



LLOYD'S

**NO CLAIMS BONUS
PROTECTION
POLICY**

Client Name

Policy number

**No Claims Bonus Protection
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 Insurers) for the insurance hereinafter set out, the Insurers agree subject to the Terms, Conditions, Warranties, Exclusions, Deletions, Definitions, Clauses and Limitations contained herein or endorsed hereon, to indemnify or compensate the Insured for any loss of No Claims Bonus under the Insured's Hull All Risk Insurance as provided for for in the policy 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

NAME AND ADDRESS OF INSURED

POLICY NO

VAT VENDOR: YES / NO

VAT NO

THE INSURER

Certain Underwriters at Lloyd's, London

BINDING AUTHORITY REFERENCE

B1019 MA 000704 C

COVERHOLDER

Airspace Africa Underwriters

VAT NO 438 010 2865

PERIOD OF INSURANCE

From to both days inclusive

RENEWAL DATE

AIRCRAFT HULL POLICY NUMBER

SUM INSURED: R

PREMIUM: R (Inclusive of 14% VAT)

Total Premium due (Excluding 14% VAT)

R

Plus 14% VAT

R

Total Premium due (Including 14% VAT)

R

Pro-rata premium for period to

R

ANY EVENT LIKELY TO GIVE RISE TO A CLAIM UNDER THIS POLICY SHALL BE NOTIFIED IMMEDIATELY TO THE INSURER

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.

NO CLAIMS BONUS PROTECTION	RATE	PREMIUM
No Claims Bonus Amount		
R	%	R
TOTAL PREMIUM DUE		R
PREMIUM SUMMARY		
Total Premium due (Excluding 14 % VAT)		R
Plus 14% VAT		R
Total Premium due (Including 14% VAT)		R

Proportion of Liability : 100 %

Premium Payment Terms : Monthly / Quarterly / Annual

NO CLAIMS BONUS PROTECTION POLICY (AIRCRAFT HULL)

Whereas the Insured has in force an Aircraft Hull "All Risks" Insurance Policy as designated in the Schedule attached hereto which covers loss of or damage to the aircraft as stated in the Hull "All Risks" Schedule, or as may be endorsed hereon, and whereas such Policy provides for an amount of premium to be returned to the Insured (hereinafter defined as "No Claims Bonus") in the event of no claims being payable thereunder, as more fully set forth in the said Hull "All Risks" Insurance Policy.

Now we the Insurers agree to indemnify the Insured up to the Sum Insured specified in the Schedule for loss of such part of the No Claims Bonus as would but for such loss or damage to aircraft have been returnable to the Insured under their "All Risks" Insurance Policy.

Subject to the Hull "All Risks" Insurance Policy Insurers having accepted such claims as valid and collectable claims in terms of the Hull "All Risks" Insurance Policy, excluding any ex-gratia and or without prejudice and or negotiated settlements thereof.

EXCLUSIONS

1. This Insurance does not cover loss of No Claims Bonus resulting from or arising out of any "cancellation" or "subject to renewal" provision contained in the Hull "All Risks" Insurance Policy.
2. This Insurance does not cover loss of No Claims Bonus resulting from the insolvency of the Hull "All Risks" Insurance Policy Insurers.
3. **WAR, HI-JACKING AND OTHER PERILS EXCLUSION CLAUSE (AVIATION) (AVN48B)**

This Insurance 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 there from 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 Insurance 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).

4. **NUCLEAR RISKS EXCLUSION CLAUSE (AVN38B)**

- (1) This Insurance does not cover:
- (i) loss of or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising there from 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) the radioactive properties of, or a combination of radioactive properties with toxic, explosive or other hazardous properties of, any other radioactive material in the course of carriage as cargo, including storage or handling incidental thereto;
 - (c) ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.
- (2) It is understood and agreed that such radioactive material or other radioactive source in paragraph (1) (b) and (c) above shall not include:
- (i) depleted uranium and natural uranium in any form;
 - (ii) radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial, educational or industrial purpose.
- (3) This Insurance, however, does not cover loss of or destruction of or damage to any property or any consequential loss or any legal liability of whatsoever nature with respect to which:
- (i) the Insured under this Insurance is also an insured or an additional insured under any other insurance policy, including any nuclear energy liability policy; or
 - (ii) any person or organization is required to maintain financial protection pursuant to legislation in any country; or
 - (iii) the Insured under this Insurance is, or had this Insurance not been issued would be, entitled to indemnification from any government or agency thereof.
- (4) Loss, destruction, damage, expense or legal liability in respect of the nuclear risks not excluded by reason of paragraph (2) shall (subject to all other terms, conditions, limitations, warranties and exclusions of this Insurance) be covered, provided that:
- (i) in the case of any claim in respect of radioactive material in the course of carriage as cargo, including storage or handling incidental thereto, such carriage shall in all respects have complied with the full International Civil Aviation Organization "Technical Instructions for the Safe Transport of Dangerous Goods by Air", unless the carriage shall have been subject to any more restrictive legislation, when it shall in all respects have complied with such legislation;
 - (ii) this Policy shall only apply to an incident happening during the period of this Policy and where any claim by the Insured against the Insurers or by any claimant

against the Insured arising out of such incident shall have been made within three years after the date thereof;

- (iii) in the case of any claim for the loss of or destruction of or damage to or loss of use of an aircraft caused by or contributed to by radioactive contamination, the level of such contamination shall have exceeded the maximum permissible level set out in the following scale:

Emitter (IAEA Health and Safety Regulations)	Maximum permissible level of non-fixed radioactive surface contamination (Averaged over 300cm ²)
Beta, gamma and low toxicity alpha emitters	Not exceeding 4 Becquerels/cm ² (10 ⁻⁴ microcuries/cm ²)
All other emitters	Not exceeding 0.4 Becquerels/cm ² (10 ⁻⁵ microcuries/cm ²)

- (iv) the cover afforded hereby may be cancelled at any time by the Insurers giving seven days' notice of cancellation.

5. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 EXCLUSION CLAUSE (AVN72)**

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.

CONDITIONS

1. It is a condition precedent to the liability of the Insurers that the Sum Insured hereunder specified in the Schedule shall not exceed the maximum return of premium payable under the No Claims Bonus provisions of the Insured's Hull "All Risks" Insurance Policy.
2. This Insurance shall follow, as applicable, all terms, clauses, conditions, exclusions, limitations and amendments of the Hull "All Risks" Insurance Policy, except as otherwise stated herein.
3. It is a condition of this Insurance that the Policy of the Hull "All Risks" Insurers shall be maintained in full effect during the currency of this Insurance except for any reduction of the amounts insured solely by payment of claims in respect of accident occurring during the Period of Insurance.
4. This Policy shall be governed by and construed in accordance with the law of South Africa and each party agrees to submit to the exclusive jurisdiction of the courts of South Africa.
5. Notice of any occurrence likely to give rise to a claim under this Policy shall be given to the Insurers by the Insured as soon as practicable.
6. There shall be no return of premium if any claim is made hereon.
7. No claim will be paid hereon until expiry of the Hull "All Risks" Insurance Policy.