

Aircraft Insurance

Customer information pursuant to the Federal Act on Insurance Contracts (ICA) and the General Conditions of Insurance (GCI)



We are here to answer
your questions.

Zurich Help Point: 0800 80 80 80
Outside Switzerland: +41 44 628 98 98

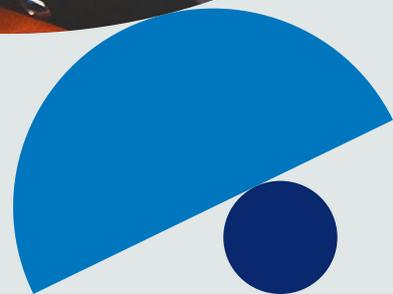
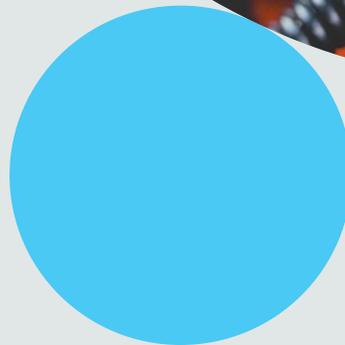


Table of Contents

Art.	Page	Art.	Page
Customer information	3	200 Hull insurance	10
General Conditions of Insurance (GCI) Edition 01/2022	5	201 Scope of insurance coverage	10
Common conditions	5	202 Insured benefits	10
1 Contractbasis	5	203 Additional insurance benefits	11
2 Temporal scope	5	204 Deductible	11
3 Territorial scope	5	205 Restrictions to scope of insurance coverage (exclusions)	11
4 Purpose of use	5	300 Accident insurance	12
5 Risk increase and reduction	5	301 Insured persons	12
6 Premium payment and contract amendment	5	302 Insured accidents	12
7 Claims procedure (obligations)	6	303 Extended insurance coverage for war, terrorism and unrest	12
8 Termination in the event of a claim	6	304 Insurance benefits	13
9 Consequences of a breach of contract	7	305 Restrictions to scope of insurance coverage (exclusions)	13
10 Reclaiming excess indemnity payments	7	306 Excess of specified number of insured persons on board	14
11 Place of jurisdiction	7	307 Credit against liability claims and compensation limits	14
12 Broker clause	7	Definitions	14
13 Economic, trade and financial sanctions	7		
14 Change of holder/owner	7		
100 Liability insurance	8		
101 Insured persons	8		
102 Scope of insurance coverage	8		
103 Insurance benefits	8		
104 Deductible	8		
105 Special provisions for third-party liability	8		
106 Special provisions for combined single limit coverage	9		
107 Provisions in the event of war	9		
108 Restrictions to scope of insurance coverage (exclusions)	9		
109 Compensation limits	10		

Customer information

The following customer information provides an overview of the insurance company and the main content of the insurance contract. The rights and obligations of the contracting parties are derived definitively from the contract documents (application/offer, policy, insurance conditions), and the applicable laws, particularly the Swiss Federal Law on Insurance Contracts (ICA).

After acceptance of the proposal/offer, a policy will be sent to the policyholder, the contents of which will reflect the proposal/offer.

Who is the insurer?

Zurich Insurance Company Ltd, which has its main office at Mythenquai 2 in 8002 Zurich (Zurich), and is supervised by FINMA, the Swiss Financial Market Supervisory Authority (Laupenstrasse 27, 3003 Bern).

Which risks are insured and what is the scope of the insurance coverage?

The insured risks and the scope of the insurance coverage follow from the contractual documents and are restricted by the exclusions listed there.

The insurance covers below protect against the following risks and include the following benefits (each within the scope of the agreed limits of liability):

- **Liability insurance:** Indemnifies if third parties bring claims against the insured person for bodily injury or property damage and these claims are based on statutory liability provisions. Pays justified claims and wards off unjustified claims. Depending on the agreement, the third-party liability insurance covers the operator's liability only, excluding claims related to the transportation of passengers, luggage or cargo, or cover may be taken out for such claims.
- **Hull insurance:** Covers damage to the insured aircraft that is incurred unintentionally by the policyholder, e.g. due to collision, theft, fire or natural hazards. Depending on the agreement, the insurance coverage protects against these events both while the aircraft is in the air and on the ground (fully comprehensive/all-risk) or on the ground only (ground risk, in motion).
- **Accident insurance:** Pays out the agreed compensation (sum insured, daily benefits, reimbursement of medical expenses) in the event of accidents involving the insured passengers and/or crew members when using the insured aircraft.

If agreed, the following may be covered in addition:

- War liability, damage relating to warlike events above the minimum level of coverage
- Hull war risks

Important exclusions are claims for:

- damage caused by the operator, owner or air freight carrier itself
- pure financial loss
- operational damage (e.g. damage caused by cracks or breakage, wear and tear, faulty operation)
- gradual damage (e.g. frost, humidity, corrosion)
- pure loss of function
- damage caused while using the aircraft for a criminal act or an offence, without the necessary permits, or for military purposes
- damage related to warlike events, strikes, revolt, unrest, riots, rebellion and revolution, malicious damage, acts of violence or sabotage, confiscation, requisitioning, illegal seizure of the insured aircraft, kidnapping or terrorism

Is the insurance on a fixed-sum/indemnity basis?

