

# **Insuring Your Aviation Risk**

**Count on a Starr Solution.**



**STARR  
COMPANIES**

GLOBAL INSURANCE & INVESTMENTS



# Starr Indemnity & Liability Company

Underwritten by:



**STARR**  
COMPANIES  
GLOBAL INSURANCE & INVESTMENTS

## DECLARATIONS

### PART 2

Policy Number 1000221495-01

Previous Policy Number NEW

This page with "Policy Provisions -- Part 1" Form Starr AV Policy Provisions (5/09) and all endorsements attached hereto completes this numbered aviation **physical damage** and liability policy, issued by the company as indicated above (hereinafter called the Company).

#### ITEM 1. NAMED INSURED PETER W. HECHT

ADDRESS 9170 ISLES CAY DRIVE  
DELRAY BEACH, FL 33446

ITEM 2. Policy Period: From MAY 8, 2016 to MAY 8, 2017 12:01 A.M. Standard Time at the address in Item 1. The insurance afforded is only with respect to such and so many of the following coverages as are indicated by specified premium charge or charges. The limit of the Company's liability against such coverage shall be as stated herein, subject to all of the terms of this policy having reference thereto. If more than one **aircraft** is insured hereunder, the terms of this policy shall apply separately to each.

ITEM 3. Liability Coverages		LIMITS OF LIABILITY		LIABILITY PREMIUMS
		EACH PERSON	EACH OCCURRENCE	
A. <b>Bodily Injury</b> -- excluding <b>Passengers</b>	\$		\$	\$
B. <b>Property Damage</b>		X X X X		
C. <b>Passenger Liability</b>				
D. Single Limit -- Including <b>Passengers</b> with <b>Passenger</b> Liability limited internally to:		X X X X	1,000,000.	
	100,000.		X X X X	519.
E. Medical Expense -- Including <b>Crew</b>		5,000.	25,000.	INCLUDED
		LIAB. TOTAL \$		519.

ITEM 4. Description of <b>Aircraft</b> and <b>Physical Damage</b> Coverage hereunder:								DEDUCTIBLES	
F.A.A. CERT. NO.	MAKE AND MODEL	YEAR BUILT	SEATS		INSURED VALUE	PHYSICAL DAMAGE COV.	PHYSICAL DAMAGE PREMIUMS	NOT IN MOTION	IN MOTION, INGESTION, OR MOORING
			crew	pass					
N4500F	PIPER PA-32R-300 LANCE	1976	1	4	\$ 100,000.	F	\$ 1,142.	\$ NIL	\$ NIL

<b>PHYSICAL DAMAGE</b> Coverage Identified	G. Open Peril Basis Not <b>In Flight</b> .	<b>PHYSICAL DAMAGE</b>	
F. Open Peril Basis Ground & Flight.	H. Open Peril Basis Not <b>In Motion</b> .	TOTAL \$	POLICY PREMIUM
		1,142.	\$ 1,661.

ITEM 5. When **in flight** the **aircraft** will be operated only by pilots meeting the requirements endorsed in this policy.

ITEM 6. The **aircraft** will be used only for the purposes indicated by "X" below (see Definitions).

☒ "PLEASURE AND BUSINESS" ☐ "CHARTER/AIR TAXI" ☐ "COMMERCIAL" ☐ AS ENDORSED HEREON

ITEM 7. The **named insured** is and shall remain the sole owner of the **aircraft** and the **aircraft** is not subject to any encumbrance other than as indicated herein.

Endorsements and forms forming a part of this policy on its effective date:

STARR AV PROVISIONS (5/09), STARR FORMS 10250, 10474, AVN48B, AVN46B, AVN38B, 10055, 10020, 10138, 10007, 10617, 20010, 20011, AVN2000A, 30002

Producer FALCON INSURANCE AGENCY, INC.  
P.O. BOX 291388, KERRVILLE, TX 78029

Countersigned \_\_\_\_\_  
(if required)

At \_\_\_\_\_

By \_\_\_\_\_  
(Authorized Representative)

Starr AV Declarations (5/09)

Approved By   
(Authorized Representative)

Date of Issue JUNE 2, 2016 (HF)



## **AVIATION POLICY**

### **Policy Provisions - Part 1**

The Company as shown in Part 2 - Declarations (hereinafter called the Company), in consideration of the payment of the premium, in reliance upon the statements in the Declarations made a part hereof, subject to all of the terms of this policy including the applicable limits of liability, the Company agrees with the **named insured** with respect to those coverages indicated in Items 3 and 4 of the Declarations.

## **INSURING AGREEMENTS**

### **I. LIABILITY COVERAGES**

**Coverage A - Bodily Injury Liability Excluding Passengers** (including any and all **related claims**) - To pay on behalf of the **insured** all sums which the **insured** shall become legally obligated to pay as damages because of **bodily injury** sustained by any person excluding any **passenger**;

**Coverage B - Property Damage Liability** - To pay on behalf of the **insured** all sums which the **insured** shall become legally obligated to pay as damages because of **property damage**;

**Coverage C - Passenger Bodily Injury Liability** (including any and all **related claims**) - To pay on behalf of the **insured** all sums which the **insured** shall become legally obligated to pay as damages because of **bodily injury** sustained by any **passenger**,

**Coverage D - Single Limit Bodily Injury and Property Damage Liability** (including any and all **related claims**) - To pay on behalf of the **insured** all sums which the **insured** shall become legally obligated to pay as damages because of **bodily injury** sustained by any person (excluding any **passenger** unless the words "including **passengers**" appear in Item 3 of the Declarations) and **property damage**,

caused by an **occurrence** and arising out of the ownership, maintenance or use of the **aircraft**; or, only with respect to Coverages A, B, and D, caused by an **occurrence** and arising out of the maintenance or use of the **premises** in or upon which the **aircraft** is stored.

### **II. MEDICAL EXPENSE COVERAGE**

**Coverage E - Medical Expense** - To pay all reasonable **medical expense** incurred within one year from the date of injury, to or for each **passenger** (excluding any **crew** unless the words "including **crew**" appear in Item 3 of the Declarations) who sustains **bodily injury** caused by an **occurrence**, provided the **aircraft** is being used by or with the permission of the **named insured**.

### **III. PHYSICAL DAMAGE COVERAGES**

**Coverage F - Open Peril Basis Ground and Flight** - To pay for any **physical damage loss** to the **aircraft**, including **disappearance** of the **aircraft**.

**Coverage G - Open Peril Basis Not In Flight** - To pay for any **physical damage loss** to the **aircraft** sustained while the **aircraft** is not **in flight** and which is not the result of fire or explosion following crash or collision while the **aircraft** was **in flight**.

**Coverage H - Open Peril Basis Not In Motion** - To pay for any **physical damage loss** to the **aircraft** sustained while the **aircraft** is not **in motion** and which is not the result of fire or explosion following crash or collision while the **aircraft** was **in motion**.

IV. **DEFENSE, SETTLEMENT AND SUPPLEMENTARY PAYMENTS**  
**Coverages A, B, C, and D**

The Company shall have the right and duty to defend any suit against the **insured** seeking damages on account of such **bodily injury** or **property damage**, even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and settlement of any claim or suit as it deems expedient, but the Company shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of the Company's liability has been exhausted by payment of judgments or settlements.

During such time as the Company is obligated to defend a claim or claims under the provisions of the preceding paragraph, the Company will pay with respect to such claim, in addition to the applicable limit of liability:

- (a) all expenses incurred by the Company, all costs taxed against the **insured** in any suit defended by the Company and all interest on the entire amount of any judgment therein which accrues after entry of the judgment and before the Company has paid or tendered or deposited in court that part of the judgment which does not exceed the limit of the Company's liability thereon;
- (b) premiums on appeal bonds required in any such suit, premiums on bonds to release attachments in any such suit for an amount not in excess of the applicable limit of liability of this policy, and the cost of bail bonds required of the **insured** because of an **occurrence** or violation of law or a regulation for civil aviation arising out of the use of the **aircraft**, not to exceed \$5,000. per bail bond, but the Company shall have no obligation to apply for or furnish any such bonds;
- (c) expenses incurred by the **insured** for first aid to others at the time of an accident, for **bodily injury** to which this policy applies;
- (d) all reasonable expenses incurred by the **insured** at the Company's request to assist the Company in the investigation or defense of the claim or suit, including actual loss of earnings up to \$250. a day because of time off from work.

V. **DEPARTMENT OF DEFENSE INSURANCE REQUIREMENTS**  
**Coverages A, B, C, and D**

If the **aviation managers** issue a Civil Aircraft Certificate of Insurance Form DD 2400, or any replacement thereof, as required by regulations of the U. S. Army, Navy or Air Force, then the insurance policy provisions required by the regulations shall be deemed to be incorporated herein and substituted for any policy provisions inconsistent therewith.

VI. **POLICY PERIOD, TERRITORY**  
**All Coverages**

This policy applies only to **bodily injury** or **property damage** which occurs, and to **physical damage losses** to the **aircraft** which are sustained during the policy period, while the **aircraft** is within the United States of America, Canada, Mexico, the Bahamas and the Caribbean Islands or enroute between points therein.

Payment of loss under this policy shall only be made in full compliance with all United States of America economic or trade sanction laws or regulations, including, but not limited to, sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

## VII. TWO OR MORE AIRCRAFT

### All Coverages

When two or more **aircraft** are insured under this policy, the terms of this policy shall apply separately to each.

## SPECIAL INSURING AGREEMENTS

(APPLICABLE ONLY IF THE PURPOSE OF USE SHOWN IN ITEM 6 IS LIMITED TO PLEASURE AND BUSINESS)

### I. TEMPORARY USE OF SUBSTITUTE AIRCRAFT

#### Coverages A, B, C, D and E

While the **aircraft** described in Item 4 of the Declarations is withdrawn from normal use because of its breakdown, repair, servicing, loss or destruction, such insurance as is afforded under Coverages A, B, C, D and E is extended to apply with respect to the use, by or on behalf of the **named insured** of any other **aircraft** not owned in whole or in part by the **named insured**, while temporarily used as a substitute therefor.

### II. USE OF OTHER AIRCRAFT

#### Coverages A, B, C, D and E

If the **named insured** is one individual or, one individual and spouse, such insurance as is afforded under Coverages A, B, C, D and E with respect to the **aircraft** described in Item 4 of the Declarations, is extended to apply with respect to the use, by or on behalf of the **named insured**, of any other **aircraft** not owned in whole or in part by, or furnished for regular use to, such **named insured** and spouse. The insurance provided by this agreement shall apply only to the **named insured** and spouse.

### III. AUTOMATIC INSURANCE FOR NEWLY ACQUIRED AIRCRAFT

#### All Coverages

If the **named insured** acquires ownership of an **aircraft** in addition to or replacement to the **aircraft** described in Item 4 of the Declarations and within thirty (30) days thereafter reports such acquisition to the **aviation managers**, then the insurance afforded by this policy shall apply to such additional or replacement **aircraft** as of the time of such acquisition, provided that the Company insured all other **aircraft** owned in whole or in part by the **named insured** on such acquisition date. Unless the **named insured** and the Company agree otherwise the coverages and limits of liability with respect to said additional or replacement **aircraft** shall be:

(a) As respects Liability Coverage and **medical expense** Coverage

- (i) If an additional **aircraft**, the same coverages and limits of liability shall apply as the **aircraft** having the greatest total seating capacity, as described in Item 4 of the Declarations.
- (ii) If a replacement **aircraft**, the same coverages and limits of liability as the **aircraft** being replaced.

