

Broad Form Airport Liability Insurance Policy

ISSUED THROUGH



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The provisions of **your** Policy are set forth in detail in the Coverage Identification Page, Parts I through V and any Endorsements we issue. Together, these comprise **your** Policy.

Be sure to review your Coverage Identification Page to confirm the coverage and limit of coverage issued to **you**. Then read each Part of the Policy and each Endorsement **we** issued. Read the entire policy carefully to determine rights, duties and what is and is not covered.

This Policy is a legal contract between **you** and the Company; therefore, **IT IS IMPORTANT THAT YOU READ YOUR POLICY CAREFULLY**. An index to the important provisions of **your** Policy is provided below:

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Policy Provisions

We agree with **you**, in consideration of the payment of the premium, to provide the coverage specified in the Coverage Identification Page, subject to the applicable limits of coverage, exclusions, endorsements, conditions and other terms of this Policy.

Part I. Definition of Terms Used In the Policy

The following words and phrases when appearing in bold face print have special meaning throughout the Policy:

1. **Advertising injury** means one or more of the following offenses committed during the policy period:
 - A. Oral or written publication or broadcast of material that:
 - (i) slanders or libels a person or organization
 - (ii) disparages, ridicules, or defames a person or organization's goods, products, or services, or
 - B. Oral or written publication or broadcast of material that violates a person's right of privacy, or
 - C. Misappropriation of advertising ideas or style of doing business, or
 - D. Infringement of copyright, trademark, title, or slogan, or
 - E. Unfair competition
2. **Aircraft** means any aircraft including the airframe, landing gear system, engine (including propeller governor or other parts or accessories attached or mounted to the engine), propeller or rotor, flight and engine instruments, avionics, electrical system, flight control system, fuel system, any hydraulic and pressurization systems and repair equipment or tools that are standard by the manufacturer for **your aircraft** and that are located in **your aircraft**. Parts usually mounted or attached to the **aircraft** are included while temporarily removed so long as they are not replaced by other parts. Log books, documents or other records related to the ownership or maintenance of an **aircraft** are not a part of the **aircraft**.
3. **Aircraft traffic control services** mean a service provided by an **aircraft traffic control tower** for **aircraft** operating on or in the vicinity of an **airport**.
4. **Aircraft traffic control tower** means a terminal facility that uses radio communications, visual signaling and other devices to provide for safe, orderly and expeditious flow of traffic to **aircraft** operating in the vicinity of the **airport** or on the ground and/or authorizes **aircraft** to taxi, take off or land at the **airport** controlled by the tower or to transit the **airport** traffic area.
5. **Airport** means the **airport** and/or premises designated in Item 5 of the Coverage Identification Page. This includes the ways and means immediately adjoining the designated **airport(s)**. The term also includes the temporary or incidental use by **you** of any other location which is not owned, rented, or occupied by **you** provided such use arises out of **your** ownership, maintenance, operation, or use of the **airport** designated in Item 5.

The term also includes any other **airport** and/or premises **you** acquire during the policy period provided **you** give **us** written notice of such acquisition within thirty (30) days of such acquisition and pay any additional premium **we** may charge to provide coverage for such additional location(s).
6. **Auto** means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment.

The term also includes any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, the term does not include **mobile equipment**.
7. **Bodily injury** means physical injury to a person, including sickness, disease (including mental anguish) or death resulting from such physical injury.
8. **Employee** means any person while acting within the scope of employment, direction or authorization given by **you** who receives compensation from **you** to provide **airport** line services, **aircraft** repair or maintenance services as a mechanic, or other ground services related to and in conjunction with **your airport** operations where an **occurrence** arises out of these activities.

This definition will apply whether **you** deem the person providing such services to be an **employee** or an independent contractor, unless:

