**AVIATION INSURANCE QUOTATION**

**STEPHAN SPRUYT INC / 2002 CESSNA CITATION CJ2 / ZS-BSZ**

**TYPE:** (A) AIRCRAFT HULL, SPARES AND LIABILITY INSURANCE.

(B) HULL & SPARES AND EQUIPMENT WAR AND ALLIED PERILS INSURANCE.

**INSURED:** Stephan Spruyt Inc and their subsidiary companies and their directors, officers, employees and

agents for their respective rights and interests.

**ADDRESS:** 333 Grosvenor Street, Hatfield, Pretoria , Hatfield Gardens, South Africa.

**ADDITIONAL**

**INSUREDS:** Spruyt Incorporated each for their respective rights and interests.

**PERIOD:** 12 months with effect from 10 March 2024 to 09 March 2025 both days inclusive local time at the above address of the Original Insured.

**INTEREST:** Section A - Aircraft Hull, Spares and Liability

Hull

To cover the physical loss of or damage to the aircraft as per the Schedule of Aircraft

Spares and Equipment

To cover engines, spare parts, components and equipment (including ground support equipment), spare parts kits (including whilst on board aircraft), engineers' and mechanics' tools for use in conjunction with aircraft being the property of the Insured or the property of others for which the Insured is responsible whilst on the ground or in transit by any means including running and testing of engines against physical loss or damage.

Liability

To cover the Insured's legal liability arising out of their operation of the aircraft as per the Schedule of Aircraft being third party legal liability; passenger legal liability (including baggage and personal articles); passenger voluntary settlement, personal injury; cargo and mail legal liability; medical, funeral and repatriation expenses.

Section B - Hull War

To cover aircraft as per the Schedule of Aircraft against war and allied perils including extortion and hi-jack expenses and including confiscation by the government of registration and or any local authority under its jurisdiction.

Spares and Equipment

To cover engines, spare parts, components and equipment (including ground support equipment), spare parts kits (including whilst on board aircraft), engineers’ and mechanics’ tools for use in conjunction with aircraft being the property of the Insured or the property of others for which the Insured is responsible whilst on the ground or in transit by any means including running and testing of engines against war and allied perils.

**LIMITS:** Section A - Aircraft Hull, Spares and Liability

Hull

Agreed value(s) as per the Schedule of Aircraft but subject to a maximum agreed value of

USD3,500,000 any one aircraft.

Spares and Equipment

Agreed value basis for the full replacement value.

USD100,000 any one building, sending and/or location.

Liability

Combined single limit (bodily injury and property damage) USD 3,000,000 each Occurrence,

subject to the following sub-limits:

1. USD 3,000,000 each Occurrence and in the annual aggregate in respect of the Extended Coverage Endorsement (Aviation Liabilities) AVN 52E except with respect to cargo and mail whilst it is on board the aircraft and to passengers (including baggage and personal articles) to whom the full Policy limit shall apply.
2. USD 3,000,000 any one offence and in the aggregate during the policy period in respect of personal injury but this shall not apply to passengers to whom the full policy limit shall apply.
3. iii. USD 200,000 any one passenger in respect of Passenger Voluntary Settlement AVN 34.
4. USD 50,000 any one Occurrence in respect to Cargo Legal Liability AVN92
5. USD 25,000 each person in respect of Medical and Related Expenses Inclusion Clause AVN80 (passenger).
6. USD 5,000 in the aggregate during the currency of the policy in respect of Trespassers Costs Clause AVN 91.
7. vii. USD 5,000 any one occurrence in respect of Baggage Legal Liability.
8. USD 2,000 each Occurrence in respect of Flying Clothing and Effects AVN 75

These sub-limits shall apply within the full Policy limit and not in addition thereto.

Legal costs and expenses are payable in addition to all of the above liability limits.

 Section B - Hull War

Agreed value(s) as per the Schedule of Aircraft but subject to a maximum agreed value of

USD3,500,000 any one aircraft. The overall annual policy aggregate limit for this policy is

USD3,500,000.

However, the coverage provided hereon for confiscation, 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 is limited to 75% of the aircraft agreed value warranted 25% remains uninsured.

Extortion and Hi-jack expenses limited to 90% of 10% of aircraft agreed value any one loss and in all (WARRANTED remaining 10% uninsured).

Spares and Equipment

Agreed value basis for the full replacement value.

USD100,000 any one building, sending and/or location.

**DEDUCTIBLES:** Section A - Aircraft Hull, Spares and Liability

Hull

Applicable to all losses excluding total loss or constructive total loss or arranged total loss or fire

or theft.

Fixed Wing Aircraft (Flight, Taxiing and Ground):

In respect of ZS-BSZ USD25,000

 *The standard deductible of USD25,000 may be bought down to USD5,000 each and every loss, by*

*means of a separate deductible buy down policy, which is subject to Full Annual Premium in the*

*event of loss, and subject to reinstatement in the event of loss, each and every loss.*

Spares and Equipment

USD 2,500 each and every loss.

In respect of hull, spares and equipment, in the event of a claim 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 claim.

Liability

Flying Clothing and Effects: USD 250 any one Occurrence.

Baggage Liability: USD 350 any one Occurrence.

