the right to cancel its participation on this Policy in accordance with the laws and regulations applicable to the Policy provided that in respect of cancellation by the Insurer a minimum of 30 days' notice in writing be given.

### *Section 4(B): Conditions Precedent applicable to All Sections*

It is necessary that the Insured observes and fulfils the following conditions before the Insurer has any liability to make any payment for a claim under this Policy.

#### *Due Diligence*

- 1. The Insured shall always use due diligence and do and concur in doing everything reasonably practicable to avoid Accidents and to avoid or diminish any loss hereon.

#### *Compliance with Statutory Requirements*

- 2. The Insured shall comply with all Statutory Requirements affecting the safety of maintenance or operation of the System and shall ensure that;
  - a. The System is airworthy at the commencement of each Flight
  - b. All documentation in connection with the System which are required from time to time shall be kept up to date and shall be produced to the Insurer or its agents on request.
  - c. The employees and agents of the Insured comply with such orders and requirements

#### *Claims Procedure*

- 3. Immediate notice of any event likely to give rise to a claim under this Policy must be given as stated in the Schedule. In all cases the Insured shall:





- a. Furnish full particulars in writing of such event and forward immediately notice of any claim with any letters or documents relating thereto;
- b. At the time of making a claim the Insured will need to provide proof of ownership;
- c. Give any notice of any impending prosecution;
- d. Give all information, do all things, provide signed statements, provide all documents, records and things, and assist the Insurer in any other way in the investigation and in connection with any proceeding or inquiry as the Insurer may require;
- e. Be available and attend conferences and give evidence and/or instructions when required by the Insurer, ensure that any employees required by the Insurer are available to do likewise and take all reasonable steps to ensure that any other person connected with the Insured is available and will assist and give evidence if so required;
- f. Not act in any way to the detriment or prejudice of the interest of the Insurer.

The Insured shall not make any admission of liability or payment or offer or promise of payment without the written consent of the Insurer.

### Section 4(C): General Conditions applicable to All Sections

#### *Claims Control:*

1. The Insurer is entitled (if it so elects) at any time and for so long as it desires to take absolute control of all negotiations and proceedings and in the name of the Insured, to settle, defence or pursue any claims and execute terms of settlement;
2. The Insurer may at any time upon giving written notice to the Insured abandon the pursuit or the defence of any claim but shall (except where the Insured or its servants or agents have been dishonest or withheld relevant information) pay its share of any costs incurred in connection with the pursuit or defence up to the date of giving notice.

#### *Subrogation*

3. Upon an indemnity being given or payment being made by the Insurer under this Policy, the Insurer shall be subrogated to the rights and remedies of the Insured who shall co-operate with and do all things necessary to assist the Insurer to exercise such rights and remedies.

#### *Variation in Risk*

4. Should there be any change in the circumstances or nature of the risks which are the basis of this Policy the Insured shall give immediate notice thereof to the Insurer and no claim arising subsequent to the change shall be recoverable hereunder unless such change has been accepted by the Insurer.

#### *Cancellation*

5. This Policy may be cancelled by either the Insurer or the Insured giving ten days' notice in writing of such cancellation. If cancelled by the Insurer they will return a pro-rata portion of the premium in respect of the unexpired period of the Policy.
6. If cancelled by the Insured a return of premium shall be at the discretion of the Insurer. There will be no return of premium in respect of any System on which a loss is paid or is payable under this Policy.





- a. The premium shall be adjusted on the basis that the Insurer retains the customary short-term premium, details of which available on request.
- b. The Insurer may cancel this Policy in the circumstances or upon the grounds permitted by the proper law of the Policy by giving notice in writing to the Insured, either personally or by post, at the last address known to the Insurer. Such notice shall have effect to cancel the Policy at 4:00pm on the third business day after the day on which the notice was given or at any later time specified in the notice.

#### *Assignment*

7. This Policy shall not be assigned in whole or in part except with the consent of the Insurer verified by endorsement hereon.

#### *Not Marine Insurance*

8. This Policy is not, and the parties hereto expressly agree that it shall not be construed as a policy of marine insurance.

#### *Two or more Systems*

9. When two or more Systems are insured hereunder the terms of this Policy apply separately to each.

#### *Cross Liability/Limit(s) of Indemnity*

10. The inclusion of more than one person as Insured under this Policy shall not affect the rights under this Policy in respect of any claim brought by another Insured or by an employee of another Insured. Notwithstanding the inclusion herein of more than one Insured, whether by endorsement or otherwise, the total liability of the Insurer in respect of any or all Insureds shall not exceed the limit(s) of indemnity stated in this Policy

#### *False and Fraudulent Claims*

11. If the Insured shall make any claim knowing the same to be false or fraudulent as regards amount or otherwise this Policy shall become void and all claims hereunder shall be forfeited.