- i. such person is regularly employed; and
 - ii. more than 50% of such person's current compensation from aviation-related services is paid by persons or organizations other than **you**.
9. **Federal aviation administration (FAA)** means the authority of the United States of America having jurisdiction over civil aviation or its counterpart in another country.
10. **In flight** means when movement of the **aircraft** (other than a rotorcraft) begins for takeoff until completion of the landing run. A rotorcraft is **in flight** when any engine in the **aircraft** is being started or is operating or when the **aircraft** is off any supporting surface.
11. **Mobile equipment** means any of the following types of land vehicles, including any attached machinery or equipment:
- A. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - B. Vehicles maintained for use solely on or next to the **airport**;
 - C. Vehicles that travel on crawler treads;
 - D. Vehicles, whether self-propelled or not maintained primarily to provide mobility to permanently mounted:
 - (i) power cranes, shovels, loaders, diggers, or drills; and
 - (ii) road construction or resurfacing equipment such as graders, scrapers, and rollers;
 - E. Vehicles not described in A, B, C or D above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (i) air compressors, pumps, and generators, including spraying, welding, building cleaning, geophysical exploration, lighting, and well servicing equipment; or
 - (ii) cherry pickers and similar devices used to raise or lower workers;
 - F. Vehicles not described in A, B, C or D above that are maintained primarily for purposes other than the transportation of persons or cargo.
 However, regardless of paragraphs A through F, above, the following are considered **autos** and not **mobile equipment**:
 Police vehicles, ambulances, or self-propelled vehicles with the following types of permanently attached equipment:
 - (i) equipment designed primarily for snow removal, street cleaning or road maintenance (but not construction or resurfacing equipment;
 - (ii) cherry pickers and similar devices mounted on an automobile or truck chassis and used to raise or lower workers; and
 - (iii) air compressors, pumps, and generators, including spraying, welding, building cleaning, geophysical exploration, lighting, and well servicing equipment.
12. **Occurrence** means a sudden event or repeated exposure to conditions, neither expected nor intended by **you** or **someone we protect**, that causes **bodily injury** or **property damage** to others during the policy period. **Bodily injury** or **property damage** that results from the use of reasonable force to protect persons or property will be deemed not expected or intended by **you** or **someone we protect**. All **bodily injury** or **property damage** resulting from the same general conditions will be considered caused by one **occurrence**. With respect to Coverage C and D, "**Personal injury**" or "**Advertising injury**," the term **occurrence** will apply to an act or series of acts committed during the policy period that constitutes an offense to a person or organization. All similar or related offenses against the same person or organization will be deemed to arise out of one **occurrence**.
13. **Personal injury** means one or more of the following offenses committed during the policy period:
- A. False arrest, restraint, detention, or imprisonment;
 - B. Malicious prosecution;
 - C. Discrimination based upon race, color, religion, sex, age, or national origin, but not as a result of any employment related discrimination,
 - D. Wrongful entry, eviction, or other invasion of the right or privacy;
 - E. Inadvertent discrimination with respect to withholding or refusal of transportation;
 - F. The publication or utterance of a libel, slander, ridicule, or of other defamatory or disparaging material in violation of anyone else's right of privacy, excluding any offense or injury that arises out of **your** advertising activities;
 - G. Fright, shock, mental anguish, emotional upset, and humiliation, but not as a result of any offense related to the employment, past employment or future employment of any person(s) by **you** or **someone we**

protect.

The term **personal injury** does not include and cannot arise out of **bodily injury**.

14. **Property damage** means physical injury or damage to or destruction of tangible property. It also includes loss of use of property that has not been physically injured or damaged if the loss of use otherwise has been caused by an **occurrence**.
15. **Someone we protect** means any person or organization **we** protect by the Policy other than **you**. It includes any of **your employees** (as defined in the Policy) while acting within the scope of their employment by **you** and **employees of someone we protect** where an **occurrence** arises out of such employment activities. Provided, however, no **employee** is **someone we protect** with respect to:
 - A. **Bodily injury or personal injury** to a co-**employee** while in the course or scope of his or her employment, or
 - B. **Property damage** to property owned, occupied, or rented by, or loaned to that **employee** or to any of **your other employees**.

The term also includes person(s) or organization(s) designated specifically as such by an endorsement to this Policy and, unless designated specifically in Item 1 of the Coverage Identification Page, the term also includes:

- A. any of **your** executive officers, shareholders, managers, or members while acting within the scope of his or her duties as such, if **you** are a corporation or limited liability organization; or
 - B. **your** spouse, if **you** are a proprietorship, but only with respect to liability arising out of **your** business operations; or
 - C. any of **your** partners or joint venturers, and their respective spouses, if **you** are a partnership or joint venture, but only with respect to liability arising out of **your** business operations; or
16. **We, us or our** means the insurance company named on the Coverage Identification Page.
 17. **You and your** mean the person(s) or organization(s) named in Item 1 of the Coverage Identification Page under the heading "Named Insured," and any affiliated company. An affiliated company is any business organization owned in whole or in part by the person(s) or organizations(s) named in Item 1 of the Coverage Identification Page.

Part II. Insuring Agreements

Coverage A. Bodily injury and Property damage Liability

We agree to pay all sums which **you** or **someone we protect** becomes legally obligated to pay as loss or damages because of **bodily injury** or **property damage** caused by an **occurrence** covered in Hazard Divisions 1 through 5, as stated in **your** Coverage Identification Page and described below:

Hazard Division 1. Airport Operations. "Airport operations" refer to liability arising out of **your** ownership, maintenance, operation or use of the **airport**, and all of **your** operations at the **airport** necessary or incidental thereto, excluding liability arising out of goods or product manufacturing, sales, distribution or service operations performed by **you**, or otherwise arising out of any other Hazard Division.