Cargo Legal Liability: USD 2,500 any one Occurrence.

Section B - Hull War: Nil

**GEOGRAPHICAL**

**LIMITS:** Worldwide excluding United States of America (except for maintenance flights excluding passenger legal liability), Cuba and Australia subject to the Tokio Marine Kiln Geographic Areas Exclusion Clause 09/07/15 LSW 617H (Amended):

1. Notwithstanding any provisions to the contrary and subject to clauses 2 and 3 below, this Policy excludes any loss, damage or expense howsoever occurring within the geographical limits of any of the following countries and regions:
	1. Algeria, Burundi, Far North Region of Cameroon, Central African Republic, Democratic Republic of Congo, Ethiopia, Kenya, Mali, Mauritania, Nigeria, Somalia, The Republic of Sudan, South Sudan and excluding Cabo Delgado Province of Mozambique.
	2. Afghanistan, Jammu and Kashmir, North Korea, Pakistan.
	3. Abkhazia, Ukraine (including Crimea), Russia, Belarus, Nagorno-Karabakh, North Caucasian Federal District, South Ossetia.
	4. Iran, Iraq, Lebanon, Libya, North Sinai Province of Egypt (including Taba International Airport), Syria, Yemen.
	5. Any country where the operation of the insured aircraft is in breach of United Nations sanctions.
2. However coverage pursuant to this Policy is granted:
	1. for the overflight of any excluded country where the flight is within an internationally recognised air corridor and is performed in accordance with I.C.A.O. recommendations, excluding Ukraine (including Crimea), Russia and Belarus; or
	2. in circumstances where an insured aircraft has landed in an excluded country as a direct consequence and exclusively as a result of force majeure.
3. Any excluded country may be covered by underwriters at terms to be agreed by Insurers prior to flight.

**CONDITIONS:** Section A - Aircraft Hull, Spares and Liability

London Aircraft Insurance Policy AVN 1C

And contains the following:

USES:

In respect of: ZS-BSZ - Private; Pleasure, Business; Industrial Aid; Advanced Instruction and/or Continuation Training of Named Pilots; Excluding Firefighting, Agricultural, Aerobatics and Competitive Flying uses.

“PRIVATE PLEASURE” means use for private and pleasure purposes but NOT use for any business or profession nor for hire or reward.

“BUSINESS” means the uses stated in Private Pleasure and use for business or professional purposes but NOT use for hire or reward.

“INDUSTRIAL AID” means all the uses stated in BUSINESS also the transportation of executives, employees, guests of the Insured, goods and merchandise, but excluding any operation for hire or reward, or for instruction.

“ADVANCED INSTRUCTION” Means additional flying for the purpose of enabling a pilot to exercise rating privileges other than those already held by the pilot in terms of an existing licence rating, or recuring training but does not include “Ab initio”, “Reinstatement of Licence” or “Conversion to Type instruction.” (Includes Night rating, Instrument rating, Twin rating when relevant, make and model rating for CPL Pilots, revalidation of licences/ratings).

PILOTS IN COMMAND:

Open Pilot Warranty:

Minimum 2,000 Total Fixed wing hours and type rated in respect of: ZS-BSZ

In accordance with the local airworthiness regulations, mechanics and engineers are included herein as approved by the Insured for the purpose of ground engine running and taxiing of the aircraft.

This policy includes the carriage of infants in addition to the designated number of passengers, subject to the maximum take-off weight of the aircraft not being exceeded.

Definition 1. “Accident” is deleted and replaced as follows:

“Occurrence” shall mean an accident, or a continued or repeated exposure to conditions occurring during the period of Insurance, which results in bodily injury and/or property damage which is neither expected not intended from the standpoint of the Insured. All liability arising out of such exposure to substantially the same general conditions shall be deemed to arise out of one Occurrence.

“Baggage” shall be deemed to mean baggage and personal articles including effects worn or carried on or about the person whilst entering, on board, or alighting from the aircraft.

Reference to “accidental loss of or damage” in Section I is deleted and replaced by “physical loss of or damage”.

Section I, 1 (a) is amended to 10 days in respect of disappearance of an aircraft.

In respect of Section 1, agree waive rights of subrogation against Aircrew in respect of loss of or damage to aircraft.

Section II, paragraph 1 coverage is amended to read as follows:

“The Insurers will indemnify the Insured for all sums which the Insured shall become legally liable to pay, and shall pay, as compensatory damages (including costs awarded against the Insured) in respect of bodily injury (fatal or otherwise) and damage to property arising out of an Occurrence caused by the aircraft or by any person or object falling there from.”

Section III, paragraph 1 coverage (a) and (b) are deleted and replaced as follows:

1. bodily injury (fatal or otherwise) to passengers arising from an Occurrence whilst entering, on board, or alighting from the aircraft and
2. loss of or damage to baggage and personal articles of passengers arising from an Occurrence;

Section II is extended to include loss of or damage to baggage and personal articles of passengers arising out of an Occurrence”.

Item 10 of Section IV (A) General Exclusions Applicable To All Sections is deleted and replaced by the War, Hi-jacking and Other Perils Exclusion Clause (Aviation) AVN 48B but in respect of liabilities, all sub-paragraphs other than (b) reinstated subject to the Extended Coverage Endorsement (Aviation Liabilities) AVN 52E. Additional premium included.

