



**LLOYD'S**

**AIRPORT OWNERS AND  
OPERATORS LIABILITY  
POLICY DOCUMENT**

**Client Name**

**Policy number**

**AIRPORT OWNERS AND OPERATORS LIABILITY POLICY  
AAU-2016/1**

**In Consideration** of the payment of the premium by or on behalf of the Insured (named in the Schedule) prior to the inception date and the Insured having by proposal or declaration, which shall form the basis of this insurance and is deemed to be incorporated herein, applied to certain Underwriters at Lloyd's, London (hereinafter called the Insurer) for the insurance hereinafter set out, the Insurer agrees subject to the Terms, Conditions, Exclusions, Definitions, Clauses and Limitations contained herein or endorsed hereon, to indemnify or compensate the Insured for any liability as provided for in the policy but only in respect of an Occurrence (as defined) during the Period of Insurance as stated in the Schedule hereto.

Specific exceptions, conditions and provisions shall override general exceptions, conditions and provisions.

As bound by:

Natsure (Pty) Limited trading as Airspace Africa Underwriters

Block A, Block@Nature  
472 Botterklapper Street  
The Willows  
Pretoria East  
0184

Acting as Agent for:

AMLIN syndicate No 2001 at Lloyd's

Under Binding Authority Reference: B1019 MA 000704 C

Dated this            day of            2016 in Pretoria, South Africa

Signed: \_\_\_\_\_

## SCHEDULE

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<b>NAME AND ADDRESS OF INSURED</b>	<b>POLICY NO:</b>
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<b>VAT VENDOR:</b> Yes / No	<b>VAT NO:</b>
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<b>THE INSURER</b> Certain Underwriters at Lloyd's, London	<b>BINDING AUTHORITY REFERENCE</b> B1019 MA 000704 C
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<b>COVERHOLDER</b> Airspace Africa Underwriters	<b>VAT NO</b> 438 010 2865
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**THE PERIOD OF INSURANCE**  
From            to            both days inclusive

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**RENEWAL DATE**

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**THE NATURE OF THE INSURED'S BUSINESS OR OPERATION IN RESPECT OF WHICH THE POLICY IS EFFECTED IS:**

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**THE PLACE(S) IN OR ABOUT WHICH THE INDEMNITY GRANTED BY THE POLICY IS TO APPLY IS (ARE):**

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**GEOGRAPHICAL LIMITS:**

Section 1.

Section 2.

Section 3.

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**JURISDICTION**  
South African jurisdiction (refer General Condition 9)

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**THE AMOUNT OF INDEMNITY SHALL NOT EXCEED:**

Section 1. Premises:	R            any one Occurrence / unlimited during any one period of Insurance
Section 2. Hangarkeepers:	R            any one Occurrence / unlimited during any one period of Insurance
Section 3. Products:	R            any one Occurrence and in the aggregate arising out of all Occurrences during any one Period of Insurance

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**DEDUCTIBLE**

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**THE ANNUAL PREMIUM IS R**                      inclusive of 14% VAT.  
This premium shall be paid in **Monthly / Quarterly / Annual** instalments of R                      each  
(Subject to the Full Premium if Loss Clause) **(Delete if not applicable)**

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**PREMIUM SUMMARY**

Total Premium due (Excluding 14% VAT)	R
Plus 14% VAT	R
Total Premium due (Including 14% VAT)	R
<b>Total monthly / quarterly / annual payment</b>	R
<b>Pro-rata premium for period                      to</b>	R

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**This Schedule forms part of the Policy wording and must be read in conjunction with the applicable wording.**

**For policy valuation purposes all amounts stated in the policy including sums insured, limits of cover and deductibles, are expressed inclusive of VAT at 14%. For clarity it is noted that in cases where a deductible is expressly recovered by an Insurer from an Insured the excess amount in terms of the policy so recovered does not constitute a consideration as defined in the VAT Act and as such has no VAT consequence.**

**In terms of a ruling issued by SARS, this document together with proof of payment of premium constitutes an alternative tax invoice, debit note or credit note as contemplated in sections 20(7) and 21(5) of the VAT Act respectively.**