Hazard Division 2. Products and Completed Operations.

1. Goods or products manufactured, sold, handled or distributed by **you** in connection with the ownership, maintenance, operation or use of the **airport** if the **occurrence** happens after possession of the goods or products has been relinquished by **you** to others; and
2. Service operations performed by **you** in connection with the ownership, maintenance, operation or use of the **airport** if the **occurrence** happens after the services have been completed or abandoned. Service operations will not be deemed incomplete because they are improperly or defectively performed or because further operations may be required pursuant to a service or maintenance agreement.

We only provide coverage for liability arising out of goods or products or service operations that are identified as covered classes in a "Hazard Description Schedule" attached to **your** Policy.

Hazard Division 3. Independent Contractors. Liability in connection with ground operations at the **airport** performed by contractors for **you** or **someone we protect**. This includes any acts or omissions by **you** in connection with the general supervision of such operations.

Hazard Division 4. Contractual Liability. Liability expressly assumed by **you** or **someone we protect** under any written contract or agreement that arises out of the ownership, maintenance, or use of the **airport**. **Your** Policy applies only to contractual liability under agreements or contracts that are identified as covered agreements in a "Hazard Description Schedule" attached to **your** Policy. Contractual liability will not be construed to include liability under any warranty of fitness, quality or merchantability of **your** products, any warranty that work performed by **you** or on **your** behalf will be performed in a workmanlike manner, or any liability that would apply to **you** or **someone we protect** without the contract or agreement.

Hazard Division 5. Fire Legal Liability. Liability for **property damage** to structures or portions thereof on the **airport**, that are not owned in whole or in part by **you**, leased or rented to or occupied by **you**, including any fixtures and improvements permanently attached thereof, if such **property damage** arises out of fire or explosion.

Coverage B. Hangarkeeper's Liability

We agree to pay all sums which **you** or **someone we protect** becomes legally obligated to pay as loss or damages because of **property damage** to **aircraft** which are the property of others and in **your** care, custody or control as a bailee, but only while the **aircraft** is not in flight.

Coverage C. Personal injury Liability

We agree to pay all sums which **you** or **someone we protect** becomes legally obligated to pay as loss or damages because of **personal injury** committed during the policy period that arises directly or indirectly out of **your** operations at the **airport**.

Coverage D. Advertising injury Liability

We agree to pay all sums which **you** or **someone we protect** becomes legally obligated to pay as loss or damages because of **advertising injury** committed during the policy period that arises directly or indirectly out of **your** operations at the **airport**.

Part III. Defense, Settlement and Supplementary Payments

We have the right and duty to defend any suit against **you** or **someone we protect** seeking damages because of **bodily injury, personal injury, advertising injury, or property damage** covered by this Policy, even if any of the allegations of the suit are groundless, false, or fraudulent. **We** will have no obligation to defend any suit or claims not covered by this Policy. **We** may make any investigation and settlement of any claim or suit as **we** deem expedient. **We** will not be obligated to pay any expenses, claims or judgments or to defend any suit after the applicable limit of coverage has been exhausted by the payment of judgments or settlements.

We will pay, in addition to the applicable limit of coverage:

1. All of **our** expenses, and all costs taxed against **you** or **someone we protect** in any suit **we** are required to defend including:
 - A. Any prejudgment interest awarded against **you** or **someone we protect** on that part of the judgment **we** are required to pay under the terms of this Policy. If **we** make an offer to pay the applicable limit of coverage, **we** will not pay any prejudgment interest based on that period of time after the offer;
 - B. All interest on the amount of any judgment that **we** are required to pay under the terms of this Policy which accrues after the entry of the judgment and before **we** have paid, tendered, or deposited the amount in court;
 - C. Any costs for arbitration alleging damages covered by this Policy to which **you** or **someone we protect** must submit;
2. Premiums on bonds to release attachments in any suit defended by **us** for any amount not exceeding the applicable limit of coverage. However, **we** have no obligation to furnish any such bonds;
3. Premiums on appeal bonds required on any judgment **we** elect to appeal for any amount not exceeding the applicable limit of coverage, but **we** have no obligation to furnish any such bonds;
4. Expenses incurred by **you** or **someone we protect** for first aid, medical and surgical relief because of **bodily**

injury at the time of an **occurrence**;

5. All reasonable expenses incurred by **you** or **someone we protect** at **our** request, including the loss of **your** or **someone we protect's** earnings, wages or salaries, or any **employee** thereof, not to exceed \$100 per day except to the extent as may be required otherwise under applicable state law;
6. All other expenses incurred by **you** or **someone we protect** that have been approved in advance by **us**.