The cancellation period in General Condition 4, Cancellation is amended to 30 days but the cancellation provisions contained in the Nuclear Risks Exclusion Clause AVN 38B and the Extended Coverage Endorsement (Aviation Liabilities) AVN 52E remain paramount.

General Condition 7, Arbitration is deleted and replaced by the Choice Of Law and Jurisdiction stated herein.

Additions and Deletions (Combined) AVN 19A amended to include similar types of aircraft, agreed value not exceeding USD 2,500,000 and not exceeding 10 passenger seats in respect of fixed wing and 8 passenger seats in respect of rotor wing. Advice to Insurers as soon as

practicable.

Unlicensed Landing Ground Suitability Clause AVN 23A.

Passenger Voluntary Settlements AVN34.

Nuclear Risks Exclusion Clause AVN 38B.

Noise and Pollution and Other Perils Exclusion Clause AVN 46B applicable to Sections II and III only but not applicable to passengers, passenger baggage and personal articles, cargo and mail liability.

Personal Injury Extension AVN60A.

Agreed Value Clause AVN 61.

Pilot Indemnity Clause AVN 74.

Flying Clothing and Effects Clause AVN 75.

Supplementary Payments Clause AVN76, all paragraphs, expenses up to a maximum of 10% of aircraft value any one Occurrence, each paragraph and in the aggregate payable in addition to the Sum Insured.

Unauthorised Use Clause AVN77 (Theft Only).

Forced Landing Clause AVN78 amended by deleting the word “impossible” and replacing it with the word “impracticable”.

Medical And Related Expenses Inclusion Clause AVN80.

Out of Notified Hours Clause AVN81.

No Claims Bonus AVN85 10% NCB on renewal

Trespassers Costs Clause AVN 91, additional premium included.

Section II is extended to include the Cargo Legal Liability Endorsement AVN 92 amended as follows:

i. Reference to “cargo” amended to “cargo and mail”.

ii. Paragraph One amended to read: “This Endorsement extends the coverage provided under Section II of this Policy, subject to the limit of indemnity and to the deductible stated below, for

legal liability in respect of physical loss of or damage to cargo and mail arising out of an Occurrence whilst in the care, custody or control of the Insured, for the purpose of carriage

by air.”

iii. Notwithstanding exclusion 2, the coverage provided by this endorsement shall include the Insured’s legal liability arising out loss or damage of any perishables carried in the aircraft.

Breach of Air Navigation regulations Clause AVN 94.

Data Event Clause AVN124.

Progressive or cumulative damage to an Aircraft engine by the ingestion of stones, grit, dust, sand, ice or corrosive or abrasive material or any other substance, and which cannot be attributable to a single recorded incident, shall be deemed to be wear and tear or deterioration and is excluded from the coverage provided hereon. ***However damage which is detected during inspection, maintenance, performance monitoring and the like which is attributable to a single incident causing sudden damage shall be deemed to be ‘recorded’ within the meaning of this provision.***

Hot & Hung Starts in respect of Turbine Engine only.

It is understood and agreed that this Policy is extended to include damage to the Aircraft engine(s) occurring as a result of Hot and/or Hung Starts subject to:

a. the damage resulting from a single recorded incident;

b. technical log entry being made at the time of the incident;

c. the incident being reported immediately to a licensed engineer and prior to any restart attempt;

d. reporting of any incident likely to give rise to a claim under the policy to Insurer(s) in accordance with the policy conditions; and

e. application of normal policy deductibles and any reduction in cover under this extension in recognition of betterment of the Aircraft as a result of repair or reinstatement following damage to the Aircraft engine(s) occurring as a result of a Hot and/or Hung Start.

Subject to all definitions, provisos, exclusions and conditions of this Insurance except as specifically varied or provided by the terms of this endorsement.

For the purposes of this extension it is understood and agreed that:

A Hot Start occurs when, during the start phase, the temperature in the hot section of the engine is allowed to exceed that specified in the operators and/or engine manufacturers manual.

A Hung Start occurs when, during the start phase, an engine fails to self sustain in the time specified in the operators and/or manufacturers manual, resulting in the temperature in the hot section of the engine exceeding that specified in the said manual.

Date Recognition Exclusion Clause AVN 2000A.

Date Recognition Limited Coverage Clause AVN 2001A.

Asbestos Exclusion Clause 2488AGM00003 applicable to Sections II and III only.

Notwithstanding anything contained herein to the contrary, it is understood and agreed that the term “passenger” shall be deemed to include:

i. Fare paying and non-fare paying passengers;

ii. The Insured’s directors, officers and employees carried in the aircraft without performing any direct or supervisory duties on board (Exclusion 2 (a) of III deemed to be deleted in this

respect);

iii. Pilots, crew members and any other persons or trainees who fly as authorised observers or trainees provided such pilots, crew members, other persons or trainees are not in the employment of the Insured or do not form part of the operational crew of the aircraft;

iv. Any prospective employees requiring a flight test prior to employment by the Insured;

 All excluding any liability required to be insured under the terms of any Employers Liability, Workmans Compensation Act or similar legislation.