(b) As respects **physical damage** Coverage

- (i) If an additional **aircraft**, the same coverages, insured value and deductible shall apply as the **aircraft** having the greatest total seating capacity, as described in Item 4 of the Declarations.
- (ii) If a replacement **aircraft**, the same coverages, insured value and deductible as the **aircraft** being replaced.

In no event shall the Company be liable for more than the **named insured** paid for any newly acquired additional or replacement **aircraft**. The **named insured** shall pay any additional premium required because of the application of the insurance to such other **aircraft**.

## EXCLUSIONS

This policy does not apply:

1. (a) To any **insured** while the **aircraft** is **in flight** with the knowledge and consent of such **insured** or of any executive officer, partner, or managing agent of such **insured** for any unlawful purpose, or any purpose not so designated in the Declarations.
- (b) To **bodily injury** or **property damage** expected or intended from the standpoint of the **insured**. This exclusion (b) does not apply to **bodily injury** or **property damage** resulting from the use of reasonable force to protect persons or property, and to **bodily injury** or **property damage** resulting from efforts to prevent dangerous interference with the operation of the **aircraft**.
2. To any **insured** while the **aircraft** is **in flight** with the knowledge and consent of the **named insured**
  - (a) if piloted by other than the pilot or pilots designated in the Declarations; or
  - (b) if the Airworthiness Certificate of the **aircraft** is not in full force and effect.

Exclusion 2. (a) shall not apply while the **aircraft** is under the care, custody or control of a **Federal Aviation Administration (FAA)** approved repair station for the purpose of maintenance, repair or test flights.

Exclusion 2. (b) shall not apply while the **aircraft** is operated on a reposition, ferry or test flight provided a special permit or waiver has been granted by a government aviation authority for such flights and such flights are for the sole purpose of reinstatement or renewal of the Airworthiness Certificate.

3. To any damages excluded by the Nuclear Risk Exclusion Clause below.
  - (a) This policy does not cover:
    - (1) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss.
    - (2) any legal liability of whatsoever nature.

directly or indirectly caused by or contributed to by or arising from:

- (a) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
  - (b) the radioactive properties of, or a combination of radioactive properties with toxic, explosive or other hazardous properties of, any other radioactive material in the course of carriage as cargo, including storage or handling incidental thereto;
  - (c) ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.
- (b) It is understood and agreed that such radioactive material or other radioactive source in paragraph (a) and (b) above shall not include:
    - (1) depleted uranium and natural uranium in any form;
    - (2) radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial, educational or industrial purpose.

- (c) This policy, however, does not cover **loss** of, or destruction of, or damage to any property or any consequential loss or any legal liability of whatsoever nature with respect to which:
  - (1) the **insured** under this policy is also an **insured** or an additional insured under any other insurance policy, including any nuclear energy liability policy; or
  - (2) any person or organization is required to maintain financial protection pursuant to legislation in any country; or
  - (3) the **insured** under this policy is, or had this policy not been issued would be, entitled to indemnification from any government or agency thereof.

4. To claims caused by

- (a) War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power.
- (b) Any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- (c) Strikes, riots, civil commotions or labor disturbances.
- (d) Any act of one or more person, whether or not agents of a sovereign Power, for political or terrorist purposes and whether the **loss** or damage resulting therefrom is accidental or intentional.
- (e) Any malicious act or act of sabotage.
- (f) Confiscation, nationalization, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any Government (whether civil, military or de facto) or public or local authority.
- (g) Hi-jacking or any unlawful seizure or wrongful exercise of control of the **aircraft** or **crew in flight** (including any attempt at such seizure or control) made by any person or persons on board the **aircraft** acting without the consent of the **insured**.

Furthermore this policy does not cover claims arising while the **aircraft** is outside the control of the **insured** by reason of any of the above perils. The **aircraft** shall be deemed to have been restored to the control of the **insured** on the safe return of the **aircraft** to the **insured** at an airfield not excluded by the geographical limits of this policy, and entirely suitable for the operation of the **aircraft** (such safe return shall require that the **aircraft** be parked with engines shut down and under no duress).

5. Under Coverages A, B, C, D and E

- (a) To any liability for which the **insured** is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:
  - (1) that the **insured** would have in the absence of a contract or agreement; or
  - (2) assumed in an **insured contract**, provided the **bodily injury** or **property damage** occurs subsequent to the execution and prior to the termination of the **insured contract**.

- (b) To an **insured** under this policy who is also an **insured** under a contract of nuclear energy liability insurance issued by the Nuclear Energy Liability Insurance Association or the Mutual Atomic Energy Liability Underwriters and in effect at the time of the **occurrence** resulting in such injury, sickness, disease, death or destruction; provided, such contract of nuclear energy liability insurance shall be deemed to be in effect at the time of such **occurrence** notwithstanding such contract has terminated upon exhaustion of its limit of liability;
- (c) (1) To claims directly or indirectly occasioned by, happening through or in consequence of:
  - (a) noise (whether audible to the human ear or not), vibration, sonic boom and any phenomena associated therewith,
  - (b) pollution and contamination of any kind whatsoever,
  - (c) electrical and electromagnetic interference,
  - (d) interference with the use of property,unless caused by a crash or collision of **aircraft** or a recorded **in flight** emergency causing abnormal **aircraft** operation.
- (2) With respect to any provision in the policy concerning any duty of the Company to investigate or defend claims, such provision shall not apply and the Company shall not be required to defend:
  - (a) claims excluded by paragraph (c) (1) or
  - (b) a claim or claims covered by the policy when combined with any claims excluded by paragraph (c) (1) referred to below as "Combined Claims."
- (3) In respect of any Combined Claims, the Company shall (subject to proof of loss and the limits of the policy) reimburse the **insured** for that portion of the following items, which may be allocated to the claim or claims covered by the policy:
  - (a) damages awarded against the **insured** and
  - (b) defense fees and expenses incurred by the **insured**.
- (d) To claims in respect of death, **bodily injury**, illness or disease to any person or persons and/or damage to or destruction of property caused by or resulting from the application of or use by the **insured** or his agent of all forms of fertilizers, fungicides, defoliants, herbicides, hormone selective weed killers, pesticides, insecticides and arsenical preparations or compounds or any other forms of chemical.
- (1) Nothing herein shall override any radioactive contamination or other exclusion clause attached to or forming part of this policy.

6. Under Coverages A, C and D

- (a) To any obligation for which the **insured** or any carrier as his insurer may be held liable under any workers' compensation, unemployment compensation or disability benefits law, or under any similar law;
- (b) To **bodily injury** to any employee of the **named insured** arising out of and in the course of his employment by such **named insured**; but this exclusion (b) does not apply to liability assumed by the **named insured** under any **insured contract** that is a prerequisite for the use of any airport or airport facility;
- (c) To **bodily injury** or death of any person who is a **named insured**.



7. Under Coverages B and D, to **property damage** to property owned, occupied, rented or used by the **insured** or in the care, custody or control of the **insured** or as to which the **insured** is for any purpose exercising physical control or transported by the **insured**.

8. Under Coverages F, G and H

(a) to **loss** or damage to an **aircraft** due to conversion, embezzlement or secretion by any person or organization with legal right to possession of such **aircraft** under bailment, lease, conditional sale, purchase agreement, mortgage or other legal agreement that governs the use, sale or lease of the **aircraft**, nor for any **loss** or damage during or resulting therefrom. This exclusion does not apply to **loss** or damage to such **aircraft** caused when a renter pilot, renting such **aircraft** pursuant to a rental agreement, converts, embezzles or secretes the **aircraft** while it is in the renter pilot's possession provided the **named insured** or the renter, lessor or owner of the **aircraft** are in no way associated with or a participant in such conversion, embezzlement or secretion and have no prior knowledge thereof and have not acquiesced therein;

(b) to **loss** or damage to tires except where such **loss** or damage is caused by fire, theft, windstorm or vandalism or is the direct result of **physical damage** covered by this policy;

(c) to **loss** or damage which is due and confined to

(1) wear, tear, deterioration, freezing;

(2) any electrical malfunction or failure of any electronic component(s), accessory(ies), or electrically powered equipment;

(3) any mechanical, hydraulic, pneumatic, or structural malfunction or failure,

unless any such **loss** or damage in (1), (2) and (3) is the direct result of other **physical damage** covered by this policy.

Damage resulting from electrical malfunction or failure of an electrical component(s), accessory(ies), or electrically powered equipment is considered breakdown of the entire electrical system containing such electronic component(s), accessory(ies), or electrically powered equipment.

Damage resulting from the breakdown, failure or malfunction of any engine component, accessory or part is considered mechanical breakdown of the entire engine.

(d) to **loss** or damage to turbine aircraft engines and auxiliary power units insured under this policy if such damage is caused by:

(1) foreign objects unless a result of **ingestion**;

(2) heat or temperature change from the operation, attempted operation or shutdown of the engine;

unless any such **loss** or damage is the direct result of other **physical damage** covered by this policy.

## LIMIT OF THE COMPANY'S LIABILITY

### ALL COVERAGES (Other Insurance)

Except with respect to insurance afforded by Special Insuring Agreements I and II and to insurance specifically purchased by the **insured** to apply in excess of this policy, if there is other insurance in the **insured's** name or otherwise, against **loss**, liability or expense covered by this policy, the Company shall not be liable under this policy for a greater proportion of such **loss**, liability or expense than the applicable limit of the Company's liability bears to the total applicable limit of liability of all valid and collectible insurance against such **loss**, liability or expense. Insurance afforded by Special Insuring Agreements I and II shall be excess insurance over any other valid and collectible insurance available to the **insured**, either as **insured** under a policy applicable to the **aircraft** or otherwise and if such other insurance shall have been written through the **aviation managers** as primary insurance then the Company's limits of liability under this policy shall be reduced by the applicable limits of such other policy.

### COVERAGES A, B, C AND D (Total Liability)

Regardless of the number of (1) **insureds** under this policy, (2) persons or organizations who sustain **bodily injury** or **property damage**, (3) claims made or suits brought (related or otherwise) on account of **bodily injury** or **property damage**, or (4) **aircraft** to which this policy applies, the Company's liability is limited as follows:

Coverages A. The total liability of the Company for all damages, including all **related claims** and all damages for care and loss of services, because of **bodily injury** sustained by any person as the result of any one **occurrence** shall not exceed the limit of liability stated in the Declarations as applicable to "each person". Subject to the above provision respecting "each person", the total liability of the Company for all damages, including all **related claims** and all damages for care and loss of services, because of **bodily injury** sustained by two or more persons as the result of any one **occurrence** shall not exceed the limit of liability stated in the Declarations as applicable to "each **occurrence**".

Coverage B. The total liability of the Company for all damages because of all **property damage** sustained by one or more persons or organizations as the result of any one **occurrence** shall not exceed the limit of liability stated in the Declarations as applicable to "each **occurrence**".

Coverages C. The total liability of the Company for all damages, including all **related claims** and all damages for care and loss of services, because of **bodily injury** sustained by any person as the result of any one **occurrence** shall not exceed the limit of liability stated in the Declarations as applicable to "each person". Subject to the above provision respecting "each person", the total liability of the Company for all damages, including all **related claims** and all damages for care and loss of services, because of **bodily injury** sustained by two or more persons as the result of any one **occurrence** shall not exceed the limit of liability stated in the Declarations as applicable to "each **occurrence**".

Coverage D. The total liability of the Company for all damages, including all **related claims** and all damages for care and loss of services, because of **bodily injury** or **property damage** sustained by one or more persons or organizations as the result of any one **occurrence** shall not exceed the limit of liability stated in the Declarations as applicable to "each **occurrence**".