We will also notify **you** of any offer to compromise or settle a claim made or suit brought against **you** or **someone we protect** under this Policy. **We** will also notify **you** of the settlement of any claim made or suit brought against **you** or **someone we protect**. All such notices will be provided to **you** within any time limits required under applicable state law.

Part IV. Exclusions

We will not pay for any loss or damages because of **bodily injury** or **property damage** described in the following paragraphs:

1. Noise, Pollution, Electrical or Other Interference
 - i. **Bodily injury** or **property damage** that is directly or indirectly occasioned by, happening through, caused by, in consequence of, or arising out of:
 - a) Noise (whether audible to the human ear or not), vibration, sonic boom and any phenomena associated therewith;
 - b) Pollution and/or contamination of any kind whatsoever;
 - c) Electrical and/or electromagnetic interference; or
 - d) Interference with the use of property;
unless caused by or resulting in a crash, fire, explosion or collision or a recorded **in flight** emergency causing abnormal **aircraft** operation.
 - ii. With respect to any provision in the Policy concerning **our** duty to investigate or defend claims, such provision shall not apply and **we** shall not be required to defend:
 - a) Claims excluded by Paragraph i. above.; or
 - b) A claim or claims covered by the Policy when combined with any claims excluded by Paragraph i. (referred to below as "Combined Claims").
 - iii. In respect of any Combined Claim, **we** shall, subject to proof of loss and the limits of the Policy, reimburse **you** for that portion of the following items which may be allocated to the claim or claims covered by the Policy:
 - a) Damages awarded against **you**; and
 - b) Defense fees and expenses incurred by **you**.
 - iv. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Nothing herein shall override any nuclear, radioactive contamination or other exclusion clause attached to and forming part of this Policy.

2. Any claim, loss, damage, cost or expense arising out of any direction or request that **you** or **someone we protect** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants, contaminants or waste.
3. **Bodily injury** or **property damage** arising out of:
 - i. Assault and/or battery committed by, attempted by, threatened by or at the direction of **you** or **someone we protect**;
 - ii. The failure by **you** or **someone we protect** to provide an environment safe from assault or battery; or
 - iii. The negligent employment, hiring, investigation, training, supervision or retention by **you** or **someone we protect** of a person whose conduct would be excluded by A. above.

However, this exclusion does not apply if the assault and battery is committed for the purpose of preventing or eliminating danger in the operation of the **airport** or an **aircraft**, or for the purpose of preventing **bodily injury** or **property damage** covered by this Policy.

4. **Bodily injury to you or someone we protect.** However, this exclusion does not apply to liability assumed in a contract covered under Hazard Division 4. "Contractual Liability."
5. **Bodily injury or property damage** arising out of the manufacture, distribution, sale or service of alcoholic beverages by **you or someone we protect.** This exclusion applies even if the claims against **you or someone we protect** allege negligence or wrongdoing in the supervision, hiring, employment, training, retention or monitoring of others.
6. **Property damage** to any property owned by, leased, or rented to or occupied by **you or someone we protect** except with respect to liability under Coverage A. Hazard Division 5, "Fire Legal Liability."
7. **Property damage** to any property in **your** care, custody, or control, or in the care, custody or control of **someone we protect,** for the purposes of sale, storage, safekeeping or for the purpose having operations performed on such property. However, this exclusion does not apply to any **aircraft** covered under Coverage B, "Hangarkeeper's Liability."
8. Except with respect to **aircraft** covered under Coverage B, "Hangarkeeper's Liability," liability covered in Coverage A. Hazard Division 2. "Products and Completed Operations," a written sidetrack agreement or arising out of the use of elevators or escalators, **property damage** to:
 1. Tools or equipment while being used by **you or someone we protect** in performing operations; or
 2. Property in the custody of **you or someone we protect** which is to be installed, erected or used in construction by **you or someone we protect;** or
 3. Property not located on the **airport.**
9. **Bodily injury or property damage** arising out of the operation, maintenance, use, loading or unloading of any **aircraft** by or on behalf of **you or someone we protect.** This exclusion does not apply to any **aircraft** not owned or leased by **you or someone we protect** when such control is solely ground traffic control over the ground movement of such **aircraft.** This exclusion also does not apply to **property damage** to an **aircraft** covered under Coverage B, "Hangarkeeper's Liability."
10. **Bodily injury or property damage** caused by or arising out of:
 1. Any **auto** owned or operated by or on behalf of **you or someone we protect** while off the **airport** unless responding to any **aircraft** or aviation emergency; or
 2. Any ships, vessels, craft, or boats owned, chartered, used, or operated by or on account of **you or someone we protect,** unless the **occurrence** happens on the **airport** or unless responding to any **aircraft** or aviation emergency. However, this exclusion does not apply to watercraft under 26 feet in length that are used in connection with the **airport** and are not owned by **you or someone we protect;** or
 3. The conduct of any air meet, contest or similar outdoor exhibition permitted, sponsored, or participated in by **you or someone we protect,** but this exclusion does not apply to the static ground display of **aircraft;** or
 4. **Aircraft traffic control services** by an **aircraft traffic control tower.**
 5. The ownership, maintenance, or use of:
 - a) grandstands, bleachers, or observation platforms other than observation decks or promenades which are part of permanent structures on the **airport;** or
 - b) swimming pools; or
 - c) lodging accommodations for the general public; or
 - d) any type of school other than schools operated by **you** which are incidental to **your airport** operations.
 6. Restaurants operated by **you, someone we protect** or by others trading under **your** name, caused by goods or products manufactured, sold, handled or distributed by **you** or by others trading under **your** name after possession of such goods or products has been relinquished to others;
11. Damages claimed for the withdrawal, inspection, repair, replacement, or loss of use of **your** products or work completed by or for **you** or of any property of which such products or work form a part, if such products, work or property are withdrawn from the market or from use because of any known or suspected defect or deficiency therein;
12. **Bodily injury or property damage** arising out of:
 1. A delay in or lack of performance by **you** or on **your** behalf of any contract or agreement; or
 2. The failure of **your** products or work completed by or for **you** to perform the function or serve the purpose intended by **you,** including a mistake or deficiency in any design, formula, plan, specification, advertising

