Aviation

Terms & Conditions for
Loss of License Insurance
for Cockpit Crew

(ALB-Lu Cockpit 2009e)

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§ 1. Introduction

Please read this Policy and ensure that it meets your requirements. Any change to the information in the Schedule must be advised to the Insurer immediately.

The Insurer will pay the Benefits defined in this Policy if the Insured becomes Disabled in the circumstances set out in this Policy. The payment of Benefits is always subject to the terms and conditions of this Policy. The Insured must pay the Premium as and when it falls due. Payment of any Benefits will be made to the Insured.

The agreement between the Insured and the Insurer comprises all of the following: this Policy and any endorsement recording a change to this Policy; the Schedule and the Application.

Certain words in this Policy have a specific meaning. The definitions of such words are detailed in the Definitions section. Where a word has been defined, the definition will apply wherever that word appears in this Policy. Words in the masculine will include the feminine and words in the singular will also include the plural

§ 2. Rights under the Policy

This is a personal policy between the Insured and the Insurer. No third party has any right to enforce any of the obligations or receive any of the benefits under this Policy.

§ 3. Accuracy of Information provided to Insurer

All information provided to the Insurer by the Insured when applying for this Policy or when making any changes to it must be true and complete.

If the Insured provides incorrect information or fails to advise the Insurer of material information, whether inadvertently or deliberately, the Insurer may at its sole discretion:

- treat this Policy as if it never existed (retaining any or part of the Premium paid);
- modify cover provided by this Policy; or
- require the payment of additional Premium

§ 4 Benefits

a. Lump Sum Benefit / Permanent Total Disablement (PTD)

If the Insured becomes Disabled during the Period of Insurance as a consequence of Bodily Injury or Illness then the Insurer will pay the Lump Sum Benefit shown in the Schedule if the Insured remains Disabled for 5 years from the start of Disablement.

No Lump Sum Benefit will be paid if the Insured dies within 30 days of the start of Disablement unless liability has already been admitted by the Insurer.

b. Temporary Benefit / Temporary Total Disability (TTD)

If the Insured becomes Disabled during the Period of Insurance as a consequence of Bodily Injury or Illness for longer than the waiting period then the Insurer will pay the Temporary Benefit, which is 2% of the Lump Sum amount for a maximum of 24 months for each subsequent full month (and the relevant proportion of any partial month) for which the Insured remains Disabled during the Benefit Period.

Waiting period 90 days. The first payment of an admitted claim will be payable monthly in arrears – i.e. 30 days after the end of the 90 day deferred period. No payment will be made in respect of the Waiting Period. No benefit will be paid after the death of the Insured.

The temporary benefit is limited to 75% of pre-disability income, the Insurer will also be entitled to reduce the amount payable to the Insured in respect of Temporary Benefit by the amount of any sums receivable by the Insured as sickness benefit from any private health insurance scheme or other insurance from any source. Including but not limited to; any form of social security benefit, Workers compensation and state cash sickness laws, distributions from deferred compensation plans or retirement plans, association disability income benefit or sick pay. Where the cessation or remission of a Disability results in the Insured no longer being Disabled for a period exceeding 30 consecutive days, any subsequent period of Disability shall constitute a new Disability, with its own Waiting Period.

Periods for which Temporary Benefits are paid and which result from the same or a related Disability will be added together for the purposes of assessing whether the Maximum Benefit Period has been reached.

c. Non-Accumulation of Lump Sum and Temporary Benefits

Any sum previously paid or due in respect of the Temporary Benefit section of this Policy will be deducted from any amount payable under the Lump Sum Benefit section of this Policy for the same or a related medical condition.

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§ 5. Definitions

- **Insured**: The person, named and covered in the policy
- **Accident**: a sudden external event that occurs at an identifiable time and place
- **Application**: The proposal form or other written request for insurance, including any information on which the Insurer has relied in deciding whether or not to accept the insurance or on what terms, submitted by the Insured
- **Armed Force**: Any military or paramilitary organisation
- **Benefits**: The Lump Sum Benefit and the Temporary Benefit defined under the Benefits section and which are shown as insured in the Schedule of Benefits.

- **Benefit Period:** The period for which Temporary Benefits can be paid. In respect of Bodily Injury this period cannot exceed 24 months and payment will cease if a Lump Sum Benefit is paid.

- **Bodily Injury**: A physical injury to the Insured caused solely by an Accident together with: any disease or infection directly resulting from such an injury; or any medical or surgical treatment necessitated by such an injury; or dehydration, starvation or exposure to the elements resulting from an Accident

- **Contact Method**: E-mail will be the default medium of communication between the Insurer, the Intermediary and the Insured unless an alternative medium is specifically noted in the Schedule to the Policy.