This insurance is essentially a form of indemnity insurance; the nature of the payout and the amount of indemnity paid are determined by the damage or loss that has occurred due to the insured event. The exception to this is accident insurance, for which the modules covering death, disability, daily benefits and daily hospital allowance constitute fixed-sum insurance; the nature of the payout and the indemnity amount paid are not determined by the damage or loss that has occurred as a result of the insured event. These benefits can be provided in addition to other benefits.

Which premium is due?

The premium amount(s) due depend(s) on the insured risks and the desired level of insurance coverage. The contractual documents include all information about premiums and any applicable fees (e.g., taxes or payment in installments). The premium must be paid at the beginning of the insurance period, unless the contractual documents stipulate another term or the premium invoice specifies a later due date.

Zurich can adjust the premium and the insurance conditions for a new insurance year. In this case, the policyholder has a right to terminate the insurance policy according to the insurance conditions.

Which other obligations does the policyholder have?

The insurance conditions and the ICA determine the obligations. Important obligations are, for example:

- reporting if a declared fact has changed;
- reporting an insured event (notification of claim) to Zurich immediately by telephone at 0800 80 80 80 or +4144 628 98 98 when calling from outside Switzerland or in writing or in another form that makes it possible to provide proof in text form (e.g., at www.zurich.ch/notification-claim);

- collaboration during clarifications (in the event of a loss, in the event of changes in risk, etc.)
- looking after insured property and protecting it through suitable measures
- making sure to minimize the damage and not recognize any claims

When does insurance coverage begin and when does it end?

The insurance begins on the date stated in the proposal/offer or in the policy itself. The insurance coverage applies to damage that occurs after the beginning of the insurance and before the end of the contract.

The contract is generally terminated by way of ordinary termination. This form of termination is possible until no later than 3 months before the expiration of the contract or, if so agreed or legally stipulated, the insurance year. If the contract is not terminated, it shall be automatically extended for an additional year. Limited-period contracts without a renewal clause end automatically on the day specified in the application/offer or policy.

The insurance conditions and the ICA contain other possible termination options.

Can the contract be revoked?

The policyholder may revoke their application to conclude the contract or the declaration to accept it in writing or in another form that makes it possible to provide proof in text form (e. g., by sending an e-mail) within 14 days.

The policyholder shall have complied with the deadline if they give notice of cancellation to Zurich on the last day of the cancellation period or post the notice of cancellation on this day.

How does Zurich handle personal data?

Zurich processes data relating to natural persons (personal data) in connection with the conclusion and the performance of contracts and for other purposes. More information on this processing (inter alia the purposes, the data recipients, the storage and the rights of the data subjects) can be found in the privacy policy of Zurich. This privacy policy can be accessed at www.zurich.ch/data-protection or obtained by contacting Zurich Insurance Company Ltd, Dataprotection, PO box, 8085 Zürich, datenschutz@zurich.ch.

Does the broker receive remuneration?

In the event that a third party, such as an independent broker, represents the interests of the policyholder in relation to the conclusion of or advice about this insurance contract, Zurich may remunerate this third party in consideration of their activities on the basis of an agreement. The policyholder may request any specific information in this regard from the third party, if so desired.

If you need help or advice quickly, you can reach us around the clock and everywhere in the world at the toll-free number 0800 80 80 80, from abroad +4144 628 98 98.

To make sure that we can provide a perfect service, we record all conversations with our customer service centres.

All terms referring to persons refer to persons of both genders.

General Conditions of Insurance (GCI) Edition 01/2022

Common conditions

Art. 1 Contractbasis

The rights and obligations of the contracting parties and the scope of the insurance coverage are set out in the policy, the General Conditions of Insurance (GCI) and the Special Contractual Provisions (SP). The provisions of the Swiss Federal Acts on Insurance Contracts (ICA) and Civil Aviation Act (CAA, the Civil Aviation Ordinance (CAO) and Air Transport Ordinance (ATO) and the Montreal Convention (MC) also apply.

Art. 2 Temporal scope

The Insurance coverage begins on the date specified in the policy and applies to damage that occurred during the term of the contract.

If notice of termination of the contract is not given, it is tacitly renewed for one year at a time. Notice of termination is deemed to have been given in good time if Zurich or the policyholder receives the notice of termination at the latest on the last day before the three-month notice period begins. If the contract has been concluded for a term of less than one year, it automatically expires on the date specified in the policy.

Insurance coverage always ends automatically if the insured aircraft is deleted from the official aircraft register.

Art. 3 Territorial scope

Unless otherwise agreed in the policy, the insurance coverage is valid worldwide, excluding USA and Canada.

Art. 4 Purpose of use

The insurance covers the purposes of use given in the application and/or the policy, provided that the insured aircraft is piloted by the persons listed in the policy.

The insurance also covers:

- control, demonstration, collection and ferry flights by pilots of an aircraft maintenance, repair, overhaul or sales organization;
- acceptance and control flights by pilots of the Federal Office of Civil Aviation (FOCA) or the corresponding foreign supervisory or statutory authority;
- annual check, practice and qualification flights for flight instructors and rating instructors. The policy does not include training flight, unless explicitly agreed under the purposes of use in the policy.