 This Policy shall automatically include the compulsory insurance requirements of any government or state relating to the operations of the aircraft as stated in the Schedule of Aircraft but subject at all times to the policy coverage, terms, conditions, limitations and exclusions remaining paramount.

Notwithstanding Item 6 of Section IV (A) General Exclusions Applicable To All Sections, this Policy automatically includes additional Insured, hold harmless agreements, waivers of Insurer’s rights of subrogation, indemnity provisions, breach of warranty, loss payable clauses and the terms of contractual agreements in force prior to the commencement of this policy and as required by the original insured. Excluding All USA domiciled additional insureds.

New contracts entered into by the Insured, including Airline Finance/Lease Contract Endorsement AVN 67B or Aircraft Financial Interest Endorsement AVN 28B, during the period of insurance are

agreed as required by the Insured.

This Policy is extended to include coverage for licence up-rating flights of permitted pilots and maintenance flights with provision for such flights to be performed by pilots not conforming with the pilot conditions hereon but such pilots being approved by the appropriate local authority to perform such flights. Including such flights performed under Civil Aviation Authority permit or waiver.

This Policy is extended to indemnify and waive rights of recourse where required against airport authorities, airfield and landing site owners arising out of agreements entered into by the Insured for the use of airports, airfields and landing sites owned or operated by the above, subject at all times to the policy sum insured, coverage, terms, conditions, limitations and exclusions remaining paramount.

A ‘constructive total loss’ is deemed to have occurred when the estimate of total costs of the hull loss, is equal to or greater than 85% of the agreed value declared hereon (subject always to the Insured’s written agreement to settlement on such a basis).

The Insured shall be allowed first refusal on any salvage disposal subject to the amount being satisfactory to both parties.

In respect of any leased engine or component that the applicable aircraft agreed value shall be automatically increased by the stipulated value of the said engine or component whilst attached to and forming part of the hull but subject always to:

a. the overall hull maximum agreed value provision hereon, additional premium pro rata; to be adjusted at expiry.

b. advice to Insurers as soon as practicable.

c. Insurers to have the benefit of the salvage of the detached engine or component which has been replaced in the event of total loss of the aircraft.

d. The removed engine or component shall be automatically covered by the Spares and Equipment section of this Policy.

This policy shall automatically include owners of leased engine or component attached to an Insured aircraft as additional Insureds in respect of Sections II and III and loss payees in respect of Section I in respect of the engine or component for their respective rights and interests but only with respect to the operation of the aircraft by the Insured. This endorsement does not provide coverage for the additional Insured with respect to claims arising out of their legal liability as

manufacturer, repairer, supplier or servicing agent where such rights of recourse would have existed had this endorsement not been effected under this policy.

This Policy is extended to include the carriage of explosives or flammables subject to such carriage being in accordance with ICAO Technical Instructions for the Safe Transportation of Dangerous Goods by Air and IATA Dangerous Goods Regulations, however, such carriage is not to take place during passenger carriage operations.

Aircraft Spares Wording LPO 344C

Institute Clauses, Exclusion 4 (b) and (h) deleted.

Engine running is deemed not to be a process consequently Exclusion 4 (g) shall not apply in respect of engine running.

Item 5 is deleted and replaced by the Nuclear Risks Exclusion Clause AVN 38B.

Item 6 is deleted and replaced by the War, Hi-jacking and Other Perils Exclusion Clause (Aviation) AVN 48B.

Item 8.3 and Item 9 deleted.

Item 12 provides for 30 days written notice of cancellation, but the cancellation provisions contained in the Nuclear Risks Exclusion Clause AVN 38B remain paramount. If the foregoing notice period is in conflict with any governing law or regulation in place within the country of domicile of the Insured, then such period shall be amended to afford the minimum notice period permitted thereunder.

Section B - Hull War

Aviation Hull “War and Allied Perils” Policy LSW 555D. Aviation Spares “War and Allied Perils” Endorsement LSW1537.

Innocent Operators Coverage Clause AVN89.

Section Five of LSW555D contains 7 days notice to review rate of premium and geographical limits; an automatic review of premium, conditions and geographical limits on the expiry of 7 days from the time of any hostile detonation of any device including any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter; automatic termination upon the outbreak of war 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.

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 hull ‘‘All Risks’’ policy.

Waivers of Insurers’ rights of subrogation, hold harmless agreements, indemnification agreements, loss payees, contractual agreements are automatically included herein to follow Section A without sight hereon.

The provisions of any lease/finance agreements (as per the Airline Finance/Lease Contract Endorsement AVN67B (Hull War) or Aircraft Financial Interest Endorsement AVN28B as required) are automatically included herein to follow Section A without sight hereon. In respect of such lease/finance agreements, it is agreed that within the annual premium charged for this policy, an additional premium consideration has been allowed for specifically with respect to these contracts.

To automatically follow Section A in respect of any leased engine or component that the applicable aircraft agreed value shall be automatically increased by the stipulated value of the said engine or

component whilst attached to and forming part of the hull but subject always to:

1. the overall hull maximum agreed value provision hereon, pro rata additional premium;

2. Insurers to have the benefit of the salvage of the detached engine or component which has been replaced in the event of total loss of the aircraft.