And further provided that if the Declarations are completed to show "**passenger** liability limited internally to", the total liability of the Company for all damages, including all **related claims** and all damages for care and loss of service because of **bodily injury** to **passengers** and **crew** shall not exceed:

- (a) as respects any one **passenger** or **crew** member, the amount stated in the Declarations as applicable to "each person".

- (b) as respects two or more **passengers** or **crew** members, subject to the above provisions respecting any one **passenger** or **crew** member, the amount stated in the Declarations as applicable to "each person" multiplied by the total number of **passenger** and **crew** seats as stated in Item 4 for the **aircraft** involved, but in no event shall the Company's Liability for all **bodily injury** (including **passenger bodily injury**) and **property damage** exceed the limits stated in the Declarations as applicable to "each **occurrence**".

For the purpose of determining the limit of the Company's liability, all **bodily injury** and **property damage** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **occurrence**.

#### **COVERAGES A, B, C and D** **(Severability of Interests)**

The insurance afforded applies separately to each **insured** against whom claim is made or suit is brought, except with respect to the limits of the Company's liability.

#### **COVERAGE E** **(Total Liability)**

The limit of liability stated in the Declarations as applicable to "each person" is the limit of the Company's liability for all expenses incurred by or on behalf of each person who sustains **bodily injury** in any one **occurrence**; the limit of liability stated in the Declarations for Coverage E as applicable to "each **occurrence**" is, subject to the above provision respecting each person, the total limit of the Company's liability for all expenses incurred by or on behalf of two or more persons who sustain **bodily injury** in any one such **occurrence**.

#### **COVERAGES F, G and H** **(Total Liability)**

With respect to **total loss**, the Company will pay the insured value of the **aircraft**, as stated in the Declarations, subject to any applicable deductible.

With respect to **partial loss**, the Company may pay for the least expensive and most reasonable means to repair the **aircraft** or may pay for the **loss** in money, subject to any applicable deductible, as hereinafter provided:

1. if repairs are made by other than the **named insured**, the total of the following:
  - (a) cost to repair the damaged property with material of like kind and quality (excluding any charges for overtime);
  - (b) cost of the least expensive and most reasonable method of transporting new and/or damaged parts and/or the damaged **aircraft** to the place of repair and the return of the repaired **aircraft** to the place where the **loss** occurred or the place where the **aircraft** is regularly based, whichever is nearer;
2. if repairs are made by the **named insured**, the total of the following:
  - (a) actual cost to the **insured** of material of like kind and quality;
  - (b) actual wages paid for labor, excluding any overtime;
  - (c) 150% of item (b) in lieu of overhead and supervisory services;
  - (d) cost of the least expensive and most reasonable method of transporting new and/or damaged parts and/or the damaged **aircraft** to the place of repair and the return of the repaired **aircraft** to the place where the **loss** occurred or the place where the **aircraft** is regularly based, whichever is nearer.

With respect to any **partial loss** or **total loss**:

1. the amount due under this policy shall not exceed the amount due were the **loss** payable as a **total loss**;
2. any salvage value remaining shall inure to the benefit of the Company and the **named insured** shall provide clear title thereto;
3. any equipment attached to the **aircraft**, even if subsequent to the effective date of coverage, shall be considered a part of the **aircraft**;
4. there shall be no abandonment of any damaged property without the consent of the Company.

If the **loss** is due to theft or **disappearance**, the Company shall have the right to return any found stolen property at any time prior to actual payment of the claim hereunder, with payment for any **physical damage** sustained thereto.

As available, the Company will pay for repair or replacement of like kind and quality. The Company will not pay excess of like kind and quality amounts or for the cost of **betterment**.

## DEFINITIONS

When appearing in this policy in bold face print:

**Aircraft** means the aircraft described in Item 4 of the Declarations (and when appropriate any aircraft qualifying under the provisions of Special Insuring Agreements I, II or III) including the propulsion system and equipment usually installed in the aircraft (1) while installed in the aircraft, (2) while temporarily removed from the aircraft and (3) while removed from the aircraft for replacement until such time as replacement by a similar item has commenced; also tools and equipment which are specially designed for the aircraft and which are ordinarily carried therein.

**Aviation managers** mean Starr Aviation Agency, Inc., Starr Underwriting Agents Limited, Starr Adjustment Services, Inc. or any of their subsidiary or affiliated companies, branch offices or authorized representatives.

**Betterment** means improvement which would add value to the **insured aircraft**.

**Bodily injury** means bodily injury, sickness, disease or mental anguish sustained by any person which occurs during the policy period, including death at any time resulting therefrom.

**Charter/air taxi** means used principally in the business of the **insured**, including **passenger** or freight carrying for hire or reward and **pleasure and business** uses, but excluding instruction of or rental to others.

**Commercial** means used principally in the business of the **insured**, including student instruction, **passenger** or freight carrying for hire or reward, rental to others for the purpose of **pleasure and business** and those uses defined under **pleasure and business**.

**Crew** means the pilot-in-command, co-pilot, flight engineer, flight attendant or anyone else who is in, on, or boarding the **aircraft** for assisting in the operation of the **aircraft**.

**Disappearance** means missing **in flight** and not reported for sixty (60) days after commencing a flight.

**Federal Aviation Administration (FAA)** means the duly constituted authority of the United States of America having jurisdiction over civil aviation, or its duly constituted equivalent in any other country.

**In flight** means, with respect to fixed wing **aircraft**, the time commencing with the actual take-off run of the **aircraft** and continuing thereafter until it has completed its landing run; and if the **aircraft** is a rotorcraft, from the time the rotors start to revolve under power for the purpose of flight until they subsequently cease to revolve after landing; and if the **aircraft** is a balloon, while it is inflated or being inflated or deflated.

**In motion** means while the **aircraft** is moving under its own power or the momentum generated therefrom or while it is **in flight** and, if the **aircraft** is a rotorcraft, any time that the rotors are rotating or while it is **in flight** and, if the **aircraft** is a glider or balloon, any time it is being transported, towed or while it is **in flight**.

**Ingestion** means damage to **aircraft** turbine engines or turbine auxiliary power units, if a part of the **aircraft**, caused by objects or substances not a part of the engine or its accessories, nor intended to be used in the engine, which occurs during the policy period and is the result of a single incident and of sufficient severity to require (or would require if its severity were known) immediate repair before further use.

**Insured** the unqualified word **insured** wherever used in this policy with respect to Coverages A, B, C and D, includes not only the **named insured** but also any person while using or riding in the **aircraft** and any person or organization legally responsible for its use, provided the actual use is with the express permission of the **named insured**. Except with respect to the **named insured** the provisions of this paragraph do not apply:

- (a) to any employee with respect to **bodily injury**, sickness, disease or death of another employee of the same employer injured in the course of such employment;
- (b) to any person or organization or to any agent or employee thereof (other than any employee of the **named insured** while acting in the course of his employment by the **named insured**):
  - (1) who manufactures, builds, sells or distributes aircraft, aircraft engines, aircraft components, aircraft accessories or fuel used in aircraft;
  - (2) who is engaged in the operation of an aircraft repair shop, aircraft sales agency, aircraft rental service, aircraft flying school, aircraft management service, aircraft aerial application service, aircraft inspection, appraisal, certification or examination service, commercial flying service, airline, airport, hangar, pilot training center or charter brokerage service;
  - (3) who is engaged in the activity of instruction, evaluation, examination or certification of any pilot or **crew** member or prospective pilot or **crew** member;
  - (4) who is charging a fee and/or receiving any remuneration or benefit for providing any type of service whatsoever in connection with the ownership, maintenance or use of any insured **aircraft**;
- (c) to any person or organization operating the **aircraft** under the terms of any rental agreement or training program which provides any remuneration to the **named insured** for the use of said **aircraft**;
- (d) to the owner or lessor, or any agent or employee thereof, of any **aircraft** which is the subject of the extended insurance provisions of Special Insuring Agreements.

**Insured contract** means:

- (a) Any contract which requires as a prerequisite of the use of an airport or airport facility the indemnification of a military or governmental authority, except in connection with work performed for the military or governmental authority;
- (b) that part of any contract or agreement pertaining to ownership maintenance or use of **aircraft** or **premises** under which any **insured** assumes the Tort Liability of another party to pay for **bodily injury** or **property damage** to a third person or organization.

**Insured contract** does not include that part of any contract or agreement:

- (a) with or for the benefit of any **passenger, crew** member or their heirs;
- (b) that pertains to major alteration or major repairs to aircraft, aircraft parts or accessories;
- (c) that pertains to the purchase or sale of aircraft, aircraft parts or accessories;

**Loss** means **physical damage**.

**Medical expense** means expenses for necessary medical, surgical, x-ray or dental services, including prosthetic devices, and necessary ambulance, hospital professional nursing and funeral services.

**Mooring** shall mean, while on water, a water alighting **aircraft** is anchored or moored, or during launching onto or hauling up therefrom (except under its own power or momentum).

**Named insured** means the person or organization named in Item 1 of the Declarations.

**Occurrence** means an accident, including continuous or repeated exposure to conditions, which results in **bodily injury** or **property damage** during the policy period neither expected nor intended from the standpoint of the **insured**. In the event of continuing or progressively deteriorating damage over any length of time, such damage shall be deemed to be one **occurrence**, and shall be deemed to occur only when such damage first commences.

**Partial loss** means any **physical damage loss** which is not a **total loss**.

**Passenger** means any person in, on, or boarding the **aircraft** for the purpose of riding or flying therein or alighting therefrom after a flight or attempted flight therein, including **crew** member(s).

**Physical damage** means direct and accidental physical **loss** of or damage to the **aircraft**, hereinafter called **loss**, but does not include loss of use or any residual depreciation or diminution in value (including loss of guaranty or warranty), if any, after repairs have been made.

**Pleasure and business** means used in the business of the **insured** including personal and pleasure uses but excluding any operation for hire or reward. Cost reimbursement shall be included within the definition of **pleasure and business** provided that such cost reimbursement is limited to:

- (1) Fuel, oil, lubricants, and other additives
- (2) Travel expenses of the **crew**, including food, lodging, and ground transportation
- (3) Hangar and tie-down costs away from the **aircraft's** base of operation
- (4) Insurance obtained for the specific flight
- (5) Landing fees, airport taxes, and similar assessments
- (6) Customs, foreign permit, and similar fees directly related to the flight
- (7) **In flight** food and beverages
- (8) **Passenger** ground transportation
- (9) Flight planning and weather contact services
- (10) An additional charge equal to 100% of the expenses listed in subparagraph (1) of this paragraph.

**Premises** means such portions of airports as are designated and used for the parking or storage of **aircraft** exclusive of premises owned by, or leased for more than thirty (30) days to the **insured**.

**Property damage** means (a) physical injury to or destruction of tangible property which occurs during the policy period, including loss of use thereof at any time resulting therefrom, or (b) loss of use of tangible property which has not been physically injured or destroyed provided such loss of use is caused by an **occurrence** during the policy period.

**Related claims** means all claims for care and loss of service, loss of society and consortium, mental anguish, emotional distress, loss of support, medical and funeral expenses, and any and all other damages from or arising out of **bodily injury** to any person or **passenger**. Notwithstanding anything to the contrary in the definition of **bodily injury**, the Company's liability and coverage for damages for both **bodily injury** and **related claims** are included and combined within the "each person" and "each **occurrence**" Limits of Liability specified in the Declarations, as applicable, and there are no separate or additional Limits of Liability for **related claims**.