material or printed instruction prepared or developed by **you** or **someone we protect**;

But this exclusion does not apply to **bodily injury** or **property damage** resulting from the actual malfunctioning or failure of such products or work;

13. Under Coverage A, Hazard Division 4. "Contractual Liability":

1. If **you** or **someone we protect**, or indemnitee thereof, is an architect, engineer, or surveyor, to **bodily injury** or **property damage** arising out of any professional services performed by **you**, **someone we protect**, or indemnitee thereof;
2. **Property damage** to:
 - i. property owned by, occupied by, leased by or rented to **you** or **someone we protect**;
 - ii. property used by **you** or **someone we protect**; or
 - iii. property in the care, custody or control of **you** or **someone we protect** or as to which **you** or **someone we protect** is for any purpose exercising physical control.

14. Under Coverage A, Hazard Division 2. "Products and Completed Operations":

1. **Property damage** to **your** products arising out of any such products or any part of such products; or
2. **Property damage** to work performed by **you** or on **your** behalf arising out of the work performed, or any portion thereof, or out of materials, parts or equipment furnished in connection with such work.

15. Under Coverage B, "Hangarkeeper's Liability":

1. **Property damage** to robes, wearing apparel, personal effects, or merchandise of any description, whether or not the **aircraft** in which they are contained is stolen or damaged;
2. **Property damage** to any **aircraft** owned by, hired by or loaned to **you** or **someone we protect**, or any family member thereof; or
3. **Property damage** to any material furnished by **you** or any work done by **you** out of which the **occurrence** arises;

16. Under Coverage C., "Personal injury Liability" or Coverage D., "Advertising injury Liability," liability for:

1. Any injury if the first injurious publication or utterance of the same or similar material was made prior to the effective date of this Policy;
2. Any injury if the publication or utterance was made by or at the direction of **you** or **someone we protect** with the knowledge of its false nature;
3. Any injury caused by breach of contract, other than misappropriation of advertising ideas under an implied contract;
4. Any injury caused by the failure of goods, products, or services to conform to the advertised quality or performance of such goods, products or services;
5. Any injury caused by the wrong description of the price of goods, products, or services;
6. Any offense committed by **you** or **someone we protect**, or any indemnitee thereof, whose business is advertising, broadcasting, publishing, or telecasting.

Part V. Conditions

1. When and Where The Policy Provides Coverage

This Policy applies only to **occurrences** that happen during the policy period anywhere in the world.

2. Inspection and Audit

We or **our** authorized representatives will be permitted, but not obligated, to inspect **your** property and operations at any reasonable time. Neither **our** right to make inspections nor the making thereof nor any report thereon constitutes an undertaking, on behalf of or for the benefit of **you** or others, to determine or warrant that such property or operations are safe or fit for any purpose.

We or **our** authorized representatives may examine or audit **your** books and records at any time during the policy period and extensions thereof, any time they are the subject of an open claim and, within three years after the

final termination of this Policy, as far as they relate to the subject matter of this insurance.