- **Disabled / Disablement / Disability**: Failing to reach and maintain the required medical standards for all Medical Certificates required by the Insured with the result that the Insured is unable to undertake flying duties.

- **Illness** shall mean :

A sickness or disease of the body that is not caused by an Accident

- **Insurer**: The company named in the Policy

- **Licence Issuing Authority**: The regulatory authority responsible for issuing the licence that permits the Insured to undertake flying duties.

- **Medical Certificate**: A certificate that validates that the Insured has reached the medical standards required by the Licence Issuing Authority in order to undertake his Occupation.

- **Medical Practitioner**: A registered member of the medical profession who is experienced in the examination of airline personnel or is otherwise qualified to treat the Insured's Illness or Bodily Injury, who is not known to the Insured and is independent of the Insurer.

- **Occupation**: The occupation of the Insured as declared to the Insurer.

- **Waiting Period**: The Waiting Period specified in the schedule.

§ 6. Data Protection

By taking out this Policy you consent to the Insurer using any information held by the Insurer such as medical and any other information obtained from you or from other parties about you in connection with this policy. This data will be used by the Insurer for determining your application, the operation of insurance (which includes the process of underwriting, administration, claims management, rehabilitation and customer concerns handling) and fraud protection and detection.

Information may be shared by the Insurer for these purposes with group companies and third party insurers, reinsurers, insurance intermediaries and service providers. Such parties may become data controllers in respect of your personal data. All information will be held for a limited period after the policy has expired or been cancelled.

Your personal data will be processed fairly and securely in accordance with the Data Protection. Your personal data will only be available to those who need to see it. For example, sensitive data, such as medical records will be used for the purposes of underwriting or claim management and rehabilitation only.

https://www.hdi-specialty.com/int/en/legals/privacy

§ 7 Subject of the insurance

1. The Insurer has agreed to insure cockpit personnel for the eventuality that they may no longer meet the physical constitution requirements to retain their official pilot's licence (loss of licence). This insurance coverage is voluntary.

2. PTD with option of TTD cover open to Pilots that at inception hold a valid, and current Commercial Pilots Licence or an Air Transport Pilots Licence which meet the requirements of ICAO Annex 1 (International Civil Aviation Organization) , and a current pass certificate by an AME – Aviation Medical Examiner.

3. The insurer offers the insured individual worldwide coverage against the consequences of loss of licence, while the policy is in force.

4. The prerequisite conditions are:

a) that the insured individual has become temporarily or permanently unfit for cockpit service due to Illness, Bodily Injury ,Disabilty/Disablement/Diabilty or Accident

b) unfitness for cockpit service has been determined by a licensed aviation medical examiner

c) the individual's official current Commercial Pilots Licence or an Air Transport Pilots Licence which meet the requirements of ICAO Annex 1 (International Civil Aviation Organization)professional pilot's licence has

been revoked or is not renewed by the competent authority

d) any proceedings over permit revocation have been concluded with legal force by court decision.

5. Following the occurrence of disability, the waiting period up to the obligation of the insurer to pay benefits is as stated in the schedule..

§ 8 Insured individuals

Eligible for coverage are individuals who must be actively at work and mentally and physically capable of conducting the regular duties of their employment, at the inception date of this insurance or upon the eligibility date into the program, provided not having been absent for more than 10 consecutive days in the preceding three months and are free of any disorder. For the purposes of these Terms & Conditions, 'disorder' designates a medically diagnosed abnormal physical or mental state, even if attributable to an accident.

§ 9 Exclusions

1. Excluded from insurance coverage is unfitness for cockpit service caused by

a) Iillness, Bodily Iinjury ,or physical Disability/Disablement or Accident brought on intentionally, intentional self-harm or attempted suicide.

b) accidents or illness resulting from alcohol / drug impairment or contributed to by alcohol / drug dependency

c) use of drugs or poisonous substances, except as prescribed by doctor

d) the wilful commission or attempted commission of a crime

e) events directly or indirectly related to war or civil war

f) pregnancy or childbirth

g) hormonal and/or successfully treatable disorders specific to the female reproductive system resulting from pregnancy or childbirth.