**Tort liability** means a liability that would be imposed by law in the absence of any contract or agreement.

**Total loss** means any **physical damage loss** for which the "cost to repair" when added to the "salvage value" (the value of the **aircraft** after **physical damage** and prior to repairs) equals or exceeds the Insured Value of the **aircraft** as set forth in Item 4 of the Declarations. **Disappearance** or theft of the entire **aircraft** shall be considered as a **total loss**.

## CONDITIONS

### APPLICABLE TO COVERAGES A, B, C AND D (BODILY INJURY AND PROPERTY DAMAGE)

#### 1. ACTION AGAINST THE COMPANY

No person or organization has a right under this policy:

- (a) to join the Company as a party or otherwise bring the Company into a suit asking for damages from an **insured**;
- (b) to sue on this policy unless all of its terms have been fully complied with.

A person or organization may sue the Company to recover on an agreed settlement or on a final judgment against an **insured** obtained after an actual trial; but the Company will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by the Company, the **insured** and the claimant or the claimant's legal representative. Service of process may be made upon the **aviation managers** on behalf of the Company. However, the Company does not waive its right to commence an action in any court of competent jurisdiction or to seek a transfer to another court as permitted by law.

#### 2. FINANCIAL RESPONSIBILITY

If this policy is certified as proof of insurance under any governmental financial responsibility law applicable to aircraft, the Company will pay the minimum amounts required by that law which do not exceed the limit of liability of this policy. The **named insured** agrees to reimburse the Company promptly for any amounts the Company would not have had to pay were it not for this clause.

#### 3. NOTICE OF OCCURRENCE, LOSS, CLAIM OR SUIT

- (a) The **named insured** must see to it that the Company or its **aviation managers** are promptly notified in writing at the nearest office, whose address is listed on the back of the policy cover, of an **occurrence** that may result in a claim. Notice shall include:

- (1) particulars sufficient enough to identify the **insured**;
  - (2) how, when and where the **occurrence** took place;
  - (3) the names and addresses of any injured persons and witnesses.
- (b) If claim is made or suit is brought against the **insured**, the **named insured** must see to it that the Company or its **aviation managers** receive prompt written notice of the claim or suit. The **named insured** and any other **insured** involved must:
- (1) immediately send the **aviation managers** copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;
  - (2) authorize the Company or its **aviation managers** to obtain records and other information;
  - (3) cooperate with the Company or its **aviation managers** in the investigation, settlement or defense of the claim or suit;
  - (4) assist the Company or its **aviation managers**, upon the **aviation managers'** request, in the enforcement of any right against any person or organization which may be liable to the **insured** because of injury or damage to which the insurance may also apply.
- (c) No **insureds** will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without the Company or its **aviation managers'** consent.

#### 4. SEVERABILITY OF INTEREST

Except with respect to the Limit of the Company's Liability and any rights and duties specifically assigned in this policy to the first **named insured**, this insurance applies:

- (a) as if each **named insured** were the only **named insured**;
- (b) separately to each **insured** against whom claim is made or suit is brought.

#### APPLICABLE TO COVERAGE E (MEDICAL EXPENSE)

#### 5. ACTION AGAINST THE COMPANY

No person or organization has the right under this policy to sue on this policy unless all of its terms have been fully complied with and until thirty (30) days after the required proofs of claim have been filed with the Company.

#### 6. MEDICAL REPORTS: PROOF AND PAYMENT OF CLAIM

- (a) The injured person or someone on his or her behalf, as soon as practical after an accident, must give the **aviation managers** written proof of claim and if requested by the **aviation managers**:
  - (1) provide his or her sworn statement under oath;
  - (2) authorize the **aviation managers** to obtain medical reports and copies of records;
  - (3) submit to physical examination by a physician selected by the **aviation managers**, when and as often as the **aviation managers** may reasonably require.
- (b) The Company may pay the injured person or any person or organization rendering the services and such payment:
  - (1) shall reduce the amount payable hereunder for the injury;
  - (2) shall not constitute admission of liability by an **insured**, or the **aviation managers**.



## APPLICABLE TO COVERAGES F, G, AND H (PHYSICAL DAMAGE)

### 7. ACTION AGAINST THE COMPANY AND PAYMENT OF LOSS

The Company does not have to pay, and the **named insured** does not have the right to sue on this policy, unless all of its terms have been fully complied with and until thirty (30) days after the required proofs of loss have been filed with the Company and the amount of **loss** is determined as provided by the policy, nor at all unless commenced within twelve (12) months after the date of the **loss**.

### 8. APPRAISAL OF LOSS

If the **named insured** and the Company fail to agree as to the amount of **loss**, each shall, upon written notice to the other, hire at its own expense an independent aircraft appraiser. The appraisers will then agree on a knowledgeable and neutral umpire. If they cannot agree on the umpire in fifteen (15) days, a Judge of the county of the pending appraisal will appoint the umpire. Agreement by any two of these three shall determine the amount of **loss**. The **named insured** and the Company will share the umpire's cost equally. But this clause shall not deprive or waive any rights of the Company.

### 9. AUTOMATIC REINSTATEMENT

In the event of **loss**, whether or not covered by this policy, the amount of insurance in respect to any **aircraft** shall be reduced as of the time and date of **loss** by the amount of such **loss** and such reduced value shall continue until repairs are commenced when the amount of insurance shall be automatically increased by the value of the completed repairs until the amount of insurance is fully reinstated or the policy has expired.

### 10. INSURED'S DUTIES WHEN LOSS OCCURS

When **loss** occurs, the **insured** shall:

- (a) take all reasonable precautions to protect the property or **aircraft** after an **occurrence**. The Company shall reimburse the **insured** all reasonable cost in affording such protection;
- (b) not abandon the property or **aircraft**;
- (c) immediately contact the **aviation managers** and provide prompt written notice at the address appearing on the back of the policy cover, including the:
  - (1) time, place and description of events;
  - (2) description and location of the **aircraft**;
- (d) promptly report theft and vandalism to the **aviation managers** and local police;
- (e) do nothing after the **loss** to harm the Company or **aviation managers** rights of recovery against any person or organization;
- (f) allow the Company or **aviation managers** to inspect the property;
- (g) submit to examination under oath if requested by the Company or **aviation managers**;
- (h) allow the Company or **aviation managers** to inspect all aircraft records, pilot logbooks, repair and service invoices, sales receipts and any other pertinent records until settlement of the **loss**;
- (i) file proof of **loss** with the **aviation managers** within sixty (60) days after the date of **loss**, in the form of a sworn statement to include:
  - (1) the interest of the **named insured** and of all others in the property affected;
  - (2) any encumbrances thereon;
  - (3) the actual cash value of the property at the time of the **loss**;
  - (4) the amount, place, time and cause of such **loss**;
  - (5) the description and amounts of all other insurance covering such property;

unless such time is extended in writing by the the Company or its **aviation managers**.

#### 11. NO BENEFIT TO BAILEE

The insurance afforded by this policy shall not inure directly or indirectly to the benefit of any carrier or bailee liable for **loss** to the **aircraft**.

#### APPLICABLE TO ALL COVERAGES

#### 12. ASSISTANCE AND COOPERATION OF THE INSURED

The **insured** shall cooperate with the Company and, upon the Company's request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of suits. The **insured** shall not, except at his own cost, voluntarily make any payment, assume any obligation or incur any expense other than for such immediate medical and surgical relief to others as shall be imperative at the time of an **occurrence**.

#### 13. BANKRUPTCY

Bankruptcy or insolvency of the **insured** or of the **insured's** estate shall not relieve the Company of any of its obligations hereunder.

#### 14. CANCELLATION

- (a) The first **named insured** shown in the Declarations may cancel this policy by mailing or delivering to the Company or **aviation managers** advance written notice of cancellation.
- (b) The Company or **aviation managers** may cancel this policy by mailing or delivering to the first **named insured** written notice of cancellation at least:
  - (1) ten (10) days before the effective date of cancellation if the Company or **aviation managers** cancel for non-payment of premium; or
  - (2) thirty (30) days before the effective date of cancellation if the Company or **aviation managers** cancel for any other reason.
- (c) The Company or **aviation managers** will mail or deliver notice to the first **named insured's** last mailing address known to the Company or **aviation managers**.
- (d) If this policy is cancelled, the **aviation managers** will return any premium refund due. If the Company or **aviation managers** cancel, the refund will be pro rata. If the first **named insured** cancels, the refund may be less than pro rata. The cancellation will be effective even if **aviation managers** have not made or offered a refund. The Company or **aviation managers** shall not be liable for any return **physical damage** premium in respect to any **aircraft** on which a **total loss** has been paid.
- (e) If notice is mailed, proof of mailing will be sufficient proof of notice.

#### 15. CHANGING THE POLICY

This policy contains all the agreements between the **named insured** and the Company concerning the insurance that is afforded. The first **named insured** shown in the Declarations is authorized to make changes in the terms of this policy with the **aviation managers** consent. This policy's terms can be amended or waived only by endorsement signed and issued by the **aviation managers** and made a part of this policy.

## 16. EXAMINATION OF INSURED'S BOOKS AND RECORDS

The Company or **aviation managers** may examine and audit the **insured's** books and records as they relate to this policy at any time during the policy period and up to three (3) years afterward.

## 17. FRAUD OR MISREPRESENTATION

This policy shall be void if the **named insured** has concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof or in case of any fraud, attempted fraud or false swearing by the **named insured** touching any matter relating to this insurance or the subject thereof, whether before or after a loss.

## 18. INSPECTION AND SURVEYS

The Company or **aviation managers** have the right but are not obligated to:

- (a) make inspections and surveys at any time;
- (b) give the **named insured** reports on the conditions found;
- (c) recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. The Company or **aviation managers** do not make safety inspections. The Company or **aviation managers** do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And the Company or **aviation managers** do not warrant that conditions:

- (1) are safe and healthful;
- (2) comply with laws, regulations, codes or standards.

This condition applies not only to the Company or **aviation managers**, but also to any rating, advisory, rate service or similar organization that make insurance inspections, surveys, reports or recommendations.

## 19. NONRENEWAL

If the Company decides not to renew this coverage, the **aviation managers** will mail or deliver to the first **named insured** shown in the Declarations written notice of the nonrenewal not less than thirty (30) days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

## 20. PREMIUMS

The first **named insured** shown in the Declarations is responsible for the payment of all premiums.

## 21. REPRESENTATIONS

By accepting this policy, the **named insured** agrees:

- (a) the statements in the Declarations are accurate and complete;
- (b) those statements are based upon representations of the **named insured** to the Company and/or **aviation managers**;
- (c) the **aviation managers** have issued this policy in reliance upon the **named insured's** representations.

## 22. STATE STATUTES

If the terms of this policy are in conflict with or inconsistent with the statutes of any state where this policy is in effect, the Company will conform to those state statutes.

## 23. SUBROGATION

If the **insured** has rights to recover all or part of any payment the Company has made under this policy, those rights are transferred to the Company. The **insured** must do nothing after loss to impair them. At the request of the Company or **aviation managers**, the **insured** will bring suit or transfer those rights to the Company and do whatever else is necessary to secure such rights. The **insured** shall do nothing after a loss to prejudice such rights. This condition shall not apply with respect to Coverage E - **medical expense**.

## 24. TITLES OF PARAGRAPHS

The titles of the various paragraphs of this policy and amendments, if any, attached to this policy are inserted solely for reference and are not to be deemed in any way to limit or affect the provision to which they relate.