3. **Your Duties in the Event Of Occurrence, Claim or Suit**

- A. In the event of an **occurrence**, written notice containing particulars sufficient to identify **you** or **someone we protect** and also any reasonably obtainable information with respect to the time, place, circumstances, and if known, the names and addresses of any injured persons or witnesses, will be given by or for **you** or **someone we protect** to **us** or **our** authorized representatives as soon as possible. **You** will promptly take, at **your** own expense, all reasonable steps to prevent other **bodily injury, property damage** or other injury from arising out of the same or similar conditions and such expense will not be recoverable under this Policy.
- B. If claim is made or suit is brought against **you** or **someone we protect**, **you** or **someone we protect** will promptly forward to **us** or **our** authorized representatives every demand, notice, summons, or other process received by **you** or **someone we protect**, or by **your** or **someone we protect's** representative.
- C. **You** or **someone we protect** will cooperate with **us** and, upon **our** request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to **you** or **someone we protect** for damages for which insurance is afforded under this Policy. Neither **you** nor **someone we protect** will do anything after a loss to prejudice **our** right of recovery. **You** or **someone we protect** will attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. **You** or **someone we protect** will not, except at **your** or their own cost, voluntarily make any payment, assume any obligation or liability, or incur any expense other than first aid to others at the time of the **occurrence**.

However, **we** agree that **your** failure or the failure of **someone we protect** to promptly give **us** notice of an **occurrence**, claim made or suit brought against either **you** nor **someone we protect**, or to forward to **us** or **our** authorized representatives every demand, notice, summons or other process received by **you** or **someone we protect**, will not operate to invalidate the coverage provided by **your** Policy so long as such failure does not cause material prejudice to **us** in the defense or other handling of such claim or suit.

Regardless of the coverage(s) provided by this Policy, or the number of claims or claimants, or persons or organizations protected by this Policy, the most **we** will pay with respect to all claims for loss or damage with respect to any one **occurrence** is the "Total Policy Coverage Limit" stated in the Coverage Identification Page as applicable to "each occurrence."

4. **Limit Of Coverage**

Coverage A. Bodily injury and Property Damage Liability

Subject to the foregoing Total Policy Coverage Limit, the most **we** will pay with respect to all claims for loss or damage because of **bodily injury** and **property damage** as the result of any one **occurrence** is the limit of coverage stated in the Coverage Identification Page with respect to Coverage A, as applicable to "each occurrence."

Subject to the above provision respecting "each occurrence," the most **we** will pay with respect to all claims for loss or damage because of all **bodily injury** sustained by any one person as the result of any one **occurrence** during the policy period will not exceed any limit stated in the Coverage Identification Page for "each person."

Subject to the above provisions respecting "each occurrence" and "each person" the most **we** will pay with respect to all claims for loss or damage because of all **occurrences** that take place during the policy period with respect to Hazard Division 2, "Products and Completed Operations," will not exceed any limit stated in the Coverage Identification Page for "annual aggregate."

The limit of coverage shown for Coverage A. is a part of and not in addition to the Total Policy Coverage Limit.

Coverage B. Hangarkeeper's Liability

Subject to the foregoing Total Policy Coverage Limit, the limit of coverage stated in the Coverage Identification Page with respect to Coverage B., as applicable to "each aircraft", is the most **we** will pay with respect to all claims for loss or damage because of **property damage** to any one **aircraft**.

Subject to the above provision respecting "each aircraft," the most **we** will pay with respect to all claims for loss or damage on account of all **property damage** to all **aircraft** in any one **occurrence** will not exceed the limit stated in Coverage Identification Page for "each occurrence."

The limit of coverage shown for Coverage B., if any, is a part of and not in addition to the Total Policy Coverage Limit.

Coverage C. Personal injury Liability

Subject to the foregoing Total Policy Coverage Limit, the limit of coverage stated in the Coverage Identification Page in respect of Coverage C. as applicable to "each **occurrence**" is the most **we** will pay for all damages because of any one **occurrence** as defined for Coverage C.

Subject to the above provision respecting "each occurrence" the most **we** will pay for all damages on account of

all occurrences occurring during any policy period of insurance will not exceed any limit stated in the Coverage Identification Page as “annual aggregate.”

The limit of coverage shown, if any, for Coverage C. is a part of and not in addition to the Total Policy Coverage Limit.

Coverage D. Advertising injury Liability

Subject to the foregoing Total Policy Coverage Limit, the limit of coverage stated in the Coverage Identification Page in respect of Coverage D as applicable to “each **occurrence**” is the most **we** will pay for all damages because of any one **occurrence** as defined for Coverage D.