Art. 5 Risk increase and reduction

If the information contained in the policy is no longer correct because a declared fact (risk-related fact) changes during the period of insurance and this circumstance significantly aggravates the risk of claims occurring or expands the scope of a claim (material aggravation of risk), then the policyholder must notify Zurich as soon as possible in writing or in any text-based form capable of producing a written record (e.g. by email). This concerns in particular:

- changes to the purpose of use;
- changes to the group of pilots and/or the licences;
- changes to the insurance values;
- New or changed official requirements of the Federal Office of Civil Aviation (FOCA) or the corresponding foreign supervisory or statutory authorities.

Zurich will grant temporary insurance coverage for a material aggravation of risk and may demand payment of an additional premium from the date on which the risk increased. However, Zurich is entitled to give two weeks' notice of termination of the contract or request an amendment to the contract within 14 days of receipt of such notification. The policyholder has the same right to terminate the contract if no agreement can be reached in respect of the contract amendment within 30 days. In any event, Zurich may increase the premium in line with the tariff, from the point at which the risk increased until the point at which the contract expires.

If the policyholder culpably fails to notify Zurich of an aggravation of risk, the indemnity payment can be reduced to the extent to which this failure to notify caused or influenced the claim.

In the event of a material decrease in risk (which makes a claim less likely to occur or reduces the scope of a claim), the policyholder enjoys the statutory rights relating to reduced risk. Unless the policyholder's notice contains a declaration to the contrary, Zurich will accept it as a request for a premium reduction and will reduce the premium from the point at which it received the policyholder's notice.

Art. 6 Premium payment and contract amendment

6.1 Basis for premium calculation

The premium is based on the agreed scope of insurance coverage and the risk-related facts provided by the policyholder about the insured persons and the aircraft. If the risk-related facts change, Art. 5 above shall apply.

6.2 Balances

The contracting parties waive the right to collect payment of any premium invoice balances of less than CHF 5.

6.3 Contract amendment by Zurich

Zurich may amend the contract (e.g. increase the premiums, amend the terms and conditions of insurance, limits of liability or deductibles) with effect from the following insurance year. Zurich must notify the policyholder of the new premiums and contractual provisions at least 25 days before the end of the insurance year. The policyholder then has the right to terminate the insurance contract as a whole or only with regard to the section that is affected by the amendment at the end of the current insurance year. Zurich must receive the notice of termination in writing or in another text-based form capable of producing a written record (e.g. by email) by the last day of the insurance year at the latest. If no notice of termination is given, the policyholder will be deemed to have approved the amendments to the insurance contract.

The following do not constitute grounds for termination:

- Introduction or increase of statutory levies (e.g. Federal stamp duty);
- Contract amendments required by the law or ordered by the authorities.

6.4 Penalties for default

If the policyholder does not meet the payment obligations a reminder letter will be sent and reminder fees as well as the interest on arrears must be paid.

6.5 Premium refund

If the contract is cancelled prematurely, Zurich will refund the pro rata premium for the remaining period of insurance. Zurich reserves the right to set this off against other claims of Zurich under this contract. However, the premium is payable for the full insurance year if

- the contract is cancelled following a total loss for which Zurich has paid an indemnity;
- the policyholder terminates the contract in the event of a partial loss during the first year of insurance.

6.6 Foreign withholding tax

The premium invoice includes the insurance levies payable in Switzerland or in the Principality of Liechtenstein. Any foreign levies payable by Zurich will be charged to the policyholder separately.

Art. 7

Claims procedure (obligations)

7.1 Reporting obligation

The insured is obliged to inform Zurich of a claim immediately by telephone or in writing or in another text-based form capable of producing a written record (e.g. at www.zurich.ch/notification-claim) and to support Zurich in all investigations and, in particular, to issue the required powers of attorney and hand over all relevant documentation.

7.2 Third-party liability insurance

Zurich leads negotiations with the injured party. It is authorised to instruct third parties with the claims handling. Zurich's settlement of the claims of the injured party is always binding for the insured. The insured may not acknowledge or pay any claims of the injured party. Zurich is responsible for conducting a civil lawsuit.

7.3 Hull insurance

Zurich must be given the opportunity to inspect the damaged aircraft before, during and after the repairs have been done.

The policyholder is obliged to do everything possible to avoid further damage. The instructions of Zurich and its claims adjuster must be followed. Zurich is authorised to remove parts of the damaged aircraft for test purposes.

If third parties or official government units are involved in the investigation, testing and repair of the aircraft, Zurich is authorised to collect the information it needs from these parties.

Zurich or its claims adjuster chooses the repair workshop and approves the repair. The policyholder or his representative has to issue the repair order. In case of an emergency, the aircraft can be repaired without the prior consent of Zurich, provided that the cost is not expected to be more than CHF 10,000. By issuing directives and approving the repair, Zurich does not acknowledge its obligation to pay an indemnity.

Damage caused by a punishable offence (such as theft or vandalism) and damage caused by fire and explosion must be notified to the police immediately. A criminal charge must be lodged against the perpetrator on request.

Zurich reimburses the policyholder for the appropriate expenses incurred in complying with the obligation to minimise the damage. This also applies if the policyholder's measures are unsuccessful. If needed, Zurich will pay an advance.