h) the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials

i) Nuclear reaction, nuclear radiation or radioactive contamination

j) the Insured Person engaging in or taking part in armed forces service or operations

k) Venereal disease or Acquired Immune Deficiency Syndrome (AIDS), AIDS Related omplex (ARC) or Human Immuno-deficiency Virus (HIV) howsoever these have been acquired or may be named

l) the Insured Person's deliberate exposure to exceptional danger (except in an attempt to save human life)

m) the Insured Person 's own criminal act

n) neuroses, psychoneuroses, psychopathies or psychoses, anxiety, stress, fatigue or mental or emotional diseases or disorders of any type

o) death is not the subject of insurance

p) The Insured may not receive Benefits under this Policy if the Insured is also insured under any other Loss of Licence policy, which exceed EUR 500.000,00 from all sources, purchased by and on behalf of the Insured and for his sole benefit (other than any personal accident insurance) unless written notice of the existence of that other policy shall have been given to the Company and the Company's acceptance has been noted in writing. Otherwise as a consequence the sum paid will be reduced by the amount by which it exceeds EUR 500,000 and a proportionate return of premium will be made.

q) No acceptance for Swiss and United States of America citizens or main residence there.

2. No benefits are payable in the event of the death of the insured individual.

This also applies if the insured individual should die within 30 days of the date of written attestation of unfitness for cockpit service being provided by a licensed aviation medical examiner, including death resulting from the Illness, Bodily Injury ,or physical Disability/Disablementor Accidentthat caused unfitness for cockpit service.

§ 10 Term of insurance coverage

1. Insurance coverage begins on the effective date of application acceptance, unless unfitness for cockpit service should be found to have already been in evidence at that point. The insurer shall bear the burden of proof in this regard.

2. Insurance coverage begins upon payment of the initial premium, though not prior to the date stated on the policy certificate. If the initial insurance premium is invoiced thereafter and paid within 14 days, insurance coverage begins on the date stated on the policy certificate.

3. The contract may be terminated in writing by either of the parties, effective at the end of the agreed one-year period of insurance. The policy renews for an additional year unless notice of termination is received one month prior to the policy expiration date.

4. The insurance coverage expires automatically,

a) at the end of the policy year in which the insured individual passes the age of 63.

b) upon the death of the insured individual.

c) the Insured ceases to be employed in his Occupation other than as a consequence of a Disability covered by this Policy; This clause will not apply for the first 6 months of unemployment following redundancy, or the first 6 months of unemployment in any other circumstances.

d) the Insured is paid the Lump Sum Benefit

§ 11 Premium payment, due dates, arrears

1. Barring other provisions to the contrary, the Insured must promptly pay the initial or one-time premium within two weeks of receipt of the policy certificate. Subsequent premiums are due at the start of the respective premium periods.

2. If the initial or one-time premium is not paid on time, the insurer may withdraw from the contract until the premium is received, unless non-payment is not the fault of the Insured. In such case the insurer may demand an appropriate administrative fee. The insurer shall be released from obligation to pay benefits if the premium has not been paid prior to occurrence of an insured loss, unless non-payment is not the fault of the Insured. The insurer shall only be released from its obligation to pay benefits if notification was provided to the Insured separately in text form or prominently printed on the policy certificate of the contractual consequences of non-payment of premium.

3. If subsequent premiums are not paid on time, the insurer may at its own expense issue notice to the Insured in writing/text form of the setting of a payment deadline of a minimum of two weeks. The following applies in the event that the Insured remains in arrears for payment of the premium or interest/expenses charged after expiry of this deadline:

a) Losses occurring after this deadline shall not be covered if the Insured was advised of the contractual consequences of not meeting the deadline.

b) The insurer may terminate the contract without notice. Notice of termination may be given along with setting of the payment deadline. In such case termination is effective at deadline expiration if specified in the termination letter.

Termination is not effective if payment is rendered within one month of termination or expiration of the payment deadline if a deadline was set for termination. Any losses incurred in the interim shall not be covered.

c) If instalment payments of the annual premium have been made, the outstanding instalment premium payments for the year shall be due immediately. The insurer may demand payment of the annual premium in full, on a non-instalment basis, going forward.

4. If the insurer is given automatic account debiting authorisation for the due premium amount and this amount cannot be debited on time for reasons for which the Insured is at fault, or if the Insured should refuse an authorised account debit, the Insured shall be deemed to be in arrears, and the insurer may charge the Insured for any resulting costs incurred. The insurer shall be entitled to continue attempting account debiting, but is not required to do so.

If debiting fails for reasons for which the Insured is not at fault, the Insured shall only be in arrears upon failing to promptly pay upon receiving payment demand in text form. If a premium cannot be debited due to refusal or other reasons, the insurer may decline further debiting attempts and issue demand to the Insured in text form to remit payment by cash transfer.

If the policy is terminated early, the insurer is only entitled to the annual premium on a pro rata basis for the period in which insurance coverage was in force, except as provided otherwise by law.