## 25. TRANSFER OF THE NAMED INSURED'S RIGHTS AND DUTIES UNDER THIS POLICY

The **named insured's** rights and duties under this policy may not be transferred without the **aviation managers** written consent except in the case of the death or bankruptcy of an individual **named insured**.

if such individual **named insured** dies or is adjudged bankrupt or insolvent, his or her rights and duties will be transferred to the **named insured's** legal representative but only while acting within the scope of duties as such. Until the **named insured's** legal representative is appointed, anyone having proper temporary custody of the **named insured's** property will have such **named insured's** rights and duties but only with respect to that property, but in no event for more than sixty (60) days following such death or adjudication.

## 26. VIOLATION OF STATUTE CLAUSE

If payment for a claim under this policy is in violation of any United States of America's economic or trade sanctions, including but not limited to, sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), then coverage for that claim shall be null and void.

In Witness Whereof, the company issuing this policy has caused this policy to be signed by its authorized officers, but this policy shall not be valid unless also signed by a duly authorized representative of the company.

A handwritten signature in blue ink, appearing to read "C. Dangelo".

Charles Dangelo - President

A handwritten signature in blue ink, appearing to read "Nehemiah E. Ginsburg".

Nehemiah E. Ginsburg - General Counsel

**STARR INDEMNITY & LIABILITY COMPANY**

## PILOT WARRANTY ENDORSEMENT

This policy is COMPLETED as follows:

It is a condition of this insurance that when **in flight**, the **aircraft** will be operated only by pilot(s) specified below.

WITH RESPECT TO THE FOLLOWING: 1976 PIPER PA-32R-300 LANCE N4500F

NAMED PILOT(S): PETER HECHT, OR

ANY PILOT WHO HOLDS A CURRENT AND VALID PRIVATE PILOT CERTIFICATE OR BETTER WITH SINGLE ENGINE LAND AND INSTRUMENT RATING PRIVILEGES AND HAS A MINIMUM OF THE FOLLOWING HOURS OF FLIGHT EXPERIENCE AS RECORDED IN HIS OR HER LOGBOOK:

750 TOTAL LOGGED FLYING HOURS

100 HOURS IN AIRCRAFT HAVING RETRACTABLE LANDING GEAR

25 HOURS IN THE INSURED MAKE AND MODEL

All other provisions of this policy remain the same.

This endorsement becomes effective MAY 8, 2016 to be attached to and hereby made a part of:


Policy No. 1000221495-01

Issued to PETER W. HECHT

By STARR INDEMNITY & LIABILITY COMPANY

Endorsement No. 1

Date of Issue JUNE 2, 2016 (HF)

By   
(Authorized Representative)

## EXPANDED COVERAGE ENDORSEMENT

In consideration of an additional premium of \$ \_\_\_\_\_ INCLUDED \_\_\_\_\_, and only if Item 6 of the Declarations indicates "Pleasure and Business", this policy is amended as follows:

Except as noted below, the Coverages described below are part of, and not in addition to, the Limits of Liability.

### 1. AIRCRAFT RENTAL TO NAMED PILOTS

- a. The definition of **Pleasure and business** is amended to include the rental of the **aircraft** described in Item 4 of the Declarations to the pilot or pilots designated in the Declarations.
- b. Paragraph (c) of the definition of **insured** is deleted and replaced by the following:
  - (c) to any person operating the **aircraft** under the terms of any rental agreement or training program which provides any remuneration to the **named insured** for the use of said **aircraft**, other than a pilot or pilots designated in the Declarations.
- c. Coverage provided by this additional coverage is excess over any other valid and collectible insurance available to the pilot or pilots renting the **aircraft**.

### 2. AIRCRAFT VALUE APPRECIATION COVERAGE

In the event of a **total loss** to an **aircraft** maintaining a Standard Airworthiness Certificate, the Insured Value for that **aircraft** shown in Item 4 on the Declarations will be increased by the "Amount of Appreciation" at the time of **total loss**, subject to the following:

- a. "Amount of appreciation" is the percentage difference of the "base average retail value" for the **aircraft** as of the effective date of coverage for the **aircraft** compared with the "base average retail value" for the **aircraft** as of the date the **aircraft** is declared a **total loss**. If this policy is a renewal of a policy written by this Company and the **total loss** occurs within 90 days after the effective date of the renewal policy, we will instead use the percentage difference of the "base average retail value" for the aircraft 90 days prior to the **total loss** compared with the "base average retail value" for the **aircraft** as of the date the **aircraft** is declared a **total loss**. The "amount of appreciation" shall not exceed 5% of the Insured Value.
- b. "Base average retail value" is a value as stated in the Aircraft Blue Book Price Digest <sup>®</sup>, and shall not include any adjustment for engine time, avionics, condition, or any other aircraft modification or additional equipment. The Aircraft Blue Book Price Digest <sup>®</sup> editions used will be those in effect:
  - (1) as of the most recent effective date of coverage for the **aircraft**, except as modified for the 90-day allowance described in paragraph a. above; and
  - (2) as of the date of the **total loss**.

If the insured **aircraft** is not listed in the Aircraft Blue Book Price Digest <sup>®</sup>, then this coverage shall not apply.

### 3. AUTOMATIC INSURANCE FOR INCREASED INSURED VALUE

If the value of an **aircraft** described in Item 4 of the Declarations increases due to "modification" or installation of additional equipment during the Policy Period, the Insured Value applicable to the **aircraft** shall increase automatically by the cost of such "modification" or additional equipment provided however that:

- a. such increase in value is reported to the **aviation managers** within thirty (30) days of completion of such "modification" or installation of additional equipment; and
- b. the **named insured** pays any additional premium when due on account of such increase in Insured Value.

The maximum automatic increase for which the Company shall be liable shall not exceed 20 % of the Insured Value applicable to such **aircraft** shown in the Declarations before such "modification" or installation of additional equipment, subject however to a maximum increased value of \$ 120,000.

"Modification" means a physical change to enhance or improve performance to an aircraft. "Modification" does not include routine or scheduled maintenance.

### 4. BAGGAGE & HANGAR COVERAGES

Coverages B - Property Damage Liability and D - Single Limit Bodily Injury and Property Damage Liability are extended to include coverage for **property damage** to:

- a. **passengers'** "baggage" for not more than \$ 3,000 each **passenger** in any one occurrence; and
- b. hangars and the contents thereof, being the property of others, in the care, custody or control of the **insured**, for not more than \$ 25,000 each **occurrence**.

These coverages do not include **property damage** to aircraft of others or any aircraft which could be insured elsewhere within this policy.

Exclusion 7 does not apply to this coverage extension.

"Baggage" means handbags, suitcases, valises, briefcases and other forms of baggage or personal effects usually carried by travelers, and the contents thereof, but excluding accounts, bills, jewelry, deeds, evidences of debt, letters of credit, passports, documents, coupons, money, credit cards, notes, securities, manuscripts, valuable papers, airline and other tickets.

Coverage provided by these additional coverages is excess over any other valid and collectible insurance available to the **insured**.

### 5. DEFINITION OF PREMISES

The definition of **premises** contained in the policy is replaced with the following:

**Premises** means such portions of airports and heliports used by the **named insured** in connection with the ownership, maintenance or use of any **aircraft** inclusive of premises owned, operated or maintained by the **named insured**.



## 6. EMERGENCY OR UNEXPECTED LANDING

The Company will pay the reasonable expenses of disassembly and removal of an **aircraft** from a place of emergency or unexpected landing to the nearest airport, provided that the place of emergency or unexpected landing is inadequate for a safe take-off for flight.

The Company shall not be liable:

- a. if the aircraft is not insured under Coverage F - Open Peril Basis Ground and Flight;
- b. for any expense in correcting any mechanical difficulty; or
- c. for expenses that exceed 10 % of the Insured Value of the **aircraft** involved.

If the cost to disassemble, remove and transport the **aircraft** equals or exceeds the **aircraft** Insured Value, the Company will pay a **total loss** and all rights to any remaining salvage shall inure to the Company.

The Emergency or Unexpected Landing Expense shall not apply to any **aircraft** which is a sailplane or glider.

## 7. EQUIPMENT COVERAGE

- a. Coverages F, G and H are amended to cover the following equipment, while not attached to or forming part of any **aircraft**, that is the property of the **named insured** or of others for which the **named insured** is legally liable, against all risks of direct and accidental **physical damage** from external cause:

<u>Equipment</u>	<u>Limit of Liability</u>
Portable Avionics and Headsets	\$ 500. each <b>occurrence</b>
Safety Equipment	\$ 500. each <b>occurrence</b>
<b>Aircraft</b> Spare Parts	\$ 25,000. each <b>occurrence</b>

These Limits shall be in addition to the Insured Value shown in the Declarations.

- b. Subject to the above Limits, the Company shall not be liable for more than the lesser of:
  - (1) the actual invoice cost of such property; or
  - (2) the actual cash value of such property if it is not new,including all costs of transportation and import duty, if any.
- c. In addition to the exclusions in the policy applying to Coverages F, G and H, this coverage extension does not apply to:
  - (1) any property temporarily detached from any **aircraft**;
  - (2) loss or damage occurring once attaching or installing such property has begun;
  - (3) loss or damage occurring during testing, running, attempted operation, or under process unless caused by a peril insured against;
  - (4) property forming part of or carried in an aircraft as a spares kit;
  - (5) property transported or stored by the **insured** for a charge;
  - (6) mysterious disappearance or shortage disclosed upon taking inventory, but this exclusion does not apply to non-delivery of such property;
  - (7) latent defect or inherent vice;
  - (8) depreciation, delay, loss of market or loss of use;
  - (9) loss or damage to property in the care, custody or control of the **insured** arising from failure of the **insured** to protect and preserve the property after a loss from further loss;
  - (10) infidelity or dishonesty of any **insured** or any employee thereof; or
  - (11) any liability arising from any agreement assuming the sole negligence of the indemnitee.

## 8. EXTRA EXPENSE FOR RENTING SUBSTITUTE AIRCRAFT

Only with respect to **aircraft** insured under Coverage F - Open Peril Basis Ground and Flight:

- a. The Company will pay the "extra expense" incurred by the **named insured** caused by an **occurrence** and arising out of covered **physical damage** to an **aircraft** described in the Declarations.
- b. Limits of Liability:  
The following limits shall be in addition to the Insured Value shown in the Declarations:
  - (1) \$ 1,000. \_\_\_\_\_ each day, each **aircraft**
  - (2) \$ 10,000. \_\_\_\_\_ each **occurrence**, each **aircraft**
- c. This coverage extension does not apply to any expenses:
  - (1) if another similar **aircraft** is available at no charge;
  - (2) if the **named insured** acquires through ownership, lease, lease purchase option, or otherwise, a permanent replacement **aircraft** for the damaged **aircraft**;
  - (3) if the **aircraft** is a **total loss** and the Company has offered the **named insured** a proof of loss;
  - (4) incurred after repairs covered under Coverage F on the **insured's aircraft** have been completed;
  - (5) incurred within 0 days from the date of **occurrence**;
  - (6) incurred after 30 days from the date of **occurrence**; or
  - (7) incurred with respect to any **aircraft** described below:

N4500F - 1976 PIPER AIRCRAFT, PA-32R-300 LANCE;

"Extra expense" means the reasonable and necessary expenses of leasing or renting a temporary substitute aircraft which exceed the cost the **named insured** would have incurred if the **named insured** could have operated the **aircraft** had it not suffered **physical damage**.