7.4 Accident insurance

In the event of an accident, medical treatment must be sought immediately. The doctor providing treatment must be released from his obligation to maintain confidentiality vis-à-vis Zurich. On request, the insured must submit to an examination by a doctor instructed by Zurich.

Art. 8

Termination in the event of a claim

After a claim for which an indemnity payment is due, Zurich may terminate the contract at the latest on the date of payment of the claim and the policyholder may terminate the contract at the latest 14 days after receiving notification of payment in writing or in another text-based form capable of producing a written record

If the contract is terminated, the insurance coverage lapses 14 days after receipt of the notice of termination.

Art. 9 **Consequences of a breach of contract**

The insurance coverage lapses in the event of a breach of obligations by an insured. This will not apply if the insured can prove that they were not responsible for the breach under the circumstances or that they had no influence on the occurrence of the event and on the scope of the benefits. Failure on the part of the premium payer to make a payment because of an inability to pay their debts does not constitute a lack of fault.

Art. 10 **Reclaiming excess indemnity payments**

Any indemnity payments made by Zurich in accordance with aviation legislation which it would not have been required to make under the provisions of this contract can be reclaimed from the policyholder.

Art. 11 **Place of jurisdiction**

The policyholder or the beneficiary may elect as place of jurisdiction (forum) for disputes arising from this contract either:

- Zurich, or
- the Swiss or Principality of Liechtenstein residence or head office of the policyholder.

Art. 12 **Broker clause**

If the policyholder is represented by a broker, the broker is authorised to process business communications with Zurich. The broker is authorised by the policyholder to accept enquiries, notices, declarations, declarations of intent and similar correspondence from Zurich (except payments) and to submit the same to Zurich on behalf of the policyholder. The policyholder is deemed to have received such correspondence once it has been received by the broker.

Art. 13 **Economic, trade and financial sanctions**

Zurich does not provide coverage and is not obliged to make payments or provide benefits or services if applicable economic, trade and financial sanctions would be violated.

Art. 14 **Change of holder/owner**

If the operator or owner of the insured aircraft changes, Zurich must be informed immediately in writing or in another text-based form capable of producing a written record.

If the operator of the insured aircraft changes, claims under the third-party liability coverage or the combined single limit coverage will also be covered in respect of the new operator, and the rights and obligations under these liability insurance policies will be transferred to the new operator, unless the new operator withdraws from the contract in writing or in another text-based form capable of producing a written record within 14 days of the change of operator. The provisions of Art. 105 apply in all other respects.

All remaining coverages will lapse unless their continuation is expressly agreed. However, all coverages will expire automatically if the new certificate of airworthiness is issued on the basis of another insurance contract.

However, if the owner of the insured aircraft changes (at the same time), the statutory provisions on change of ownership shall continue to apply where applicable under law.

If the new operator or owner only finds out about the transfer or existence of the insurance after expiry of the withdrawal or rejection period, they may terminate the coverage within 14 days of the date on which they became aware of the transfer or existence, but no later than 14 days after the date on which the next annual premium or premium instalment is due.

The contract will then expire when Zurich receives the notice of termination (in writing or another text-based form capable of producing a written record). The premium must be paid pro rata until this date.

Zurich is entitled to terminate the contract within 14 days of receiving notice of the change in operator or owner. The insurance coverages will expire 30 days after the termination notice has been received by the new operator or owner (in writing or in another text-based form capable of producing a written record).

100 Liability insurance

Depending on the agreement, the insurance coverage either includes

- **Third-party liability insurance:** Owner liability insurance that excludes claims relating to the transport of passengers, luggage and freight, or
- **Combined single limit coverage:** Third-party liability insurance that includes claims relating to the transport of passengers, luggage and freight.

Art.101

Insured persons

- Policyholder, owner and holder;
- Crew members;
- Employees and auxiliary staff of the holder or air freight carrier while carrying out authorised work or activities on the insured aircraft;
- Pilots of model aircraft and drones (remotely piloted aircraft systems, RPAS);
- For **combined single limit coverage**, also the air freight carrier.

Art.102

Scope of insurance coverage

102.1 Insured liability

The insurance covers claims for damages based on statutory liability provisions asserted against the insured and arising from

- injury to/death of third parties (bodily injury);
- destruction, damage or loss of property (property damage). Death or injury of animals is treated in the same way as damage to property;
- loss due to delay (delayed transportation of passengers or their checked luggage on board the insured aircraft or otherwise in the carrier's custody);

The condition always applies that the damage was caused

- by the operation of the insured aircraft;
- by the insured aircraft while it was not in operation;
- while entering and exiting the aircraft or while opening and closing movable parts of the aircraft, such as doors, covers and storage compartments;
- while providing help to occupants after an aircraft accident

The use of the emergency parachute is treated in the same way as the use of the aircraft.

102.2 Loss prevention costs

If the occurrence of an unforeseen insured event is immediately imminent, the insurance covers the cost for appropriate measures to prevent loss.

Art.103

Insurance benefits

Zurich pays justified claims and wards off unjustified claims for the insured.