3. The removed engine or component shall be automatically covered by the Spares and Equipment section of this Policy.

It is agreed that where the Insured or their employees are rendered by any peril covered by this policy unable to protect the aircraft from damage, wear, tear or gradual deterioration or are prevented from performing any service or maintenance to the aircraft made necessary by the passage of time, this policy shall cover all costs and expenses necessarily incurred to reinstate the aircraft to it’s condition immediately prior to exposure to such peril.

It is agreed that Sections One and Two of the Aviation Hull “War and Allied Perils” Policy LSW 555D is extended to include spares and equipment subject to 7 days notice of cancellation at any time, such notice not to prejudice any transit risk which has commenced prior to the expiry of the notice.

Spares and Equipment War

Paragraph (a) of Section One of LSW555D is not applicable to Spares and Equipment in storage or on the ground.

Section One of LSW555D is extended to include Spares and Equipment subject to 7 days notice of cancellation at any time, such notice not to prejudice any transit risk, which has commenced prior to the expiry of the notice.

All references to ‘Spares’ in the Aviation Spares “War and Allied Perils” Endorsement LSW1537 are to be changed to ‘Spares and/or Equipment’.

Applicable To All Sections

LIIBA AV0001 – Data Event Exclusion Endorsement.

Contracts (Rights of Third Parties) Act 1999 Exclusion Clause AVN 72.

Sanctions and Embargo Clause AVN 111 (R).

LMA5391 (Coronavirus Exclusion Clause)

Software Affirmation Clause LMA5450

All notices shall be given to Cornerstone Insurance Brokers Limited, 150 Minories, EC3N 1LS, London, United Kingdom.

**SCHEDULE OF AIRCRAFT:**

|  |  |  |  |
| --- | --- | --- | --- |
| **AIRCRAFT** | **REGISTRATION** | **AGREED VALUE** | **PASSENGER SEATS** |
| 2002 Cessna Citation CJ2 | ZS-BSZ | USD3,500,000 | 7 (Seven) |

**Risk covered: Flight, taxiing, ground and ingestion (causing damage attributable to a single recorded incident).**

**EXPRESS**

**WARRANTIES:** As stated in:

No known or reported losses last 3 years pilots and or insured

All pilots being 65 years of age or younger

Section Four General Conditions 1 and 2 of the Aviation Hull “War and Allied Perils” Policy LSW 555D.

Failure to comply with these warranties by the Insured will automatically terminate the entire policy from the point of breach (which may be inception) with no connection required between the breach and loss bringing it to light.

**CONDITIONS**

**PRECEDENT:** As stated in:

Section IV (B) Conditions Precedent Applicable To All Sections and Variation In Risk (C) General Conditions Applicable To All Sections of the London Aircraft Insurance Policy AVN 1C.

Additional Condition 5. (b) of the Passenger Voluntary Settlement Endorsement AVN 34A.

Section Four General Condition 3 of the Aviation Hull “War and Allied Perils” Policy LSW 555D.

Failure to comply with a Condition Precedent by the Insured will entitle Insurers to avoid liability for a claim (even if the breach is unrelated to loss) or to consider themselves off risk.

**SUBJECTIVES:** None.

**CHOICE OF LAW**

**AND JURISDICTION:** This Insurance 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.

**PREMIUM:** As held on file with Aircraft Risk Company.

**PREMIUM**

**PAYMENT TERMS:** Premium payable in four equal quarterly instalments commencing at inception or in full at inception.

Premium Payment Clause AVN 6A.

Appointed Broker: Aircraft Risk Company

**TAXES PAYABLE BY**

**INSURED AND**

**ADMINISTERED BY**

**INSURERS:** Not Applicable.

**TAXES PAYABLE BY**

**INSURERS AND**

**ADMINISTERED BY**

**INSURED, OR THEIR**

**AGENT:** Not Applicable.

**RECORDING,**

**TRANSMITTING AND**

**STORING**

**INFORMATION:** Where Aircraft Risk Company maintains risk and claim data/information/documents Aircraft Risk Company may hold data/information/documents electronically.

**INSURER CONTRACT**

**DOCUMENTATION:** This document details the contract terms entered into by the Insurers and constitutes the contract document.

Any further documentation changing this contract, agreed in accordance with the contract change provisions set out in this contract, shall form the evidence of such change.

**NOTIFICATION OF**

**CLAIM:** Cornerstone Insurance Brokers Limited and (re)insurers agree that any claims hereunder (including any claims related costs/fees) will be notified and administered via ECF with any payments processed via CLASS, unless both parties agree to do otherwise.

**NOTICE OF**

**CANCELLATION**

**PROVISIONS:** Where Insurers have the right to give notice of cancellation, in accordance with the provisions of the contract, then:

To the extent provided by the contract, the Slip Leader is authorised to issue such notice on behalf of all participating Insurers in respect of non-payment of premium.

All Insurers retain the right to issue NOC for reasons other than nonpayment of premium for their own participation.

The content and format of any such notice should be in accordance with the ‘Notice of Cancellation’ standard, as published by the London Market Group (LMG), or their successor body, on behalf of London Market Associations and participants. However, failure to comply with this standard will not affect the validity of the notice given.

The notice shall be provided to the broker by an email to

Failure to comply with this delivery requirement will make the notice null and void. Satisfactory delivery of the notice will cause it to be effective irrespective of whether the broker has acknowledged receipt.