Subject to the above provision respecting “each occurrence” the most **we** will pay for all damages on account of all occurrences occurring during any policy period of insurance will not exceed any limit stated in the Coverage Identification Page as “annual aggregate.”

The limit of coverage shown, if any, for Coverage D. is a part of and not in addition to the Total Policy Coverage Limit.

5. Deductibles

Coverage A., C. and D.

Notwithstanding **our** limit of coverage shown in Item 6 of the Coverage Identification Page, and further described in Condition 5, **you** will be responsible for the payment of the amount specified in Item 7 of the Coverage Identification Page as the deductible amount for “each occurrence” and/or as “annual aggregate.” **Our** obligation to make payment on behalf of **you** or **someone we protect** applies only to the sums in excess of the deductible amount. In no event will **you** be required to pay more than the amount specified in Item 7 of the Coverage Identification Page as “annual aggregate” (if shown) with respect to all losses arising during any policy period of insurance.

We may pay part or all of any deductible amount to effect settlement of any claim and upon notification of the action taken, **you** agree to promptly reimburse **us** for that part of any deductible amount paid by **us**.

All the terms of this Policy, including those with respect to notice of **occurrence**, claim or suit, and **our** right to investigate, negotiate or settle any claim or suit, apply regardless of the application of any deductible amount.

Coverage B. Hangarkeeper’s Liability

Notwithstanding **our** limit of coverage shown in Item 6 of the Coverage Identification Page for Coverage B., “Hangarkeeper’s Liability,” if any, **you** will be responsible for the payment of the amount specified in Item 6 of the Coverage Identification Page as the deductible amount for “each occurrence.” **Our** obligation to make payment on behalf of **you** or **someone we protect** applies only to the sums in excess of the deductible amount.

We may pay part or all of any deductible amount to effect settlement of any claim and upon notification of the action taken, **you** agree to promptly reimburse **us** for that part of any deductible amount paid by **us**.

All the terms of this Policy, including those with respect to notice of **occurrence**, claim or suit, and **our** right to investigate, negotiate or settle any claim or suit, apply regardless of the application of any deductible amount.

6. Separate Insureds

You and **someone we protect** are protected separately. However, none of the provisions, terms, conditions and exclusions of this Policy change by virtue of this protection and the limits of coverage shown on the Coverage Identification Page do not increase regardless of (a) the number of the entities or persons protected by this Policy, (b) the number of claims or (c) the number of claimants as the result of any one **occurrence**.

7. Action Against Us

No suit or action on this Policy against **us** for recovery of any loss or claim will be sustained in a court of law or equity unless **you** or **someone we protect** has fully complied with all the terms of this Policy, nor until the amount of **your** or **someone we protect's** obligation to pay has been finally determined either by judgment after actual trial or by a written agreement between **you** or **someone we protect**, the claimant and **us**.

Any person or organization or their legal representative who has secured such judgment or written agreement will be entitled to recover under this Policy to the extent of the insurance afforded. Nothing contained in this Policy will give any person or organization any right to join **us** as co-defendant nor will **we** be impleaded by **you** or **someone we protect** or any legal representative thereof in any action to determine **your** or **someone we protect's** liability.

Death, bankruptcy or insolvency of **you** or **someone we protect**, or of **your** or **someone we protect's** estate, will not relieve **us** of any of **our** obligations under this Policy.

8. **Our Right To Recover From Others**

If **we** make any payment under this Policy for any expense, loss, damage or liability, **we** will be subrogated to all the rights and remedies that **you** or **someone we protect** may have against any party as respects such payment and, at **our** own expense, **we** will be entitled to sue in **your** name or the name of **someone we protect**. **You** or **someone we protect** will give **us** any assistance **we** may reasonably require to secure these rights and remedies. At **our** request, **you** or **someone we protect** agree to execute any documents necessary to enable **us** to bring suit in **your** name or the name of **someone we protect**. **You** or **someone we protect** agree to do nothing after a loss to harm **our** right of recovery.

9. Other Insurance

With respect to liability arising under Coverage A, "Bodily injury and Property damage Liability," for newly acquired **airport(s)** and/or premises not designated in the Coverage Identification Page, the insurance coverage provided by this Policy is excess insurance over any valid and collectible insurance available to **you** or **someone we protect**, including any formal self insurance program, until such **airport(s)** and/or premises are designated in an endorsement to this Policy.

With respect to construction projects which are the subject of specific contractor's liability insurance for **your** benefit or the benefit of **someone we protect**, and liability arising from the use of **autos**, the insurance provided by this Policy is excess insurance over any valid and collectible insurance available to **you** or **someone we protect**, including any formal self insurance program.