Benefits, including interest, lawyer's fees, costs for expert opinions, court costs, counterparty legal expenses and loss prevention costs are limited to the agreed limit of liability per insured event. All claims arising from damage with the same cause are deemed to be claims for a single event.

Where the member states of the European Union, EFTA and the countries bordering the Mediterranean prescribe a higher limit of liability, the higher limit of liability applies. However, the indemnity payment is limited to the agreed limit of liability if an unlimited limit of liability is prescribed.

For damage caused by aircraft noise, tremors and environmental harm (this means damage directly and indirectly caused by contamination or pollution of any kind, electric or electromagnetic interference or the impaired use of property), the indemnity payment is limited to the minimum limits of liability pursuant to the Civil Aviation Ordinance (CAO). This limitation does not apply if the harm to the environment is the cause or consequence of a crash, fire, explosion, collision or recorded emergency necessitating extraordinary flight operations.

Art.104

Deductible

Unless agreed otherwise, the policyholder has to pay a deductible of CHF 500 per insured event for property damage caused by balloons.

Art.105

Special provisions for third-party liability

Unless agreed otherwise, the statutory minimum limits of liability apply for the following special provisions:

The data provided in the certificate of third-party liability insurance applies with respect to injured third parties on the ground, even if this should differ from the policy. Zurich in particular guarantees the minimum limits of liability given in special drawing rights (SDR) in the insurance certificate.

If the insurance contract ends

- during the flight, the insurance coverage is extended until the next landing where the aircraft's papers can be officially checked, but by 24 hours at the most;
- on or before the date given in the insurance certificate, claims for compensation remain covered until the revocation of the airworthiness certificate or the demonstration of new collateral, but at the latest for 15 days after the Federal Office of Civil Aviation (FOCA) was informed of the end of the contract. The date of revocation is considered to be the date on which the decision to withdraw the certificate takes legal effect.

If an aircraft flies over the geographical area defined as the territorial scope in the policy and the insurance certificate, the insurance still covers the injured third parties on the ground if the flight was forced outside these borders by force majeure, by the need to provide assistance or by erroneous steering, flying or navigation.

Injured third parties on the ground are subject only to such exclusions as are permitted by Swiss aviation legislation or equivalent foreign provisions.

Art.106

Special provisions for combined single limit coverage

106.1 Applicable provisions

Within the context of the minimum limits of liability, the provisions of Art.105 apply mutatis mutandis to claims concerning the transport of passengers, luggage and freight.

106.2 Restrictions to benefits

For damage due to

- delayed transport of persons and
- property damage and damage due to delayed performance of luggage taken along and
- property damage to transported freight,

the indemnity payments are limited to the maximum amounts pursuant to the Air Transport Ordinance (ATO), as also indicated in the valid insurance certificate.

106.3 Payment of passenger claims

For accidents resulting in injury or death, Zurich pays an advance as defined by the Ordinance on Air Transport within 15 days of identifying the natural person entitled to damages.

If the number of passengers in the aircraft exceeds the number of insured seats, the indemnity payment is reduced in proportion to the ratio of insured seats to the number of passengers. This reduction is not implemented if half or less of the seats are occupied by a maximum of two children up to the age of twelve or by an adult with a child younger than two years.

106.4 Tickets

For commercial flights and remunerated private flights, the air freight carrier and other insured have to give the passengers tickets that comply with the statutory requirements and international treaties. If no tickets or tickets defective in contents were issued, Zurich's indemnity is limited to the indemnity that would be payable if correct tickets had been issued.

Art.107

Provisions in the event of war

Damage related to warlike events, strikes, revolt, unrest, riots, rebellion and revolution, malicious damage, acts of violence or sabotage, confiscation, requisitioning, illegal seizure of the insured aircraft, kidnapping or terrorism is co-insured up to the prescribed minimum limits of liability. Zurich's indemnity payments for all claims during an insurance year are limited to the agreed limit of liability (single guarantee).

The insurance coverage automatically ends if

- war breaks out between at least two of the following states: France, People's Republic of China, Russian Federation, Great Britain and the United States of America,
- nuclear weapons of war or other nuclear materials are deployed,
- the insured aircraft is confiscated.

If the insured aircraft is in the air at the time of automatic termination, the insurance coverage ends when all passengers have left the aircraft.

Both parties can terminate this war clause at any time by giving seven days' notice. The notice period starts running at 23:59 CET on the date on which the written notice of termination is received. The contract will continue unchanged in all other respects.

Art.108

Restrictions to scope of insurance coverage (exclusions)

The insurance does not cover damage

- a) by the holder, owner and air freight carrier themselves, including damage to the insured carrier;
- b) by the crew members, liable employees or auxiliary staff;
- c) incurred if the insured aircraft is used intentionally without the prescribed licences and permits for the crew members or the aircraft. This exclusion only applies to passengers who were aware or should have been aware of these defects before the flight;
- d) incurred if the aircraft is knowingly used by the insured persons for crimes or felonies. This exclusion only applies to passengers who were involved in the crime or felony themselves;

- e) incurred during the use of the insured aircraft for military purposes;
- f) by the effects of biological or chemical substances, including the use of sprays and spreading materials and the chemicals taken along for this purpose;
- g) by the effects of ionising radiation or radioactive materials;
- h) by noise and other immissions. This is subject to the provisions on environmental harm and noise pursuant to Art.103 GCI paras.3 and 4;
- i) relating to faulty data recognition by electronic media;
- j) by asbestos or materials containing asbestos;
- k) arising from pure financial loss, except for damage due to delayed performance pursuant to Art.102.1 GCI third paragraph;
- l) by drones (remotely piloted aircraft systems, RPAS)
 - because there is no visual contact with the insured device;
 - because of a breach of local provisions on safety or minimum distances or maximum flight altitudes;
 - because of flying over crowds of people;if the required permit is not available or the conditions of the permit are breached.