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**THE NAME AND ADDRESS OF PERSON(S) OR FIRM TO WHOM ALL NOTICES SHALL BE GIVEN IS:**

Airspace Africa Underwriters (Coverholder)  
Block A, Block@Nature  
472 Botterklapper Street  
The Willows  
Pretoria East  
0184

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## **AIRPORT OWNERS AND OPERATORS LIABILITY INSURANCE**

The Insurers hereby agree to the extent and in the manner hereinafter provided, to pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay or by final judgement be adjudged to pay up to but not exceeding the amounts specified in the Schedule, to any person or persons as damages

- (a) for bodily injury including death at any time resulting therefrom (hereinafter referred to as bodily injury) or
- (b) for loss of or damage to property of others (hereinafter referred to as property damage)

caused by an Occurrence during the period mentioned in the Schedule and arising out of the hazards set forth in Sections 1, 2 and 3 below.

### **SECTION 1**

Bodily injury or property damage

- (a) in or about the premises specified in the Schedule, as a direct result of the services granted by the Insured
- (b) elsewhere in the course of any work or of the performance of any duties carried out by the Insured or his employees in connection with the business or operations specified in the Schedule

caused by the fault or negligence of the Insured or any of his employees engaged in the Insured's business or by any defect in the Insured's premises, ways, works, machinery or plant used in the Insured's business.

#### **THIS SECTION IS SUBJECT TO THE FOLLOWING EXCLUSIONS:-**

- 1) Loss of or damage to property owned, rented, leased or occupied by; whilst in the care, custody or control of; whilst being handled, serviced or maintained by the Insured or any servant of the Insured, but this exclusion shall be deemed not to apply to vehicles that are not the property of the Insured whilst on the premises specified in the Schedule.
- 2) Bodily injury or property damage caused by
  - 1. 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;
  - 2. any Ships, Vessels, Craft or Aircraft owned, chartered, used or operated by or on account of the Insured, but this exclusion shall be deemed not to apply to aircraft owned by others which are on the ground and for which indemnity is otherwise granted under Section 2 of this Policy, whether such Section is insured hereunder or not.
- 3) Bodily injury or property damage arising out of any Airmeet, Air Race, or Air Show, nor any stand used for the accommodation of spectators in connection therewith, unless previously agreed by Insurers.
- 4) Bodily injury or property damage arising out of construction of, demolition of or alterations to Buildings, Runways, or Installations by the Insured or his contractors or sub-contractors (other than normal maintenance operations) unless previously agreed by Insurers.

- 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 premises specified in the Schedule.

## **SECTION 2**

Loss of or damage to Aircraft or Aircraft equipment, not owned, rented or leased by the Insured, whilst on the ground in the care, custody or control of or whilst being serviced, handled or maintained by the Insured or any servant of the Insured.

### **THIS SECTION IS SUBJECT TO THE FOLLOWING EXCLUSIONS:-**

- (a) Loss of or damage to robes, wearing apparel, personal effects or merchandise of any description.
- (b) Loss of or damage to Aircraft or Aircraft equipment, hired or leased by or loaned to the Insured.
- (c) Loss of or damage to any Aircraft while in flight as defined.

## **SECTION 3**

Bodily injury or property damage arising out of the possession, use, consumption or handling of any goods or products manufactured, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the Insured or his employees, but only in respect of such goods or products which form part of or are used in conjunction with aircraft, and then only after such goods or products have ceased to be in the possession or under the control of the Insured.

### **THIS SECTION IS SUBJECT TO THE FOLLOWING EXCLUSIONS:-**

- (a) Damage to the property of the Insured or to property within his care, custody or control.
- (b) The cost of repairing or replacing any defective goods or products manufactured, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the Insured or any defective part or parts thereof.
- (c) Loss arising out of improper or inadequate performance, design or specification but this exclusion shall be deemed not to apply to bodily injury or property damage as insured hereby resulting therefrom.
- (d) Loss of use of any Aircraft not actually lost or damaged in an Occurrence giving rise to a claim hereunder.