Otherwise, the insurance provided by this Policy is primary insurance unless it is stated to apply in excess or contingent upon the absence of other insurance. When this insurance is primary and **you** or **someone we protect** has other insurance that is stated to be applicable to a loss on an excess or contingent basis, the amount **we** will pay under this Policy will not be reduced by the existence of such other insurance.

When both this insurance and other insurance apply to a loss on the same basis, whether primary, excess or contingent, **we** will not pay under this Policy for a greater proportion of the loss than that stated in the applicable contribution provision below:

- A. Contribution by Equal Shares. If all of such other valid and collectible insurance provides for contribution by equal shares, **we** will not pay for a greater proportion of such loss than would be payable if each insurer contributes an equal share until the share of each insurer equals the lowest limit of coverage under any one policy or the full amount of the loss is paid. With respect to any amount of loss not so paid, the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each insurer has paid its limit in full or the full amount of the loss has been paid.
- B. Contribution by Limits. If any of such other insurance does not provide for contribution by equal shares, **we** will not pay for a greater proportion of such loss than the applicable limit of coverage under this Policy for such loss bears to the applicable limit of coverage under all such other valid and collectible insurance against such loss.

10. Changes to **Your** Policy

Notice to any agent or knowledge possessed by any agent or by any other person will not effect a waiver or change in any part of this Policy or estop **us** from asserting any rights under the terms of this Policy; nor will the terms of this Policy be waived or changed, except by written endorsement issued by **us**.

11. Assignment

Assignment of interest under this Policy will not bind **us** until **our** consent is endorsed onto this Policy.

12. Sole Agent

For the purpose of issuing notices, reports or instructions, for the cancellation of this Policy, altering this Policy, agreeing upon settlement of losses, receiving or receipting payment of claims, or for making premium adjustments, the first Named insured shown in the Coverage Identification Page is the sole and irrevocable agent of each person or organization covered by this Policy.

13. Fraud or Misrepresentation

This Policy will be void if **you** or **someone we protect** has deliberately concealed or misrepresented any material fact or circumstance in obtaining this insurance, or in the case of any fraud, attempted fraud or false swearing by **you** or **someone we protect** touching any material matter relating to this insurance after a loss.

14. Unintentional Errors and Omissions

You failure to disclose all hazards existing as of the inception date of this Policy, or improper, or inaccurate, or wrong descriptions of premises, products, contracts or other information will not invalidate or in any way affect the coverage afforded by this Policy provided such failure, error or emission is not intentional and once discovered, **you** notify **us** as soon as possible.

15. Cancellation and Non-Renewal of This Policy

Cancellation

This Policy may be canceled by **you** by mailing prior written notice to **us** stating when the cancellation will be effective. This Policy may be canceled by **us** by mailing to the first named insured at the first address shown in Item 1 of the Coverage Identification Page stating when, not less than thirty (30) days thereafter, the cancellation will be effective. However, only ten (10) days prior notice will be provided if the cancellation is for non-payment of any premium due. The effective date and hour of cancellation stated in the notice will become the end of the policy period.

If **you** cancel this Policy, **we** will refund 90% of the unearned premium **you** have paid. If **we** cancel, unearned premium will be computed on a pro-rata basis. Premium adjustment may be made either at the time cancellation becomes effective or shortly thereafter, but the payment or tender of unearned premium by **us** is not a condition required for the cancellation to be effective.

Non-renewal or Material Change

We will mail written notice to the first named insured at least forty-five (45) days prior to the expiration date of this Policy in the event **we** decide not to renew this Policy or forty-five (45) days prior to any material change in any policy condition or limit of coverage.

The proof of mailing or delivering notice of non-renewal, cancellation or change by **us** to the first named insured shown on the Coverage Identification Page will be sufficient proof of notice to all persons or organizations covered by this Policy.

16. Knowledge of **Occurrence**

It is agreed that knowledge of an **occurrence** by an agent, servant or **employee** of **you** or **someone we protect** will not in itself constitute knowledge by **you** or **someone we protect** unless such notice has been received by **us**.

17. Inadvertent Failure to Report

Notwithstanding any other provisions of this Policy, inadvertent errors or omissions and/or failure in furnishing information, notification or reports required will not prejudice the coverage afforded by this Policy provided **you** notify **us** once the error or omission is discovered.

18. Two Or More Coverage Forms Or Policies Issued By **Us**

If this Policy and any other Coverage Form or policy issued to you by **us** or any company affiliated with **us** applies to the same accident, **occurrence**, loss, claim, suit or damages, the aggregate maximum limit of coverage under all the Coverage Forms or policies shall not exceed the highest applicable limit of coverage under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by **us** or an affiliated company specifically to apply as excess insurance over this Policy.