Art.109 Compensation limits

The indemnity payments to all injured parties per event under the liability and accident policies are limited to the third-party limit of liability insurance.

200 Hull insurance

Art.201 Scope of insurance coverage

201.1 Insured aircraft

The insurance covers the declared aircraft, the fixed parts of the aircraft in accordance with the equipment list approved by the competent aviation authority and the accessories transported in the aircraft that may be needed during the flight.

201.2 Insured events

The insurance covers all damage to the declared aircraft up to the agreed limit of liability, except damage excluded in Art.205 The insurance also covers the loss of the aircraft (robbery, theft and disappearance) if the aircraft is not recovered within 30 days of receipt of the claim notification by Zurich.

201.3 Hull ground risk insurance

If ground risk insurance has been agreed, the insurance covers events on the ground only, engine test runs and taxiing operations that are not related to a flight, including the preparation and finalisation. Events on a runway that is in use are not insured. For balloons, damage that occurs from the beginning of the filling process until complete discharge is not insured.

Art.202 Insured benefits

202.1 Partial damage

If the aircraft is damaged by an insured event, Zurich pays the repair costs, provided that these do not exceed the sum insured (but without express and overtime surcharges).

If some parts or accessories only were damaged or stolen, Zurich pays for the repair or replacement up to the replacement value.

If the sum insured is less than the replacement value, Zurich reduces its indemnity proportionately for partial damage.

If lack of maintenance or wear and tear means that the repair costs are higher or the repairs will improve the condition of the aircraft, the policyholder has to pay this part of the costs.

If the policyholder decides not to repair the aircraft, Zurich's indemnity payment will be based on the cheapest quotation without value added tax.

All repair invoices and third-party invoices must be submitted in full. Amounts in foreign currency are converted at the prevailing exchange rate on the invoice date.

202.2 Total loss

A total loss is considered to have occurred if the estimated repair cost on its own or together with the search, recovery and transport costs equal the sum insured or if the aircraft has been lost. For a total loss, Zurich pays at most the sum insured minus the value of the parts that can be salvaged.

202.3 Replacement value

The replacement value is the amount that must be spent on the date of the claim to buy an aircraft or parts or accessories of the same type and equivalent value on the free market.

202.4 Salvageable parts

If Zurich pays an indemnity for a partial or total loss, it can either

- deduct the value of the salvageable parts or the residual value of the aircraft from the total indemnity payment, or
- waive the right to deduct the residual value and pay out the full amount. In this case the policyholder must on request of Zurich make the aircraft or parts thereof available together with all relevant documents and issue the declarations or authorise Zurich to do so that are needed for the transfer of ownership or conveyance.

202.5 Ownership rights to a lost aircraft

The ownership rights to an insured aircraft that was lost or disappeared pass to Zurich with the indemnity payment.

Art. 203

Additional insurance benefits

203.1 Search, recovery and transport costs, customs duty and parking fees

In the event of a claim, Zurich pays the documented search, recovery and transport costs, customs duty and parking fees as well as the cost for foaming a runway, up to 20% of the sum insured, but not more than CHF 100,000 per event.

203.2 Transportation flight after the repair

The cost for flying in the aircraft after the repairs is limited to 5% of the repair cost.

203.3 Disposal cost

In the event of a claim, Zurich pays in addition the cost for the required disposal of the supplies, parts and remains of the aircraft that cannot be salvaged, up to a maximum of CHF 10,000.

203.4 Emergency landing without damage

For an emergency landing of a motorised aircraft without damage, Zurich pays the cost of the necessary technical investigation by a licensed maintenance workshop for a restart at the place of the emergency landing and the transport cost to the closest suitable starting place, but not more than CHF 2,000.

Art. 204

Deductible

The policyholder must pay the agreed deductible for every insured event. No deductible is payable for emergency landings without damage of motorised aircraft.

204.1 Deductible for damage caused by natural hazards

No deductible is charged for damage suffered on the ground because of natural hazards or natural forces and for theft for balloons, gliders (incl. motor gliders) and piston aircraft up to a maximum take-off weight of 2,000 kg.