§ 12 Scope of coverage

1. Benefits are payable by the insurer within the scope of the coverage amount. This is stated in the insurance policy document and schedule.

2. Benefits paid may be reclaimed in the event that the insured individual again becomes fit for cockpit service prior to passing the age of 60. If fitness for cockpit service is regained, the insurer must be notified immediately and benefits received repaid to the insurer, provided that such payment did not take place in excess of five years ago. The insurer may not be sued for deprivation of benefit.

3. An employee returning to cockpit service shall be reinstated to insurance coverage if insurance benefits received are repaid in full to the insurer.

4. In addition to insurance benefits per item 4, the insurer shall absorb

a) all necessary costs incurred in fulfilment of obligations per § 13 items 1, 2 and 4

b) costs for other physicians hired and consulted by the insurer; fees for attestations required in assessing benefits payable however only up to 1 o/oo of the coverage amount. The Insured bears any additional costs.

§ 13 Claim deadlines and benefits

1. The insurer is obligated to provide notification in text form within one month of whether and to what extent claims are recognised as payable. This period begins when the insurer has received the complete documentation the claimant is required to submit to assess the payability of claims.

2. Benefits are paid out immediately upon the recognition of claims, subject to expiry of the waiting period stated in the schedule .

3. The insurance benefit payable is in the applicable amount on the date of attestation of temporary unfitness or permanent unfitness for cockpit service by the aviation medical examiner.

4. Obligation to notify the Insurer promptly of a Disability: It is a condition precedent to the Insurer's liability to make any payment of Benefits under this Policy that the Insured notifies the Insurer or the Intermediary of:

a) any Disablement within 60 days of the start of any Disability; or

b) any absence of the Insured from his Occupation for more than 30 continuous days (save for annual leave).

Notice under this condition shall be given in writing using a disability reporting form available on request from the Insurer. The Insurer will be entitled to refuse to pay or, at its sole discretion, defer payment of Benefits if the Insured does not comply with the terms of this condition precedent.

5. Obligation to assist Insurer's investigation of a claim and to minimise loss

The Insured must provide all assistance and information reasonably required by the Insurer in relation to any claim (either initially or throughout any period of Disability) which may include but is not limited to:

- making all efforts in a timely manner to regain the Medical Certificate
- presentation to the Licence Issuing Authority (which includes appeal of a decision by the Licence Issuing Authority)
- attendance at independent medical examinations

The Insurer may refuse to pay or defer payment of any Benefits otherwise available under this Policy if the Insured does not comply with this Condition

6. Right of Insurer to make additional enquiries

On receipt of a disability reporting form and periodically during a period of Disability, the Insurer may make any additional enquiries in order to assess the claim or continued right to receive Benefits under this Policy. The Insurer may refuse to pay or defer payment of any Benefits otherwise available under this Policy if the Insured does not comply with this Condition.

7. Fraudulent Claims: The Insurer may treat this Policy as if it had never existed, retain any premium received, and recover any monies paid if the Insured makes a claim that is fraudulent.

§ 14 Obligations upon unfitness for cockpit service

1. If an insured individual is confirmed unfit for cockpit service, the insurer must be notified thereof immediately, within one week at the latest. This documentation must be additionally submitted:

a) a report on the causes of unfitness for cockpit service

b) comprehensive reports from physicians who are treating or have treated or examined the insured individual, on the causes, onset, nature, course and

anticipated duration of the condition, and whether unfitness for cockpit service is temporary or permanent

c) the official notice of the revocation of or restrictions imposed on the pilot’s licence, or official documentation of expiry thereof.

2. The insurer has the right to require further documentation in the form of additional information, explanations and further medical examinations by a physician of its choice. Physicians who are treating or have treated or examined the insured individual for any reason, other insurers, underwriters and authorities are authorised to provide the insurer any information required. The same applies for hospitals, sanatoriums, medical facilities, health departments, pension and welfare offices, insurance companies and social security agencies or other organisations/entities.

3. The insured individual must follow orders made at the prudent discretion of the examining or attending physician to facilitate recovery or resolve unfitness for cockpit service; this does not apply to any unreasonable demands.

4. After reviewing the documentation submitted the insurer has the right to appeal against the revocation or restriction of the pilot’s licence on behalf of the insured individual. In such case the insured individual must assist the insurer in every respect pertaining to the preparation and conducting of the appeal proceedings.

5. The insured individual is responsible for the fulfilment of obligations. The Insured is bound to cooperate in the fulfilment of these obligations.