**INFORMATION**

The following information was provided to Insurers to support the assessment of the risk at the time of underwriting.

In respect of ZS-BSZ

Aircraft base / country of operation: Wonderboom National Airport, South Africa

Open pilot warranty: Minimum 2,000 Total Fixed wing hours and type rated

Aircraft uses: Private; Pleasure, Business; Industrial Aid; Advanced Instruction and/or Continuation Training of Named Pilots.

Aircraft utilisation in hours per annum: 100-200 hours

Coverage: Full flight risk

Named Pilots that meet the open pilot warranty:

W.J. Poolman

Years of operation and aircrafts operated: Operated at least 2 aircraft for 3 years

**PREMIUM SCHEDULES**

|  |
| --- |
| **BASIC INSURANCE COVER - FLIGHT Risks** |
|  **Coverage** | **Limits** | **Rate** | **Premium** |
|  Hull All Risks | USD3,500,000 | 0.496% | USD17,375.00 |
|  Hull War Risks | USD3,500,000 | 0.136% | USD4,750.00 |
|  Spares All Risks | USD100,000 | @ | *Included* |
| Legal Liability for Third Parties and Passengers | USD3,000,000 | @ | USD6,700.00 |
| \* Deductible Buy Down | USD20,000 | 8.696% | USD1,739.13 |
| **Total Annual Premium**  |  | **USD30,564.13** |
|  ***OR*** *Quarterly Hull, War, Liability*  |  | *USD7,641.03* |

**PROTECTION OF PERSONAL INFORMATION**

At Aircraft Risk Company (hereinafter “ARC”), we place customer service first. In order to deliver superior customer service, we will, from time-to-time, ask our customers for some personal data in order to communicate effectively. We will also ask you about your personal information for purposes where we act as your agent with product providers, or where we must comply with relevant laws which govern our industry. In every instance where we obtain your personal information, we guarantee that we:

- have a defined business purpose;

- retain your data only as long as we need it for business purposes;

- destroy your data comprehensively as soon as we can after expiry of the aforesaid business purpose;

- will not use the information to infringe on your privacy in any way;

- will provide you with a complete record of all your personal data we hold at your request, we will update this at your

 request and we will remove this, where we are permitted to by law, at your request;

- take measures to protect your personal data and where we use external parties such as software and internet service

 providers, ARC has service level agreements in place with all external service providers to protect your data;

- will not process any data regarding your race or ethnic origin, political, sexual or religious orientation or trade union

 membership;

- will not process any data in respect of children.

The personal information which we usually require from and about you in terms of our mandate with you is information necessary to compile comprehensive application for all relevant products which you may require, for us to compile and provide needs analyses and generally to act in accordance with your mandate with us. ARC is reliant on you being POPI compliant in terms of sharing any other person’s personal information with us and that you have taken measures and obtained the necessary consent to so share such information with us, this is in line with our mandate with you.

You may at any stage, if you wish to lodge a complaint, contact our Information Officer and failing resolution, contact the Regulator. You may also and at any stage ask us to disclose the information we have about you and you may request us to update that information if it is no longer relevant.

In the event of termination of our mandate and consequent to your instruction to us to provide any new service provider with all your detail, all our obligations in respect of your personal data shall cease once such transfer has occurred, save where we are required by law to retain such detail.

By your signature of our mandate, of which this disclosure and consent forms a part, you agree that you have read, understand and consent to the content.

**AVIATION INSURANCE**

**ACCEPTANCE OF INSURANCE PROPOSAL**

I/We, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ accept the cover as stated above and confirm that:

* I/We confirm that the Aircraft described herein is/are my/ our property.
* I/We further confirm that the information and particulars shown herein are true and correct and that coverage has been arranged entirely in accordance with my/our requirements.
* I/We hereby acknowledge that by initialing each page of this document that I fully understand the terms and conditions of this policy and that Aircraft Risk Company (Pty) Ltd has provided me with the explanations;
* I/We agree that the claims history provided for the Insured and additional insured/s is true and correct
* I/We have read the General Conditions and Clauses;
* I/We have read the Aircraft Risk Company (Pty) Ltd disclosure document;
* I/We understand that Aircraft Risk Company (Pty) Ltd will not be held responsible for any future amendments to the policy unless they are confirmed by Aircraft Risk Company (Pty) Ltd in writing;

**USE OF PERSONAL INFORMATION** – it is acknowledged that, by appending your signature herein below, the signatory will be providing Aircraft Risk Company (“ARC”) with personal information of such signatory or entity on whose behalf the signatory has signed, which may be protected by data protection legislation, including inter alia, the Protection of Personal Information Act, 2013 (“POPI”). ARC shall take all reasonable steps to protect such personal information.

The signatory authorises ARC to process all disclosed personal information in line with POPI for purposes of communicating requested information to the signatory or entity on whose behalf the signatory has signed, to provide the signatory or entity on whose behalf the signatory has signed with insurance services, for purposes of verification of the provided information against any alternative source or database, compiling of non-personal statistical information about the signatory or entity on whose behalf the signatory has signed, transmit any disclosed personal information to any affiliate, subsidiary, insurer or re-insurer for the purposes of providing insurance services to the signatory or entity on whose behalf the signatory has signed and in furtherance of ARC’s legitimate interests including statistical analysis, insurance, re-insurance and credit control and transmit any disclosed personal information to any third party service provider that may from time to time be appointed by ARC, in furtherance of ARC’s legitimate interests and as necessary for performance in terms of the insurance services provided.