Art. 205

Restrictions to scope of insurance coverage (exclusions)

The insurance does not cover damage

- a) if the insured aircraft is used intentionally without the prescribed licences and permits for the crew members or the aircraft. The insurance coverage remains in place if the policyholder did not know and was not supposed to know about the missing licences and permits;
- b) that was not caused by a violent external influence. This includes in particular
 - operating damage (e.g. damage caused by tears or breakage, wear and tear, faulty operation);
 - gradual damage (e.g. caused by frost, humidity, corrosion);
 - pure loss of function;
 - short circuit as a result of such damage;
 - pollution of any kind;
 - misappropriation;
- c) damage caused by missing or frozen liquids (except in the event of theft);
- d) damage caused by defective materials or construction or other defects to the aircraft, provided that the policyholder did not know and was not supposed to know about these defects;
- e) damage to the engine, including the inner bay and engine fairing;
 - manipulation errors, overload or overheating;
 - intake damage caused by foreign matter and substances that gradually weakens the condition or performance of the engine. This does not apply to intake damage that causes sudden damage to the engine or immediately shuts down the engine. Damage to the engine, including the inner bay and engine fairing caused by equipment that was left behind is excluded;
- f) damage caused directly by maintenance and repair work. This exclusion only applies to assemblies (technical units) that are directly affected;
- g) damage caused by maintenance and repair work done to the aircraft by persons who do not have the required licences or permits;
- h) damage to removed components; however, the insurance coverage remains in place for the main plane, tailplane and rotor blades that were disassembled for the transport or safekeeping of the aircraft;
- i) damage caused during the transport of aircraft and parts, including the loading and unloading of these items. The insurance covers the transport everywhere in Europe of gliders with and without an auxiliary power unit, motor gliders, ultralight aircraft and balloons;

- j) damage to aircraft that has not been secured in accordance with the instructions of the manufacturer;
- k) damage caused intentionally by the policyholder, holder, owner and air freight carrier, their governing and executive bodies or the crew members. If the damage is caused through gross negligence, the insurance company is entitled to reduce its indemnity payment by an amount that equals the severity of the negligence.
- l) damage caused while using the aircraft for a criminal act, an offence or an attempt at such;
- m) damage caused by explosive or self-igniting substances, gases or fluids, except for tracer ammunition (as part of the aircraft's equipment) and supplies transported by the aircraft;
- n) damage caused while the aircraft is used for military purposes;
- o) damage related to warlike events, strikes, revolt, unrest, riots, rebellion and revolution, malicious damage, acts of violence or sabotage, confiscation, requisitioning, illegal seizure of the insured aircraft, kidnapping or terrorism;
- p) caused by the effects of ionising radiation or radioactive materials;
- q) damage caused by balloons:
 - by the loss of filling gas, unless this loss is caused by an insured event;
 - by non-compliance with the required safety measures before and after the flight;
 - by heat and scorch damage to hot-air balloons (operating damage);
- r) reduction in value due to a repair, weaker performance or reduced usability of the aircraft and loss of use.

300 Accident insurance

Art. 301

Insured persons

The insurance covers the number of passengers and crew members given in the policy.

Art. 302

Insured accidents

The insurance covers accidents that occur while the insured aircraft is used safely and lawfully. Pursuant to the statutory provisions on the compulsory Federal Accident Insurance Act (AIA), physical injuries are equated with accidents.

- during entry and exit;
- when operating the aircraft;
- during a lifesaving parachute jump;
- as the consequence of an emergency landing.

The following are treated the same as an accident:

- the involuntary inhalation of gases and vapours and the accidental ingestion of toxic and corrosive substances;
- freezing, heat stroke, sun stroke and damage to health caused by ultraviolet radiation, except for sunburn;
- drowning, choking.

Art. 303

Extended insurance coverage for war, terrorism and unrest

The exclusion for war, terrorism and unrest does not apply to accidents

- suffered by the insured as a result of hazardous substances smuggled on board or into the aircraft by other persons;
- suffered during the loss of liberty after the kidnapping of the insured aircraft, during involuntary layovers following a lifesaving parachute jump or an emergency landing and during the subsequent return trip of the insured to his place of residence or onward journey to the original destination. In these cases, if the contract should expire before this date, the insurance coverage will remain valid for at most one year from the date of the kidnapping, the parachute jump or the emergency landing.

However, if a war should break out

- to which Switzerland or one of its neighbours is a party;
- between the individual countries France, the People's Republic of China, the Russian Federation, Great Britain and the United States of America, or between one of these countries and a European State, this extended insurance coverage will lapse 48 hours after the outbreak of hostilities. If, however, the kidnapping, parachute jump or emergency landing has already happened, this insurance coverage will only lapse one year thereafter.

This extended insurance coverage applies under the condition that the insured can prove that he is neither an active participant nor a participant in an inflammatory capacity in the hostilities.

Art. 304 Insurance benefits

Zurich pays the benefits agreed in the policy as follows:

304.1 Death

If an insured person dies during an accident, Zurich pays the agreed limit of liability to the following qualifying persons, in the order listed:

1. the spouse or registered partner;
2. the children in equal parts;
3. the parents in equal parts;
4. the grandparents in equal parts;
5. the siblings in equal parts.

If there are no entitled beneficiaries, Zurich pays the funeral costs for up to 30% of the insured death lump-sum.

If an insured person dies as the result of an accident and leaves behind at least one minor child, the death benefit is increased by 50%.

304.2 Disability

If an insured person becomes disabled as the result of an accident, Zurich pays the agreed disability benefit. This depends on the level of disability and is calculated in accordance with the provisions on measuring physical and mental impairment of the Federal Accident Insurance Act (AIA). The level of disability cannot be more than 100%.

The level of disability will be reduced appropriately to take account of any prior impairment of health.