§ 15 Consequences of violations of obligations

The insurer shall be released from obligation to pay benefits in the event obligations towards the insurer per ? are violated wilfully. In cases of gross negligence the insurer is entitled to reduce benefits paid in proportion with the severity of the violations on the part of theInsured; the Insured shall bear the burden of proof that gross negligence was not in evidence. The insurer remains obligated to pay benefits if the violation did not cause the insured loss or has no bearing on assessment of the claim or the scope of benefits payable by the insurer.

§ 16 Pre-contractual disclosure obligations of the policy holder

1. Disclosure obligations

a) The insured must fully and truthfully disclose in text form any information requested by the insurer in text form known prior to submission of the insurance application that is material to the insurer's decision to conclude a contract on specific terms. This obligation also applies to questions posed by the insurer after submission of the insurance application by theInsured, but prior to acceptance of the application.

b) If the policy is concluded by an individual authorised to represent the Insured or a representative without power of attorney with knowledge of circumstances posing a risk, the policyholder shall be construed as having direct knowledge thereof and having withheld it with intent to deceive.

2. Revocation, termination and policy amendment

a) The insurer may withdraw from the contract if the insured violates disclosure obligations per item 1.

b) The insurer shall not be entitled to withdraw except in cases of wilful or grossly negligent violation of disclosure obligations on the part of the insured . In such case the insurer may terminate the contract with one month's notice.

c) The insurer shall not be entitled to withdraw or terminate the contract due to gross violation of disclosure obligations if the contract would have been concluded anyway – on the same or different terms – had the undisclosed information been known. Upon demand by the insurer the different terms shall be applied retroactively, from the start of the current policy year if the violation was not the fault of the insured.

d) The insurer’s rights per items 2. a) to c) only apply if the policyholder was notified separately in text form of the consequences of violation of disclosure obligations. These rights are forfeited if the insurer was aware of the undisclosed risk-related circumstances or the incorrectness of disclosures.

e) If the premium increases by more than 10% or the insurer excludes coverage for the undisclosed circumstances in a policy amendment per item 2. c), the insured may terminate the policy within one month of receipt of notification by the insurer without advance notice. Notice must be delivered to the insurer in writing.

3. Exercise of insurer's rights

In the event of revocation per item 2 after occurrence of an insured loss, the insurer shall not be obligated to pay

unless the violation of disclosure obligations concerns circumstances without causal relationship to the insured loss or without bearing on assessment of the claim or the scope of benefits payable by the insurer. The insurer shall be released from obligation to pay benefits if the insured violates disclosure obligations with intent to deceive.

The insurer shall be entitled to premiums on a pro rata basis for the contract period up to the effective date of the notice of revocation.

4. Contestation

The insurer's right to contest the validity of the policy contract on the basis of wilful deception remains unaffected. In such case the insurer shall be entitled to premiums on a pro rata basis for the contract period up to the effective date of the contestment notice.

§ 17 Expiration of claims

1. Claims arising from the insurance contract expire in three years from the end of the year in which the claim arose and the party entitled to benefits became aware of, or would have become aware of barring gross negligence, the entitling circumstances and the individual responsible.

2. The period of limitation for claims filed by the Insured with the insurer shall be suspended until the insurer's decision has been received in text form.

§ 18 Applicable law

Austrian law applies to this contract.

§ 19 Place of jurisdiction

The place of jurisdiction for claims against the insurer arising from the insurance policy or claims asserted against the Insured arising from the insurance contract is that of the insurer's registered office or of the branch office responsible for the insurance policy (Austria).

§ 20 Disputes

How to complain - our commitment to you: At HDI Global Specialty SE each of our customers is important to us, and we believe you have the right to a fair, swift and courteous service at all times. If you are dissatisfied with the service you have received and wish to make a complaint, please contact us by email: complaints@hdi-specialty.com

The Insured may contact the regulator with oversight over the insurer if dissatisfied with service provided by the insurer, or regarding disputes over contract execution: Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) Sektor Versicherungsaufsicht Grauheindorfer Str. 108 D-53117 Bonn E-mail: poststelle@bafin.de. BaFin is not an arbitrator. Accordingly, it cannot resolve disputes with legal finality.

§ 21 Disclosures and notifications

1. All disclosures and notifications directed to the insurer must be made in writing and sent to the responsible department stated on the policy certificate, or addenda thereto.

2. Should the Insured fail to notify the insurer of a change of address, notices deliverable to the Insured shall be deemed fulfilled if sent by registered mail to the address last known to the insurer. Such notices shall be deemed received three days after sending off the corresponding letter.

3. Item 2 applies mutatis mutandis with regard to names.