The signatory or entity on whose behalf the signatory has signed acknowledges that this consent clause will survive the cancellation or lapse of any policy which ARC secures on behalf of the signatory or entity on whose behalf the signatory has signed.

* **MANDATE AND ACKNOWLEDGEMENTS**

I, the undersigned hereby authorise ARC and its representatives to render financial services to me relating to my aviation short term insurance portfolio as my mandated intermediary. I understand that where I require advice to be given as a component of the services, a comprehensive analysis is required to be performed by law unless I dictate otherwise. I further acknowledge that limited advice may impact adversely on my financial affairs. I further understand that financial advice may be divided into two categories i.e. advice regarding my needs and thereafter, advice regarding the specific financial products and providers. Given the highly specialised nature of the insurance services rendered by ARC and the narrow band of insurable interests emanating from aviation insurance, this mandate is therefore a mandate to perform a review and analysis of the risk areas and limits of indemnity relating to the specified aircraft, which will constitute the limit of advice based on information provided by me and this mandate. I acknowledge that ARC will discharge its duties under this mandate by providing me with a quotation indicating the risk areas and moreover, indicating various sums insured on an optional basis. I understand that ARC recommends that I insure the craft for at least the minimum liability amount in order to meet the Civil Aviation Authority’s prescripts, and that any additional amounts selected by me is entirely at my own discretion.

This mandate, regardless of any limitation imposed above, further authorises ARC to conduct research and obtain information from any product provider or provider of information services regarding my portfolio so as to provide me with the most accurate facts and information and authorises such product providers and providers of information services to divulge the information requested to ARC. I am aware of the provisions of the Protection of Personal Information Act and have considered same in the issue of this mandate and have further been furnished with the relevant consent documentation and have familiarized myself with the content thereof. I am aware that in rendering financial services, ARC will only be remunerated by way of regulated commission and administration fees allowed in law based upon the successful conclusion of a transaction with me. I am aware that I have freedom to choose or reject any proposal submitted to me for consideration and that I moreover have freedom to choose both the product provider and intermediary with whom I wish to conduct business. I am aware of the status of the ARC representative and confirm that I have viewed a copy of the representative’s certificate issued by ARC.

My signature of acceptance of the quotation, to which document this mandate forms an annexure, is also my acceptance of the terms of this mandate and I acknowledge that the record of advice which follows hereunder is in all material respects complete and accurate.

* **WAIVER**

In terms of Section 21 of the FAIS Code of Conduct, no client will be requested or induced in any manner to waive any rights or benefits conferred on this client, by or in terms of any provision of this code, nor shall any such waiver be recognized or accepted or acted upon. I confirm, that I have not been asked to waive my rights.

* I/We agree to pay the premium by means of **(please tick the appropriate box):**
1. Quarterly Payments
2. Annual Payment

Cover accepted by   \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_       Date    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**INSURED DETAILS**

1. Full Legal Title of the Insured (registered owner of the aircraft):

­­­­­­­­­­­­­­­­        \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. Postal address:

        \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 **ADVICE RECORD**

Based on the above mandate, we made recommendations regarding your insurance portfolio as per the risk areas and minimum limits of indemnity contained in the quotation attached hereto. You were provided with alternative sums insured and the option to add or remove specific risks, which you have done on your own accord by indicating same on the quotation in the space provided therefor. We have alerted you to the pitfalls normally associated with over and under-insurance.

In our opinion, we have recommended to you the best facilities with the most reputable underwriters and at the most reasonable rates. We have not made a comparison between various products and underwriters in this particular case, but we regularly conduct market surveys to ensure that our recommendations remain consistent with our corporate ethos.



\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Dylan Knight

New Business Manager

20/02/2024

**STATUTORY DISCLOSURE TO SHORT-TERM INSURANCE POLICY HOLDERS**

As a short-term insurance policyholder, or prospective policyholder, you have the right to the following information:

|  |
| --- |
| **DISCLOSURES REQUIRED IN TERMS OF THE FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT 37 OF 2002** |