The level of disability is determined when the medical treatment is finalised, but at the latest five years after the accident.

304.3 Daily allowance

Zurich pays the agreed daily allowance for the period of incapacity for work confirmed by the doctor, including for Sundays and public holidays. The daily allowance are reduced proportionately for partial incapacity for work. The daily allowance are paid for 720 days within five years from the date of the accident, but at the latest until a disability benefit is paid out.

304.4 Daily hospital allowance

If the insured has to stay in hospital or is ordered by the doctor to do cure therapy, Zurich pays the agreed daily hospital allowance in addition to the other benefits for 720 days within five years from the date of the accident.

304.5 Medical expenses

For 720 days within five years from the date of the accident, Zurich pays the necessary expenses of the insured person for

- medical treatment provided or prescribed by a doctor or a dentist;
- treatment in a hospital or cure therapy in a private ward; cure therapy only at specialised cure establishments and if approved by Zurich;

- the statutory daily allowance deduction for the social insurance schemes charged while staying in the hospital or a clinic;
- home nursing care prescribed by a doctor;
- psychological treatment by a qualified doctor or psychologist up to a maximum of CHF 2,000;
- renting mobile medical devices;
- initial purchase of artificial limbs, eyeglasses, hearing aids and orthopaedic aids or their repair or replacement (replacement value) if these were damaged or destroyed in the accident that caused the need for medical treatment;
- transport by air if it is unavoidable for medical or technical reasons;
- search operations up to a maximum of CHF 30,000 per insured person;
- operations to rescue the insured or to recover the bodies.

If the insured is also entitled to benefits from a social insurance scheme, Zurich pays the share that is not covered by these insurance schemes.

Onward journey after an emergency landing

If an insured is injured during an emergency landing of an insured aircraft and receives medical treatment, Zurich pays up to CHF 2,000 per insured occupant for the onward journey to the intended destination or the return journey to the place of embarkation.

Insured pets

If pets taken along in the insured aircraft are injured, Zurich pays the necessary expenses for veterinary treatment up to CHF 2,500 per animal and a maximum of CHF 5,000 per event. Treatment costs paid by a liable third party or his liability insurance are not assumed.

Art. 305

Restrictions to scope of insurance coverage (exclusions)

The insurance does not cover accidents

- a) suffered by crew members who knowingly use the insured aircraft without the prescribed licences and permits for themselves or the aircraft;
- b) suffered by passengers who knew before the start of the flight that the prescribed licences and permits for the crew members or the insured aircraft were missing;
- c) during flights relating to a criminal act or offence; this exclusion only applies to passengers if they themselves are involved in the crime;
- d) occurring as a result of war, terrorism or unrest; the special provisions of Art. 303 are reserved;
- e) caused by the effects of ionising radiation or radioactive materials.

Art. 306

Excess of specified number of insured persons on board

If the number of passengers or crew members exceeds the number specified in the policy, the indemnification will be reduced by the ratio of the number of insured passengers and/or crew members insured to the numbers actually present. There shall be no reduction if fewer than half the seats are each occupied by a maximum of 2 children of 12 years or younger, or by an adult with an infant less than 2 years old.

Definitions

Crew members

Persons who are entrusted with the flying of the aircraft or the provision of other services on board the aircraft and who have the prescribed licences and permits, in the exercise of their function.

Club

Associations whose purpose, among other things, is to provide aircraft to its members and/or non-members.

Club activity

The provision of the insured aircraft to a club or flying group.

Europe

Geographic Europe to the Urals.

Occupants

Crew members and passengers.

Air freight carrier

Anyone who transports travellers, luggage or freight with an aircraft. The transport can be provided against payment or free of charge by an aviation company licensed for operations.

Passengers

Persons who are inside the insured aircraft with the permission of the pilot or the air freight carrier who are not crew members. Trainee pilots manning the dual controls and parachutists also qualify as passengers.

Art. 307

Credit against liability claims and compensation limits

The death benefits, disability benefits, daily allowance and daily hospital allowance for the occupants are paid in addition to the compensation paid by the liability insurance.

The indemnity payments to all injured parties per event under the accident and liability policies are limited to the third-party limit of liability insurance.

Special drawing right (SDR)

The special drawing right is a currency unit introduced as a billing and payment unit by the International Monetary Fund (IMF). Its value is calculated daily on the basis of a basket of the most important international currencies.

Stationary test

Technical testing of the engine, without any intention to take off.

Terrorism

Terrorism is any use or threat of violence with the purpose of achieving a political, religious, ethnic, ideological or similar objective. The use or threat of violence is intended to spread fear or terror among the population or certain population groups or to influence a government or government institution.

Delay

Claims for damages pertaining to the delayed transport by air of passengers, luggage or freight are governed exclusively by Art. 10 of the Air Transport Ordinance (ATO).

Natural hazards/damage caused by natural forces

Damage caused directly by natural forces such as high tide, floods, storms (= wind speeds of at least 75 km/h), hail, avalanches, snow pressure, rockslides, falling rocks or landslides. The insurance also covers tremors caused by tectonic movements in the earth's crust (earthquakes) and volcanic eruptions. This list is exhaustive.

In case of doubt, the original German version applies

