



AVIATION GENERAL LIABILITY INSURANCE POLICY

A **NEW** Aviation General Liability insurance product, launched June 1, 2010. Frequently Asked Questions and Product Information

1. Aviation General Liability Insurance – What is it?

Aviation General Liability Insurance protects insureds against suits brought against them for liabilities arising out of their not-in-flight related work in support of the aviation / aerospace industries. The coverage is split into 3 main sections as follows:

Premises Liability covers the insured for liabilities arising out of accidents occurring on their premises or where they perform work, which result bodily injury or property damage (excluding damage to aircraft covered under Hangarkeepers Liability below).

Hangarkeepers Liability covers the insureds' liability for damage to customers' aircraft or aircraft parts on the ground in their care, custody or control.

Products and Completed Operations Liability covers the insured for liabilities arising out of their completed work, if that work is alleged to have contributed to an aircraft accident or occurrence that resulted bodily injury or property damage.

2. What does the policy cover?

- The policy provides liability coverage for each of the three sections described above, subject to standard policy exclusions (see our policy wording for complete details);
- Cover can also include:
 - Non-Owned Aircraft Liability, which can include named employee pilots while working on behalf of the insured;
 - In-Flight Hangarkeepers Liability, which extends to cover damage to aircraft while the insured is performing maintenance-related test flying;
 - In-Transit Hangarkeepers Liability for truck/trailer transportation of customers' aircraft performed by the Insured;
 - Broad Form Spares, which is a property extension that covers the insureds own spare parts inventory, tools, or parts belonging to others while in the insureds care, custody or control, or while in transit;
 - Airport Contractor's Liability for general contractors working on airport property.

3. What is the trigger for a Liability Claim?

In each of the three coverage sections, legal liability for bodily injury or property damage arising out of an *occurrence* (as defined below) is what triggers a claim under the policy. Which section responds depends on the exact situation (for complete details refer to our policy wording).

Occurrence means an accident, or a continuous or repeated exposure to conditions, which results, during the Policy Period, in bodily injury or property damage neither expected nor intended from the standpoint of the Insured. All damages arising out of such exposure to substantially the same general conditions shall be deemed to arise out of one occurrence.

4. What limits can you offer?

- Up to \$10,000,000 for Premises Liability
 - Up to \$10,000,000 per occurrence for Hangarkeepers Liability
 - Up to \$10,000,000 for Products Liability
 - Up to \$3,000,000 for Spares Coverage
- (Higher limits may be considered on a case by case basis)

5. What are the standard deductibles?

- \$1,000 Each Claim for Premises Liability
 - \$1,000 Each Claim for Hangarkeepers Liability Limits under \$1,000,000 Per Occurrence
 - NIL for Products Liability
- Exploring varied deductible options is a practical way of customizing a policy to achieve maximum premium savings.

6. Can the insured select which coverages to buy?

Yes, each of the three liability coverages can be purchased separately or in combination with any of the others. Spares coverage can be selected in addition to a liability coverage being purchased, and In-Flight Hangarkeepers Liability coverage can be selected at an additional premium or left out.

7. What are the advantages of the Policy over other insurance companies?

- Broad, customized wording created specifically for AMO businesses, which automatically includes the following extensions:
 - Contractual Provision Coverage
 - Compliance with Local Requirements
 - Contingent Employers Liability (Limit \$1,000,000)
 - Fire Fighting Expense Coverage (Limit \$500,000)
 - Tenants Legal Liability (Limit \$1,000,000)
 - Non-Owned Automobile (Limit \$1,000,000)
 - Legal Liability for Damage to Hired Automobiles (Limit \$50,000)
 - Personal Injury Extension (Limit \$1,000,000)
 - Voluntary Property Damage (Limit \$1,000)
- The policy is competitively priced, simple, and offers the option to purchase additional coverages, such as the Broad Form Spares or In-Flight Hangarkeepers extension.

8. What is the minimum policy premium?

\$2,250.00

9. What is the Products Liability Coverage Territory?

Worldwide.

10. What risks will not qualify for a quotation under this policy?

Insureds involved in a large degree of product manufacturing, engine overhaul or propeller overhaul do not qualify for coverage at this time.

11. What exclusions are applicable under this policy form?

The standard exclusions applicable to most Aviation General Liability policy wordings in Canada are applicable under this form, including:

- Nuclear Energy
- Asbestos
- War Risks, Hi-Jacking and Other Perils
- Date Change Recognition
- Noise and Pollution and Other Perils
- Air Traffic Control

12. Who do I contact in the event of a claim?

You may contact either:

- Assigned Adjuster; or
- Your insurance broker; or
- Simmlands Insurance Services Ltd.

13. Who is the Insurer?

Berkley Insurance Company through Berkley Aviation, LLC as arranged by Simmlands Insurance Services Ltd.

14. What is the commission payable on this policy?

15%

15. How do I apply for this cover?

By completing and returning our Specialty Aviation General Liability application form.

16. Who do I contact to apply for this insurance?

Dominique Wilson
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The information contained in this publication provides only a general overview of the subjects covered, is not intended to be taken as advice regarding any individual solution, and should not be relied upon as such. Insureds should consult their insurance and legal advisors regarding specific coverage issues. All insurance coverage is subject to the terms, conditions and exclusions of the applicable individual policies. Simmlands cannot provide any assurance that insurance can be obtained for any particular client or for any particular risk.