|  |
| --- |
| **Status of Financial Services Provider in terms of the FAIS Act and Contact Particulars of the FSP and Key Individual** |
| FSP No. / FAIS License: : 21773 Authorised Financial Service Provider : Aircraft Risk Company (Pty) Ltd - (ARC) Registration No : 2005/003672/07 VAT No : 4760244600 Physical address : First Floor, Block C, Cedar Tree Office Park, Stinkwood Close, Fourways, 2021Postal address : P.O. Box 10773, Fourways East, 2055E-mail address : darren@arcaviation.co.zaTelephone : + 27 11 467 0886 Fax : +27 11 467 9941Category : Short Term Insurance Personal Lines, Commercial LinesKey Individual : Darren Gallias is a Key Individual of Aircraft Risk Company (Pty) Ltd and as such participates in the decision making and management of the organization. Telephone : +27 11 467 0886 |
| **Product Providers** |
| **South African Insurers:** **Aircraft Risk Company (Pty) Ltd has an Intermediary Agreement with the following South African Insurance Companies:** Natsure Aviation a Division of Natsure (Pty) Ltd Infiniti Aviation a Division of Infiniti Insurance Limited Santam Insurance Company Azriel Aero Aviation Underwriting Managers **Overseas Insurers:****Lloyds:**Aircraft Risk Company is a Lloyds Open Market Correspondent (OMC) reference number 169337 and are therefore able to access the Lloyds market.**London Brokers**  : **Willis Tower Watson**Address : Willis Group Limited | 51 Lime Street | London EC3M 7DQBroker : John TaylorTelephone No. : +44 (0) 1473 207125 |
| **London Brokers**  : **K.M. Dastur & Company Limited**Address : Forum House, 15-18 Lime Street, London EC3M 7ANBroker : Andy EdwardsTelephone No. : +44 (0)20 7002 0929  |
| **UAE Brokers : Malakut Insurance Brokers Group**Address : 1201, 48 Burj Gate Downtown - Dubai - United Arab EmiratesBroker : Dmitriy CherkasovTelephone No. : +971 50 760 7569 |
| **Premium Handling** |
| Aircraft Risk Company makes use of the services of **Fulcrum Collections (Pty) Ltd** to facilitate deposits, handling and remittance of premium. Aircraft Risk Company does not hold a Credit Guarantee as all premiums are handled directly by Fulcrum Collections (Pty) Ltd |
| **Professional Indemnity Insurance**  |
| Aircraft Risk Company (Pty) Ltd does have professional indemnity insurance. |
| **Section 13 of the Financial Advisory and Intermediary Services Act** |
| In terms of Section 13 of the Financial Advisory and Intermediary Services Act, Aircraft Risk Company (Pty) Ltd (FSP No.21773) hereby certify that**Dylan Knight** is employed by the FSP as an authorised representative as an employee in terms of a written agreement. **Contact Broker** :Dylan Knight Telephone : 011-467-0886 E-mail address : dylan@arcaviation.co.za Restrictions : None Under Supervision : No As the responsible license holder, the FSP accepts responsibility for the following functions performed by the representative in the ordinary course and scope of the representative’s duties in respect of the financial products listed hereunder.Short term personal lines : Advice √ Intermediary Service √Short term commercial lines : Advice √ Intermediary Service √A person who does not fully meet the competency requirements specified by Board Notice 106 of 2008 is required to work under supervision until all requirements have been fully satisfied. This representative is not required to work under supervision. This representative meets the fit and proper requirements in terms of the FAIS Act.The financial services provider will not be held liable in terms of any prejudice in respect of services or advice provided by any representative which falls outside the scope of this authorisation. Any complaint in respect of a product which falls outside the definition of financial product within the FAIS Act cannot be forwarded to the FAIS Ombud. |
| **Complaints Procedures & Conflict of Interest Policy** |
| If you have a complaint, please contact Darren@arcaviation.co.za who will assist you to address the concerns you have. Please note that in terms of the FAIS act, all complaints must be addressed to us in writing. Should we not be able to address the concerns to your satisfaction, you may wish to lodge a complaint with any of the Ombudsmen whose detail appear below, but in particular with the FAIS Ombud. You are entitled to request a copy of our complaints policy and procedure from any of our representatives’ offices. The FSP takes note of Board Notice 58 of 2010 regarding FAIS Conflict of Interest. In line with this the following disclosures are made:* Aircraft Risk Company (Pty) Ltd is a private company with limited liability.
* Aircraft Risk Company does not directly or indirectly hold more than 10% of any insurer's shares.
* Aircraft Risk Company does not receive more than 30% of its total commission from any insurer.
* The FSP and its representatives do not receive any other financial benefit other than as stipulated in Section 3A(1)(a) of the code of conduct, thus only statutory commission is received

The FSP has adopted a conflict-of-interest management policy in terms of Section3A(2)(a) of the General Code of Conduct, a copy of which is available on request.Please refer to our website www.arcaviation.co.za for a full copy of our complaints policy and register. |
| **FSP Compliance Practice Details** |
| Compliance Company : ISS Compliance (Pty) Limited FSCA Practice No : 28Telephone : 011 064 1672E-mail address : compliance@nfsgroup.co.za |
| **FAIS Ombud Details for all FAIS advice related complaints** |
| Telephone : 0860 663 247E-mail address : info@faisombud.co.za Physical Address : 125 Dallas Avenue, Menlyn Central, Waterkloof Glen, Pretoria, 0010Postal Address : PO Box 41, Menlyn, 0063 |
| **Short term Ombud details for all short-term insurance complaints** |
| Telephone : +27 11 726 8900E-mail address : info@osti.co.zaPhysical Address : 110 Oxford Road, Houghton Estate, Johannesburg, 2198Postal Address : P.O. Box 32334, Braamfontein, 2107 |
| **Waiver of Rights** |
| In terms of Section 21 of the FAIS General Code of Conduct, no client will be requested or induced in any manner to waive any rights or benefits conferred on this client, by or in terms of any provision of this code, nor shall any waiver be recognized, accepted or acted upon. |