## 9. HURRICANE PROTECTION COVERAGE

If the U.S. National Weather Service issues a Hurricane Watch or Warning for the area where the **aircraft** is principally based, the Company will reimburse the **named insured** for a portion of the expenses incurred by the **named insured** to protect the aircraft, subject to the following:

- a. The **aircraft** is required to be relocated to another airport which is at least 100 nautical miles away and not under a Hurricane Watch or Warning.
- b. Reimbursement will only apply to any expenses directly associated with the **aircraft** relocation due to attempted protection of the **aircraft** from potential **physical damage** and not to any expenses incurred due to activity planned prior to or unrelated to the Hurricane Watch or Warning issuance.
- c. This coverage only applies to **aircraft** described in Item 4. of the Declarations.

The Company's liability shall not exceed \$500 per **aircraft** for any one Hurricane Watch or Warning during the Policy Period. The reimbursable expenses include the hiring of pilots who are not employed by the **named insured** and who meet the requirements of any Pilot Endorsement attached to this policy. The **named insured's** expenses must be properly receipted, documented, and submitted to the Company for reimbursement within thirty (30) days from the date the expenses are incurred.

## 10. PERSONAL INJURY

- a. Coverages A, B, C and D are extended to include sums which the **insured** shall become legally obligated to pay as damages for "personal injury" caused by an offense during the Policy Period, but the most the Company will pay under this coverage extension for all offenses committed during the Policy Period is the lesser of:
  - (1) the Limit of Liability shown in Item 3 of the Declarations; or
  - (2) \$1,000,000.
- b. "Personal Injury" means injury, other than **bodily injury**, arising from false arrest, false detention, false imprisonment, malicious prosecution, or eviction of a person from an **aircraft**. "Personal injury" does not include any offense:
  - (1) arising out of the willful violation of a penal statute or ordinance committed by or with the consent of any **insured**;
  - (2) for which any **insured** has agreed to assume the tort liability of others; or
  - (3) arising out of the past, present or future employment of anyone.
- c. This coverage extension does not apply to "Personal Injury" that arises out of that part of an offense that continues or resumes after the later of the end of the policy period of:
  - (1) this insurance; or
  - (2) a subsequent, continuous renewal or replacement of this insurance that:
    - (a) is issued to you by us or by an affiliate of ours;
    - (b) remains in force while the offense continues; and
    - (c) would otherwise apply to "Personal Injury".

## 11. PREMISES MEDICAL COVERAGE

Coverage E - Medical Expense is extended to include all reasonable **medical expenses** incurred within one (1) year from the date of injury, to or for each person who sustains **bodily injury** caused by an **occurrence** and arising out of the **named insured's** ownership, maintenance or use of the **premises**.

## 12. PRODUCTS LIABILITY - SALE OF AIRCRAFT AND AIRCRAFT PARTS

- a. Coverages A - Bodily Injury, B - Property Damage, C - Passenger Bodily Injury and D - Single Limit Bodily Injury and Property Damage Liability are extended to include all sums which the **insured** shall become legally obligated to pay for **bodily injury** or **property damage** caused by an **occurrence** and arising out of:
  - (1) the sale or relinquishment from exclusive written lease by the **named insured** of an **aircraft** described in the Declarations or aircraft parts; or
  - (2) the furnishing to others of aircraft fuel or aircraft maintenance services by the **named insured** without intentional profit.

- b. This coverage extension shall apply only if:
- (1) the **bodily injury** or **property damage** occurs away from **premises** used by the **named insured** after physical possession of such **aircraft**, aircraft parts or aircraft fuel has been relinquished to others and such services have been completed; and
  - (2) a Standard Airworthiness Certificate was in effect for the **aircraft** at the time of sale or relinquishment of its lease.
- c. This coverage extension applies to **bodily injury** and **property damage** that occurs within one year of the date the **named insured** sells or relinquishes the **aircraft**, regardless of the expiration date of this policy, provided:
- (1) the **aircraft** is sold during the Policy Period; and
  - (2) liability arises out of the **named insured's** ownership, maintenance, or use of the **aircraft** during the period of time it was insured under this policy.
- However, if this policy is not a renewal of a policy written by this Company and if the **aircraft** was insured under Coverage A, B, C or D for less than one year prior to its sale, the one year period stated above will be reduced by the number of days the **aircraft** was not insured under this policy.
- d. This coverage extension does not apply to:
- (1) **property damage** to the **aircraft**, aircraft parts or fuel arising out of them or any part of them;
  - (2) **property damage** to property that has not been physically injured but is unusable or impaired because of a delay, defect or inadequacy in the **aircraft**, aircraft parts, fuel or maintenance services; or
  - (3) damages claimed for losses or expenses incurred due to the withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of the **aircraft**, aircraft parts, fuel or maintenance services if they must be withdrawn or recalled because of a known or suspected defect, deficiency, inadequacy or dangerous condition in them.

### 13. RUNWAY FOAMING

With respect to an **aircraft** insured for Coverage F - Open Peril Basis Ground and Flight or G - Open Peril Basis Not In Flight, the Company shall pay the expense of runway foaming or **aircraft** foaming for the purpose of minimizing **physical damage** under this policy. The Company's Limit of Liability shall not exceed \$ 10,000.\_\_\_\_\_ in any one **occurrence** for such foaming. This Limit shall be in addition to the Insured Value shown in the Declarations.

### 14. SEARCH AND RESCUE

With respect to an **aircraft** insured for Coverage F - Open Peril Basis Ground and Flight, the Company shall pay the expense of any search and rescue and wreck removal operations performed by or at the request of the **named insured**, subject to prior notice to and agreement by the Company. Coverage afforded by this coverage extension shall not apply until such time as all governmental authorities' search and rescue operations have been discontinued. The Company's Limit of Liability shall not exceed \$ 15,000.\_\_\_\_\_ in any one occurrence for such expenses. This Limit shall be in addition to the Insured Value shown in the Declarations.

## 15. TEMPORARY REPLACEMENT AIRCRAFT PARTS

Only with respect to **aircraft** insured for Coverage F - Open Peril Basis Ground and Flight:

- a. The Company will pay the reasonable and necessary additional expenses, including the direct cost of installation, removal and transportation, incurred by the **named insured** for renting or leasing aircraft parts as temporary replacements for aircraft parts:
  - (1) damaged and being repaired; or
  - (2) destroyed and being permanently replaced,caused by covered **physical damage** to an **aircraft** described in the Declarations.
- b. The Limit of Liability with respect to this coverage shall not exceed \$ 5,000. each **occurrence**, regardless of the number of such replacement parts or **aircraft**. This Limit shall be in addition to the Insured Value shown in the Declarations.
- c. This coverage extension does not apply:
  - (1) if the time to permanently replace or to repair and return such part is less than 14 calendar days;
  - (2) if the **aircraft** is a **total loss**;
  - (3) to the **insured's** spare parts;
  - (4) to parts under existing rental, lease or exchange agreements;
  - (5) to charges for wear, tear or depreciation, damage, loss, loss of use, maintenance, repairs or operating expenses;
  - (6) to charges incurred after such damaged or destroyed part has been permanently repaired or replaced;
  - (7) to charges incurred while such **aircraft** or temporary replacement part is unusable on account of an Airworthiness Directive, factory Service Bulletin, airworthiness inspection, breakdown, malfunction or unsuitability; or
  - (8) to charges incurred during the period after delivery of the parts but prior to installation of such temporary part on the **aircraft** if uninstalled for three (3) days or more.

## 16. CANCELLATION PROVISION AMENDMENT

Item 14. **CANCELLATION**, paragraph (d) as set forth in the **CONDITIONS** section of this policy is amended as follows"

- (d) If this policy is cancelled, the **aviation managers** will return any premium refund due. If the Company or **aviation managers** cancel, the refund will be pro rata. If the first **named insured** cancels, the refund may be less than pro rata. The cancellation will be effective even if **aviation managers** have not made or offered a refund.

## 17. USE OF OTHER AIRCRAFT

- a. Non-Owned Aircraft Liability

Special Insuring Agreement II., Use of Other Aircraft is deleted and replaced by the following:

Such insurance as is afforded under Coverages A, B, C, D and E with respect to the **aircraft** described in Item 4 of the Declarations, is extended to apply with respect to the use, by or on behalf of the **named insured**, of any other **aircraft** not owned in whole or in part by, or furnished for regular use to, such **named insured**.

b. Non-Owned Aircraft Physical Damage

Only with respect to **aircraft** insured for Coverage F - Open Peril Basis Ground and Flight:

- (1) Coverages B - Property Damage and D - Single Limit Bodily Injury and Property Damage Liability are extended to apply to those sums which the **named insured** shall become legally liable to pay because of **physical damage**, including resultant loss of use, to **aircraft** of others being used by or on behalf of the **named insured**, provided such **aircraft** is not registered to, owned in whole or in part by, under a lease of more than a thirty (30) day term to, under a lease-purchase option agreement to, or under the exclusive control of an **insured**, or officer, partner, or employee thereof, or a member of the household of any of them.
- (2) The definition of **aircraft** is extended to include such aircraft of others, but not if they:
  - (a) have more engines or a different type of engine (piston or turbine) or more horsepower than any **aircraft** described in Item 4 on the Declarations, or any single engine over 300 horsepower, whichever is greater;
  - (b) have more total seats than any **aircraft** described in Item 4 on the Declarations, or more than 6 total seats, whichever is greater;
  - (c) have a pressurized cabin, unless any **aircraft** described in Item 4 on the Declarations has a pressurized cabin;
  - (d) are seaplanes, unless any **aircraft** described in Item 4 on the Declarations is a seaplane; or
  - (e) are rotorcraft, unless any **aircraft** described in Item 4 on the Declarations is a rotorcraft.
- (3) The Limit of Liability for **physical damage** to a non-owned **aircraft** will be no more than the greatest amount shown as the Insured Value on item 4 of the Declarations, or \$50,000 each occurrence, whichever is greatest.
- (4) In addition to the exclusions in the policy applying to Coverage F, this coverage extension does not apply:
  - (a) if the Company does not insure all the **aircraft** owned by, registered to, leased to or under the exclusive control of the **named insured**;
  - (b) to any claims arising out of the **insured's** products manufactured, distributed or handled by any **insured**;
  - (c) to any liability assumed by the **insured** except in a written contract with a military or governmental body necessary for the use of any airport, unless endorsed by the Company in writing to the policy;
  - (d) to any loss or damage to any material furnished by the **insured** or to any work performed by the **insured** out of which an accident or **occurrence** arises;
  - (e) to claims for loss of or damage to wearing apparel, personal effects or property of any description owned, rented, controlled or transported by the **insured** whether or not the aircraft is lost or damaged; or
  - (f) with respect to any **aircraft** rented, financed or leased to others by any **insured**, or repossessed or reacquired by any **insured**.

## 18. WAIVER OF SUBROGATION

Unless mutually agreed upon by the Company and the **named insured**, the Company hereby waives its right of subrogation against pilots listed by name in Item 5 of the Declarations provided, however, that this waiver shall not prejudice the Company's right of recourse for damages arising from the design, manufacture, modification, repair, sale or servicing of **aircraft**.

All other provisions of this policy remain the same.

This endorsement becomes effective MAY 8, 2016 to be attached to and hereby made a part of:  
Policy No. 1000221495-01  
Issued to PETER W. HECHT

By STARR INDEMNITY & LIABILITY COMPANY

Endorsement No. 2

Date of Issue JUNE 2, 2016 (HF)

By \_\_\_\_\_



(Authorized Representative)

## WAR, HI-JACKING AND OTHER PERILS EXCLUSION CLAUSE (AVIATION)

This policy is amended as follows:

In the event any of the provisions of this endorsement are in conflict with any provisions, exclusions, conditions or terms forming part of this policy, this endorsement shall take precedence.