## **EXCLUSIONS APPLICABLE TO ALL SECTIONS OF THIS POLICY**

1. 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 his insurer may be held liable under any workman's compensation, unemployment compensation or disability benefits law or any similar law;
2. This Policy does not cover the cost of making good any faulty workmanship for which the Insured, his employees, contractors or subcontractors may be liable (but this limitation shall not exclude resulting

damage arising out of such faulty workmanship);

3. This Policy does not cover liability assumed by the Insured by Agreement under any Contract unless such liability would have attached to the Insured even in the absence of such Agreement;
4. This Policy does not cover liability arising out of the operation of an airfield control tower unless previously agreed by Insurers;
5. Each section of this Policy excludes liability which is or would be covered under any other section of the Policy, whether such other section is insured hereunder or not.

#### **6. NUCLEAR RISKS EXCLUSION CLAUSE (AVN71)**

This Policy does not cover:

- i. loss of or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
- ii. any legal liability of whatsoever nature

directly or indirectly caused by or contributed to by or arising from:

- (a) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- (b) ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.

#### **7. NOISE AND POLLUTION AND OTHER PERILS EXCLUSION CLAUSE (AVN46B)**

1. This Policy does not cover 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,
  - (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 aircraft operation.

2. With respect to any provision in the Policy concerning any duty of Insurers to investigate or defend claims, such provision shall not apply and Insurers shall not be required to defend
  - (a) claims excluded by Paragraph 1 or
  - (b) a claim or claims covered by the Policy when combined with any claims excluded by Paragraph 1 (referred to below as "Combined Claims").
3. In respect of any Combined Claims, Insurers 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.

4. Nothing herein shall override any radioactive contamination or other exclusion clause attached to or forming part of this Policy.

#### 8. **WAR, HI-JACKING AND OTHER PERILS EXCLUSION CLAUSE (AVIATION) (AVN48B)**

This Policy does not cover 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 act 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) 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.

Furthermore this Policy does not cover claims arising 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).

#### **PAYMENT OF COSTS**

In addition to the limits set out in the Schedule, Insurers will pay all legal and other costs incurred with their consent in the defence of any claim made against the Insured,

#### **PROVIDED THAT**

in the event of their requiring any claim to be contested

- (a) If the claim be successfully resisted by the Insured the Insurers will pay all costs, charges and expenses incurred by the Insured in connection therewith up to but not exceeding the sum insured under this Policy.



- (b) If a payment exceeding the sum insured has to be made to dispose of a claim, the liability of Insurers to pay any costs, charges and expenses in connection therewith shall be limited to such proportion of the said costs, charges and expenses as the sum insured by this Policy bears to the amount paid to dispose of the claim.

## DEFINITIONS

1. **OCCURRENCE.** The word "Occurrence" means an accident, or a continued or repeated exposure to conditions during the Period of Insurance, which results in bodily injury and/or property damage which is neither expected nor intended from the standpoint of the Insured. All bodily injury and/or property damage arising out of such exposure to substantially the same general conditions shall be deemed to arise out of one Occurrence.
2. **FLIGHT.** The term "in flight" means the time commencing with the actual take off run of the aircraft and continuing thereafter until it has completed its landing run. Rotary 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.

## GENERAL CONDITIONS

1. Upon the happening of any Occurrence likely to give rise to a claim under this Policy or upon the receipt by the Insured of notice of any claim or of any other subsequent proceedings, notice in writing with full particulars shall be given to the Insurers as soon as possible after the same shall come to the knowledge of the Insured or the Insured's representative. Every letter, claim, writ, summons or process shall be forwarded to Insurers immediately on receipt by the Insured.
2. All notices as specified above shall be given by the Insured to the person(s) or firm named for the purpose in the Schedule.
3. If any claim under this Policy is also covered in whole or in part by any other insurance, the liability of Insurers shall be limited to their rateable proportion of such claim.
4. 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.
5. The Policy may be cancelled by either the Insurers or the Insured giving 10 days' notice in writing of such cancellation. If cancelled by the Insurers they will return a pro rata portion of the premium in respect of the unexpired period of the Policy. If cancelled by the Insured a return of premium shall be at the discretion of the Insurers; there will be no return of premium if loss has been payable or is payable under this Policy.
6. It is a condition precedent to the right of the Insured to be indemnified under this Insurance that
  - (a) If after this Insurance has been effected, the risk is materially altered, such alterations must be notified in writing to the Insurers immediately.
  - (b) No liability shall be admitted and no admission, arrangement, offer, promise or payment shall be made by the Insured without the written consent of Insurers, who shall be entitled, if they so desire, to take over and conduct in the name of the Insured the defence of any claim or to prosecute in the name of the Insured for their own benefit any claim for indemnity or damages or otherwise against any third party, and shall have full discretion in the conduct of any negotiations or proceedings or the settlement of any claim, and the Insured shall give all such information and assistance as Insurers may require.