This policy does not cover claims caused by:

- (a) War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power;
- (b) Any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- (c) Strikes, riots, civil commotions or labor disturbances;
- (d) Any act of one or more persons, whether or not agents of a sovereign power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional;
- (e) Any malicious act or act of sabotage;
- (f) Confiscation, nationalization, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any Government (whether civil, military or de facto) or public or local authority;
- (g) Hi-jacking or any unlawful seizure or wrongful exercise of control of the aircraft or crew in flight (including any attempt at such seizure or control) made by any person or persons on board the aircraft acting without the consent of the Insured.

Furthermore, this policy does not cover claims arising whilst the aircraft is outside the control of the Insured by reason of any of the above perils.

The aircraft shall be deemed to have been restored to the control of the Insured on the safe return of the aircraft to the Insured at an airfield not excluded by the geographical limits of this policy, and entirely suitable for the operation of the aircraft (such safe return shall require that the aircraft be parked with engines shut down and under no duress).


All other provisions of this policy remain the same.

This endorsement becomes effective MAY 8, 2016 to be attached to and hereby made a part of:  
Policy No. 1000221495-01  
Issued to PETER W. HECHT

By STARR INDEMNITY & LIABILITY COMPANY

Endorsement No. 3

Date of Issue JUNE 2, 2016 (HF)

By   
(Authorized Representative)



## NOISE AND POLLUTION AND OTHER PERILS EXCLUSION CLAUSE

This policy is amended as follows:

In the event any of the provisions of this endorsement are in conflict with any provisions, exclusions, conditions or terms forming part of this policy, this endorsement shall take precedence.

1. This policy does not cover claims directly or indirectly occasioned by, happening through or in consequence of:
  - (a) noise (whether audible to the human ear or not), vibration, sonic boom and any phenomena associated therewith,
  - (b) pollution and contamination of any kind whatsoever,
  - (c) electrical and electromagnetic interference,
  - (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.
2. With respect to any provision in the policy concerning any duty of the Company to investigate or defend claims, such provision shall not apply and the Company shall not be required to defend:
  - (a) claims excluded by paragraph 1., or
  - (b) a claim or claims covered by the policy when combined with any claims excluded by paragraph 1. (referred to below as "Combined Claims").
3. In respect of any Combined Claims, the Company shall (subject to proof of loss and the limits of the policy) reimburse the Insured for that portion of the following items which may be allocated to the claims covered by the policy:
  - (a) damages awarded against the Insured and
  - (b) defense fees and expenses incurred by the Insured.
4. Nothing herein shall override any radioactive contamination or other exclusion clause attached to or forming part of this policy.


All other provisions of this policy remain the same.

This endorsement becomes effective MAY 8, 2016 to be attached to and hereby made a part of:  
Policy No. 1000221495-01  
Issued to PETER W. HECHT

By STARR INDEMNITY & LIABILITY COMPANY

Endorsement No. 4

Date of Issue JUNE 2, 2016 (HF)

By   
(Authorized Representative)

## **NUCLEAR RISKS EXCLUSION CLAUSE**

This policy is amended as follows:

In the event any of the provisions of this endorsement are in conflict with any provisions, exclusions, conditions or terms forming part of this policy, this endorsement shall take precedence.

1. This policy does not cover:

- (i) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
- (ii) any legal liability of whatsoever nature

directly or indirectly caused by or contributed to by or arising from:

- (a) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- (b) the radioactive properties of, or a combination of radioactive properties with toxic, explosive or other hazardous properties of, any other radioactive material in the course of carriage as cargo, including storage or handling incidental thereto;
- (c) ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.

2. It is understood and agreed that such radioactive material or other radioactive source in paragraph 1. (b) and (c) above shall not include:

- (i) depleted uranium and natural uranium in any form;
- (ii) radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial, educational or industrial purpose.

3. This policy, however, does not cover loss of or destruction of or damage to any property or any consequential loss or any legal liability of whatsoever nature with respect to which:

- (i) the Insured under this policy is also an insured or an additional insured under any other insurance policy, including any nuclear energy liability policy; or
- (ii) any person or organization is required to maintain financial protection pursuant to legislation in any country; or
- (iii) the Insured under this policy is, or had this policy not been issued would be, entitled to indemnification from any government or agency thereof.

4. Loss, destruction, damage, expense or legal liability in respect of the nuclear risks not excluded by reason of paragraph 2. shall (subject to all other terms, conditions, limitations, warranties and exclusions of this policy) be covered, provided that:

- (i) in the case of any claim in respect of radioactive material in the course of carriage as cargo, including storage or handling incidental thereof, such carriage shall in all respects have complied with the full International Civil Aviation Organization "Technical Instructions for the Safe Transport of Dangerous Goods by Air", unless the carriage shall have been subject to any more restrictive legislation, when it shall in all respects have complied with such legislation;
- (ii) this policy shall only apply to an incident happening during the period of this policy and where any claim by the Insured against the Company or by any claimant against the Insured arising out of such incident shall have been made within three years after the date thereof;
- (iii) in the case of any claim for the loss of or destruction of or damage to or loss of use of an aircraft caused by or contributed to by radioactive contamination, the level of such contamination shall have exceeded the maximum permissible level set out in the following scale:

<u>Emitter</u> <u>(IAEA Health and Safety Regulations)</u>	<u>Maximum permissible level</u> <u>of non-fixed radioactive</u> <u>surface contamination</u> <u>(Averaged over 300 cm<sup>2</sup>)</u>
Beta, gamma and low toxicity alpha emitters	Not exceeding 4 Becquerels / cm <sup>2</sup> (10 <sup>-4</sup> microcuries / cm <sup>2</sup> )
All other alpha emitters	Not exceeding 0.4 Becquerels / cm <sup>2</sup> (10 <sup>-5</sup> microcuries / cm <sup>2</sup> )

- (iv) the cover afforded hereby may be cancelled at any time by the Company giving seven days' notice of cancellation.

All other provisions of this policy remain the same.

This endorsement becomes effective MAY 8, 2016 to be attached to and hereby made a part of:  
Policy No. 1000221495-01  
Issued to PETER W. HECHT

By STARR INDEMNITY & LIABILITY COMPANY

Endorsement No. 5

Date of Issue JUNE 2, 2016 (HF)

By   
(Authorized Representative)

**TERRORISM EXCLUSION**  
(Terrorism Risk Insurance Act)

This policy is amended as follows:

This policy does not cover claims caused by any losses, damages, or injuries arising directly or indirectly as a result of any certified "Act of Terrorism" defined by Section 102. Definitions of the Terrorism Risk Insurance Act and any revisions or amendments thereto.

Solely with respect to this endorsement and to ensure compliance with the Terrorism Risk Insurance Act, an "Act of Terrorism" shall mean:

(1) Act of Terrorism:

- (A) Certification - The term "act of terrorism" means any act that is certified by the Secretary of the Treasury in consultation with the Secretary of Homeland Security, and the Attorney General of the United States:
- (i) to be an act of terrorism;
  - (ii) to be a violent act or an act that is dangerous to:
    - (I) human life;
    - (II) property; or
    - (III) infrastructure;
  - (iii) to have resulted in damage within the United States, or outside of the United States in the case of:
    - (I) an air carrier or vessel defined as one principally based in the United States, on which United States income tax is paid, and whose insurance coverage is subject to regulation in the United States; or
    - (II) the premises of a United States mission; and
  - (iv) to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- (B) Limitation - No act shall be certified by the Secretary as an act of terrorism if:
- (i) the act is committed as part of the course of a war declared by the Congress, except that this clause shall not apply with respect to any coverage for workers' compensation; or
  - (ii) property and casualty insurance losses resulting from the act, in the aggregate, do not exceed the Program Trigger.
- (C) Determinations Final - Any certification of, or determination not to certify, an act of terrorism under this paragraph shall be final, and shall not be subject to judicial review.
- (D) Timing of certification - Not later than 9 months after the report required under section 107 of the Terrorism Risk Insurance Program Reauthorization Act of 2015 is submitted to the appropriate committees of Congress, the Secretary shall issue final rules governing the certification process, including establishing a timeline for which an act is eligible for certification by the Secretary on whether an act is an act of terrorism under this paragraph.
- (E) Nondelegation - The Secretary may not delegate or designate to any other officer, employee, or person, any determination under this paragraph of whether, during the effective period of the Program, an act of terrorism has occurred.

THE PROVISIONS OF THIS ENDORSEMENT SHALL APPLY SOLELY TO THE TERRORISM RISK INSURANCE ACT, ITS REVISIONS AND/OR AMENDMENTS AND SHALL IN NO WAY CONFLICT WITH THOSE OF AVN48B AND AMENDMENTS THERETO.
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All other provisions of this policy remain the same.

This endorsement becomes effective MAY 8, 2016 to be attached to and hereby made a part of:  
Policy No. 1000221495-01  
Issued to PETER W. HECHT

By STARR INDEMNITY & LIABILITY COMPANY

Endorsement No. 6

Date of Issue JUNE 2, 2016 (HF)

By   
(Authorized Representative)

## EXTENDED COVERAGE ENDORSEMENT

### Liability Coverage (Terrorism Risk Insurance Act)

In consideration of an additional premium of \$ INCLUDED, this policy is amended to provide such coverage as is set forth below:

#### (A) EXTENSION OF LIABILITY

Liability coverage as provided under this policy shall be extended to include any accident, incident, **occurrence**, act or event that is described or defined within the United States Terrorism Risk Insurance Act, such definition for an Act of Terrorism being as set forth in Terrorism Exclusion as attached to this policy.

#### (B) LIMITATION OF LIABILITY

The limit of the Company's liability for the coverage provided by this Endorsement shall be included within and not in addition to the limits of liability provided under this policy.

Coverage provided by this endorsement is subject to the terms, exclusions, conditions and limitations of the policy to which it is attached.


All other provisions of this policy remain the same.

This endorsement becomes effective MAY 8, 2016 to be attached to and hereby made a part of:  
Policy No. 1000221495-01  
Issued to PETER W. HECHT

By STARR INDEMNITY & LIABILITY COMPANY

Endorsement No. 7

Date of Issue JUNE 2, 2016 (HF)

By   
(Authorized Representative)

## EXTENDED COVERAGE ENDORSEMENT

### Physical Damage Coverage (Terrorism Risk Insurance Act)

In consideration of an additional premium of \$ INCLUDED, this policy is amended as follows:

Notwithstanding anything in the policy to the contrary, this endorsement provides the coverages shown below:

#### Loss of or Damage to the Aircraft

The Company will pay for the physical loss of or **physical damage** to any insured **aircraft** unless specifically excluded below that is caused by an **occurrence** during the policy period arising out of the following peril:

Any accident, incident, **occurrence**, act, or event that is described or defined within the United States Terrorism Risk Insurance Act, such definition for an Act of Terrorism being as set forth in Terrorism Exclusion Starr 10055 as attached to this policy.

#### Exclusion

This endorsement will not cover any loss, damage, or expense for any **occurrence** involving the following insured **aircraft** (if any) which the **named insured** has elected not to purchase coverage as stated above:

Registration Number	Make and Model	Year	Insured Value
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Coverage provided by this endorsement is subject to the terms, exclusions, conditions and limitations of the policy to which it is attached.


All other provisions of this policy remain the same.