- (c) The Insured shall and will at all times exercise reasonable care in seeing that the ways, implements, plant, machinery and appliances used in the Insured's business are substantial and sound and in proper order, and fit for the purpose for which they are used, and that all reasonable safeguards and precautions against accidents are provided and used.
  - (d) The Insured shall comply with all International and Government Regulations and Civil Instructions.
7. Notwithstanding the inclusion herein of more than one Insured, whether by endorsement or otherwise, the total liability of the Insurers in respect of any or all Insureds shall not exceed the limit(s) of liability stated in this Policy.
  8. In the event of an incident which may or does give rise to a claim or claims under any Section of the Policy, the Insured shall comply with the obligations set out in General Condition 1. If after due and proper notice has been given by the Insured to the Insurer, the latter concludes and advises that the Insured is not entitled to any protection or indemnity under the Policy in its entirety or under any Section thereof, albeit for claims at that time or at any time in the future, all benefit under this Policy, under all Sections thereof, shall be forfeited by the Insured unless legal action for protection under the Policy is instituted within nine months of the date of the Insurers advising the Insured or its agent of the decision not to afford any benefit whatsoever to the Insured.
  9. This Insurance policy shall be governed by the law of the Republic of South Africa whose courts shall have exclusive jurisdiction in any dispute arising hereunder.

## **EXTENDED COVERAGE ENDORSEMENT (AVIATION LIABILITIES)**

1. WHEREAS the Policy of which this Endorsement forms part includes the War, Hi-Jacking and Other Perils Exclusion Clause (Clause AVN 48B), IN CONSIDERATION of an Additional Premium of NIL, it is hereby understood and agreed that with effect from inception, all sub-paragraphs other than (b) of Clause AVN 48B forming part of this Policy are deleted SUBJECT TO all terms and conditions of this Endorsement.
2. EXCLUSION applicable only to any cover extended in respect of the deletion of sub paragraph (a) of Clause AVN 48B.

Cover shall not include liability for damage to any form of property on the ground situated outside Canada and the United States of America unless caused by or arising out of the use of the aircraft.

### **3. LIMITATION OF LIABILITY**

The limit of Insurers' liability in respect of the coverage provided by this Endorsement shall be US\$ 50,000,000 or the applicable policy limit whichever the lesser any one Occurrence and in the annual aggregate (the "sub-limit"). This sub-limit shall apply within the full Policy limit and not in addition thereto.

To the extent coverage is afforded to an Insured under the Policy, this sub-limit shall not apply to such Insured's liability:

- a) To the passengers (and for their baggage and personal effects) of any aircraft operator to whom the Policy affords cover for liability to its passengers arising out of its operation of aircraft;
- b) For cargo and mail while it is on board the aircraft of any aircraft operator to whom the Policy affords cover for liability for such cargo and mail arising out of its operation of aircraft.

### **4. AUTOMATIC TERMINATION**

To the extent provided below, cover extended by this Endorsement shall TERMINATE AUTOMATICALLY in the following circumstances:

i. **All cover**

-upon the outbreak of war (whether there be a declaration of war or not) between any two or more of the following States, namely, France, the People's Republic of China, the Russian Federation, the United Kingdom, the United States of America

ii. **Any cover extended in respect of the deletion of sub-paragraph (a) of Clause AVN 48B**

-upon the hostile detonation of any weapon of war employing atomic and 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 involved

iii. **All cover in respect of any of the Insured Aircraft requisitioned for either title or use**

-upon such requisition

PROVIDED THAT if an Insured Aircraft is in the air when (i), (ii) or (iii) occurs then the cover provided by this Endorsement (unless otherwise cancelled, terminated or suspended) shall continue in respect of such an Aircraft until completion of its first landing thereafter and any passengers have disembarked.