This endorsement becomes effective MAY 8, 2016 to be attached to and hereby made a part of:  
Policy No. 1000221495-01  
Issued to PETER W. HECHT

By STARR INDEMNITY & LIABILITY COMPANY

Endorsement No. 8

Date of Issue JUNE 2, 2016 (HF)

By   
(Authorized Representative)

## ASBESTOS EXCLUSION ENDORSEMENT

This policy does not cover any claims of any kind whatsoever directly or indirectly relating to, arising out of or in consequence of:

1. The actual, alleged or threatened exposure to or presence of asbestos in any form whatsoever, including, but not limited to, asbestos fibers or asbestos dust, or any material or product containing, or alleged to contain, asbestos; or
2. Any obligations, request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, neutralize, protect against or in any other way respond to the actual, alleged or threatened exposure to or presence of asbestos in any form whatsoever, including, but not limited to, asbestos fibers or asbestos dust, or any material or product containing, or alleged to contain, asbestos.

However, the exclusion shall not apply to any claim for asbestos exposure caused by or resulting from a crash, fire, explosion, or collision or a recorded in flight emergency causing abnormal aircraft operations.

Notwithstanding any other provisions of this Policy, Insurers will have no duty to investigate, defend or pay defense costs in respect of any claim excluded in whole or in part under paragraphs 1. or 2. hereof.


All other provisions of this policy remain the same.

This endorsement becomes effective MAY 8, 2016 to be attached to and hereby made a part of:  
Policy No. 1000221495-01  
Issued to PETER W. HECHT

By STARR INDEMNITY & LIABILITY COMPANY

Endorsement No. 9

Date of Issue JUNE 2, 2016 (HF)

By   
(Authorized Representative)

## ACCIDENT FORGIVENESS ENDORSEMENT

### Deductible Waiver

The Company will waive the deductible for **physical damage** losses or **non-owned physical damage** losses (up to \$500) provided the pilot involved in the claim or **occurrence** has completed an approved training event by a recognized provider in the 6 months preceding the **occurrence** or aircraft claim, or completion of any phase of the **FAA** Wings program in the preceding 12 months of an **occurrence** or aircraft claim. Approved training can be found at

<http://www.starrcompanies.com/index.php/coverages/aviation-a-aerospace/light-aircraft>

Evidence of completion must be sent within 30 days of the date of loss to:

**Starr Aviation Agency, Inc.**

Attn: Claims

3353 Peachtree Road N.E Suite 1000

Atlanta, GA 30326

Ph : (404) 946-1400

Fax : (404) 946-1495

### Claims Experience Rating

Because of the **Named Insured's** commitment to recurrent training the Company has eliminated any claims experience rating from the **Named Insured's** premium calculation.

### Exclusions

The Endorsement does not apply if any **insured** has had more than one claim in the 36 months prior to its inception. It also does not apply to claims:

1. Involving fuel exhaustion or starvation; or
2. In which the pilot was:
  - a. Using drugs or alcohol;
  - b. Knowingly flying without a valid, current medical certificate (where one is required) or without a current flight review; or
  - c. Operating the aircraft carelessly or recklessly.


All other provisions of this policy remain the same.

This endorsement becomes effective MAY 8, 2016 to be attached to and hereby made a part of:  
Policy No. 1000221495-01  
Issued to PETER W. HECHT

By STARR INDEMNITY & LIABILITY COMPANY

Endorsement No. 10

Date of Issue JUNE 2, 2016 (HF)

By   
(Authorized Representative)



## FLORIDA ADDENDUM TO THE DECLARATIONS

If you have questions about your insurance policy, or questions about claims relating to your insurance policy, please contact your insurer at the following:

STARR INDEMNITY & LIABILITY COMPANY  
90 PARK AVENUE, 7TH FLOOR  
NEW YORK, NY 10016  
(646) 227-6300

Endorsement No. 11

## FLORIDA CANCELLATION / NONRENEWAL ENDORSEMENT

Wherever used in this endorsement: 1) "we", "us", "our", and "Insurer" mean the insurance company which issued this policy; and 2) "you", "your", "Named Insured", "First Named Insured", and "Insured" mean the Named Corporation, Named Organization, Named Sponsor, Named Insured, or Insured stated in the Declarations page; and 3) "Other Insured(s)" means all other persons or entities afforded coverage under the policy.

### CANCELLATION / NONRENEWAL

The cancellation provision of this policy is to be deleted in its entirety and replaced with the following:

A) The Insured shown in the Declarations may cancel this policy by mailing or delivering to the Insurer advance written notice of cancellation.

B) 1. Cancellation for Policies in Effect Ninety (90) Days or Less

If this policy has been in effect ninety (90) days or less the Insurer may cancel this policy by mailing or delivering to the Insured written notice of cancellation, accompanied by the reasons for cancellation, at least:

- a) Ten (10) days before the effective date of cancellation if the Insurer cancels for nonpayment of premium; or
- b) Twenty (20) days before the effective date of cancellation if the Insurer cancels for any other reason, except the Insurer may cancel immediately if there has been:
  - (1) A material misstatement or misrepresentation; or
  - (2) A failure to comply with underwriting requirements established by the Insurer.

2. Cancellation for Policies in Effect for More Than Ninety (90) Days

If this policy has been in effect for more than ninety (90) days the Insurer may cancel this policy only for one or more of the following reasons:

- a) Nonpayment of premium;
- b) The policy was obtained by a material misstatement;
- c) There has been a failure to comply with underwriting requirements within ninety (90) days of the effective date of coverage;
- d) There has been a substantial change in the risk covered by the policy; or
- e) The cancellation is for all insureds under such policies for a given class of insureds.

If the Insurer cancels this policy for any of these reasons, the Insurer will mail or deliver to the First Named Insured written notice of cancellation, accompanied by the reasons for cancellation at least:

- (1) Ten (10) days before the effective date of cancellation if cancellation is for the reason stated in 2.a) above; or
- (2) Forty-five (45) days before the effective date of cancellation if cancellation is for the reasons stated in 2.b), c), d), or e) above.

The following is added:

C) 1. Nonrenewal

- (a) If the Insurer decides not to renew this policy the Insurer will mail or deliver to the Insured written notice of nonrenewal, accompanied by the reason for nonrenewal, at least forty-five (45) days prior to the expiration of this policy.
- (b) Any notice of nonrenewal will be mailed or delivered to the Insured's last mailing address known to the Insurer. If notice is mailed, proof of mailing will be sufficient proof of notice.

2. Renewal

The Insurer shall give the Named Insured at least forty-five (45) days advance written notice of the renewal premium.


All other provisions of this policy remain the same.

This endorsement becomes effective MAY 8, 2016 to be attached to and hereby made a part of:  
Policy No. 1000221495-01  
Issued to PETER W. HECHT

By STARR INDEMNITY & LIABILITY COMPANY

Endorsement No. 12

Date of Issue JUNE 2, 2016 (HF)

By   
(Authorized Representative)

## DATE RECOGNITION EXCLUSION CLAUSE

This Policy does not cover any claim, damage, injury, loss, cost, expense or liability (whether in contract, tort, negligence, product liability, misrepresentation, fraud or otherwise) of any nature whatsoever arising from or occasioned by or in consequence of (whether directly or indirectly and whether wholly or partly):

- (a) the failure or inability of any computer hardware, software, integrated circuit, chip or information technology equipment or system (whether in the possession of the Insured or of any third party) accurately or completely to process, recognize, exchange or transfer year, date or time data or information in connection with any change of year, date or time;

whether on or before or after such change of year, date or time;

- (b) any implemented or attempted change or modification of any computer hardware, software, integrated circuit, chip or information technology equipment or system (whether in the possession of the Insured or of any third party) in anticipation of or in response to any such change of year, date or time, or any advice given or services performed in connection with any such change or modification;

- (c) any non-use or unavailability for use of any property or equipment of any kind whatsoever resulting from any act, failure to act or decision of the Insured or of any third party related to any such change of year, date or time;

and any provision in this Policy concerning any duty of the Company to investigate or defend claims shall not apply to any claims so excluded.


All other provisions of this policy remain the same.

This endorsement becomes effective MAY 8, 2016 to be attached to and hereby made a part of:  
Policy No. 1000221495-01  
Issued to PETER W. HECHT

By STARR INDEMNITY & LIABILITY COMPANY

Endorsement No. 13

Date of Issue JUNE 2, 2016 (HF)

By   
(Authorized Representative)

## AVIATION DATE RECOGNITION ENDORSEMENT WITH LIMITED COVERAGE GRANT AIRCRAFT OPERATORS OPTION 4

This Policy does not cover any claim, damage, injury, loss, cost, expense or liability (whether in contract, tort, negligence, product liability, misrepresentation, fraud or otherwise) of any nature whatsoever arising from or occasioned by or in consequence of (whether directly or indirectly and whether wholly or partly):

- a) the failure or inability of any computer hardware, software, integrated circuit, chip, computer component or other information technology equipment or system (whether in the possession of the **Insured** or of any third party) accurately or completely to process, recognize, exchange or transfer year, date or time data or information in connection with:
  - the change of year from 1999 to 2000; and/or
  - the change of date from 21 August 1999 to 22 August 1999; and/or
  - any other change of year, date or time;

whether on or before or after such change of year, date or time;

- b) any implemented or attempted change or modification of any computer hardware, software, integrated circuit, chip, computer component or other information technology equipment or system (whether in the possession of the **Insured** or of any third party) in anticipation of or in response to any such change of year, date or time, or any advice given or services performed in connection with any such change or modification;
- c) any non-use or unavailability for use of any property or equipment of any kind whatsoever resulting from any act, failure to act or decision of the **Insured** or of any third party related to any such change of year, date or time;

and any provision in this Policy concerning any duty of the Company to investigate or defend claims shall not apply to any claims so excluded.

HOWEVER, in consideration of the additional premium of \$ INCLUDED , it is hereby understood and agreed that this endorsement shall not apply to:

- 1. any accidental loss of or damage to an **aircraft** defined in the policy schedule (insured **aircraft**); and
- 2. any sums which the **Insured** shall become legally liable to pay, and (if so required by the Policy) shall pay (including costs awarded against the **Insured**) in respect of:
  - (a) accidental **bodily injury** (fatal or otherwise) to **passengers** directly caused by an accident to an insured **aircraft**; and/or
  - (b) loss of or damage to baggage and personal articles of **passengers**, mail and cargo directly caused by an accident to an insured **aircraft**; and/or
  - (c) accidental **bodily injury** (fatal or otherwise) and accidental damage to property directly caused by an insured **aircraft** or by any person or object falling therefrom.

PROVIDED THAT:

1. Coverage provided pursuant to this endorsement shall be subject to all terms, conditions, limitations, exclusions and cancellation provisions of this Policy (except as specifically provided herein), and nothing in this endorsement extends coverage beyond that which is provided by the Policy.
2. Nothing in this endorsement shall provide any coverage in respect of grounding and/or loss of use of any **aircraft** which has not been physically damaged or destroyed in the accident giving rise to a claim under the Policy.


All other provisions of this policy remain the same.

This endorsement becomes effective MAY 8, 2016 to be attached to and hereby made a part of:  
Policy No. 1000221495-01  
Issued to PETER W. HECHT

By STARR INDEMNITY & LIABILITY COMPANY

Endorsement No. 14

Date of Issue JUNE 2, 2016 (HF)

By   
(Authorized Representative)



**3353 Peachtree Road, N.E.  
Suite 1000  
Atlanta, GA 30326  
(Phone) 404-946-1400 (Fax) 404-946-1497**

In the event of a claim, please submit your notice of loss to the following email inbox which will generate a return email with your claims adjustor, contact information and claim number within 24 hours:

[aviationclaimreports@starrcompanies.com](mailto:aviationclaimreports@starrcompanies.com)

In the event of a claim emergency, please contact:

Jeffrey Greenawalt:  
Cell: (214) 223-0202

Or

Jacy Watt:  
Cell: (404) 401-8851  
Office: (404) 946-1414