5. **REVIEW AND CANCELLATION**

1. **Review of Premium and/or Geographical Limits (7 days)**

Insurers may give notice to review premium and/or geographical limits – such notice to become effective on the expiry of seven days from 23.59 hours GMT on the day on which notice is given.

2. **Limited Cancellation (48 hours)**

Following a hostile detonation as specified in 4 (ii) above, Insurers may give notice of cancellation of one or more parts of the cover provided by paragraph 1 of this Endorsement by reference to sub-paragraphs (c), (d), (e), (f) and/or (g) of Clauses AVN 48B – such notice to become effective on the expiry of forty-eight hours from 23.59 hours GMT on the day on which notice is given.

3. **Cancellation (7 days)**

The cover provided by this Endorsement may be cancelled by either the Insurers or the Insured giving notice to become effective on the expiry of seven days from 23.59 hours GMT on the day on which such notice is given.

4. **Notices**

All notices referred to herein shall be in writing.

## **CLAUSES INCORPORATED IN AND FORMING PART OF THE POLICY**

### **1. Full Premium if Loss**

It is understood and agreed that in the event of a claim arising in terms of this Policy the full annual premium less the amount of premium already paid, shall become due and payable forthwith.

### **2. Premium Payment**

The premium under this Policy is payable on or before inception date or renewal date as the case may be. The Insurer shall not be obliged to accept premium tendered to it after such date but may do so upon terms as it, in its sole discretion, may determine.

### **3. Debit Order Payments – Non Payment Cancellation - if applicable**

In respect of premiums paid by Debit Order, if the premium is not paid on the date that it was due to be paid we will re-debit in the following month and should the outstanding premium not be paid when re-debited, the policy will be cancelled from the date the first unpaid premium was due to be paid.

### **4. Quarterly Premiums - if applicable**

It is hereby understood and agreed that the premium due at the inception of this policy shall be payable in the following instalments:-

- 1<sup>st</sup> Instalment – Amount: 25% - Due within 30 days of the inception of the policy
- 2<sup>nd</sup> Instalment – Amount: 25% - Due within 121 days of the inception of the policy
- 3<sup>rd</sup> Instalment – Amount: 25% - Due within 212 days of the inception of the policy
- 4<sup>th</sup> Instalment – Amount: 25% - Due within 303 days of the inception of the policy

Nevertheless it is further understood and agreed that:-

Notwithstanding any provision as to notice of cancellation contained in this Policy, it is a condition that in the event of any instalment not being paid by its due date the cover afforded by this Policy shall be deemed to have ceased at midnight of such due date.

### **5. Sanction Limitation and Exclusion Clause**

The Insurer shall not be deemed to provide cover nor shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

### **6. Date Recognition Exclusion Clause**

This Policy does not cover 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;
- (d) and any provision in this Policy concerning any duty of Insurers to investigate or defend claims shall not apply to any claims so excluded.

#### **7. Asbestos Exclusion Clause**

This Policy does not cover 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 aircraft operation.

Notwithstanding any other provisions of this Policy, Insurers will have no duty to investigate, defend or pay defence costs in respect of any claim excluded in whole or in part under paragraphs (1) or (2) hereof.

All other terms and conditions of the Policy remain unchanged.

#### **8. Contracts (Rights of Third Parties) Act 1999 Exclusion Clause**

The rights of a person who is not a party to this insurance or reinsurance to enforce a term of this insurance or reinsurance and/or not to have this insurance or reinsurance rescinded, varied or altered without his consent by virtue of the provisions of the Contracts (Rights of Third Parties) Act 1999 are excluded from this insurance or reinsurance.

#### **9. Insurers Liability Clause**

##### **Insurer's liability several not joint**

The liability of an insurer under this contract is several and not joint with other insurers party to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning "signing" below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer

that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

### **Proportion of liability**

Unless there is "signing" (see below), the proportion of liability under this contract underwritten by each insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its "written line".

Where this contract permits, written lines, or certain written lines, may be adjusted ("signed"). In that case a schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a "signed line". The signed lines shown in the schedule will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.