

# AIRPORT 2000

Broad Form

AIRPORT LIABILITY

INSURANCE POLICY

**HALLMARK**  
INSURANCE COMPANY

777 Main Street Suite 1000  
Fort Worth, Texas 76102

Form AP2000C H (01/10)

## Validation

Your policy is comprised of the Coverage Identification Page, Parts One through Five and any Endorsements issued. The signature of our Aviation Managers on the Coverage Identification Page along with the signatures below of our President and Secretary validate your policy.

Secretary

President

# Broad Form Airport Liability Insurance Policy (New York)

ISSUED THROUGH



14990 Landmark Boulevard | Suite 300 | Dallas, Texas 75254  
888.880.1289 | 972.852.1200

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

Be sure to review your Coverage Identification Page to confirm the coverage and limit of coverage issued to you. Then read each Part of the policy and each Endorsement we issued. This will enable you to better understand your policy.

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

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## Policy Provisions

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

### Part I. Definition of Terms Used In the Policy

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

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

The term also includes any other **airport** and/or premises **you** acquire during the policy period provided **you** give **us** or our **Aviation Managers** written notice of such acquisition within thirty (30) days of such acquisition and pay any additional premium **we** may charge to provide coverage for such additional location(s).
6. **Auto** means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. However, the term does not include **mobile equipment**.
7. **Aviation Managers** means Aerospace Insurance Agency, Inc., and any of its affiliates or subsidiaries, which manage **our** aviation insurance business for **us**.
8. **Bodily Injury** means physical injury to a person, including sickness, disease (including mental anguish) or death resulting from such physical injury.
9. **Employee** means any person while acting within the scope of employment, direction or authorization given by **you** who receives compensation from **you** to provide airport line services, **aircraft** repair or maintenance services as a mechanic, or other ground services related to and in conjunction with **your** airport operations where an **occurrence** arises out of these activities.

This definition will apply whether **you** deem the person providing such services to be an **employee** or an independent contractor, unless such person is regularly employed, and more than 50% of such person's current compensation from aviation-related services is paid, by persons or organizations other than **you**.
10. **Federal Aviation Administration (FAA)** means the authority of the United States of America having jurisdiction over civil aviation or its counterpart in another country.

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

of **someone we protect** where an **occurrence** arises out of such employment activities. Provided, however, no **employee** is **someone we protect** with respect to:

- A. **Bodily injury** or **personal injury** to a co-**employee** while in the course or scope of his or her employment, or
- B. **Property damage** to property owned, occupied or rented by, or loaned to that **employee** or to any of **your** other **employees**.

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

- A. any of **your** executive officers, shareholders, managers or members while acting within the scope of his or her duties as such, if **you** are a corporation or limited liability organization; or
- B. **your** spouse, if you are a proprietorship, but only with respect to liability arising out of **your** business operations; or
- C. any of **your** partners or joint venturers, and their respective spouses, if **you** are a partnership or joint venture, but only with respect to liability arising out of **your** business operations; or

17. **We, us** or **our** means the insurance company named on the Coverage Identification Page.

18. **You** and **your** mean the person(s) or organization(s) named in Item 1 of the Coverage Identification Page under the heading "Named Insured," and any affiliated company. An affiliated company is any business organization owned in whole or in part by the person(s) or organizations(s) named in Item 1 of the Coverage Identification Page.

## Part II. Insuring Agreements

### Coverage A. Bodily Injury and Property Damage Liability

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

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

#### **Hazard Division 2. Products and Completed Operations.**

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

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

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

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

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

### Coverage B. Hangarkeeper's Liability

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

### Coverage C. Personal Injury Liability

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

### Coverage D. Advertising Injury Liability

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

## Part III. Defense, Settlement and Supplementary Payments

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

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

1. All of **our** expenses, and all costs taxed against **you** or **someone we protect** in any suit we are required to defend including:
  - A. Any prejudgment interest awarded against **you** or **someone we protect** on that part of the judgment we are required to pay under the terms of this policy;
  - B. All interest on the amount of any judgment that we are required to pay under the terms of this policy which accrues after the entry of the judgment and before we have paid, tendered or deposited the amount in court;
  - C. Any costs for arbitration alleging damages covered by this policy to which **you** or **someone we protect** must submit;
2. Premiums on bonds to release attachments in any suit defended by us for any amount not exceeding the applicable limit of coverage. However, we have no obligation to furnish any such bonds;
3. Premiums on appeal bonds required on any judgment we elect to appeal for any amount not exceeding the applicable limit of coverage, but we have no obligation to furnish any such bonds;
4. Expenses incurred by **you** or **someone we protect** for first aid, medical and surgical relief because of **bodily injury** at the time of an **occurrence**;
5. All reasonable expenses incurred by **you** or **someone we protect** at **our** request, including the loss of **your** or **someone we protect's** earnings, wages or salaries, or any **employee** thereof, not to exceed \$100 per day except to the extent as may be required otherwise under applicable state law;
6. All other expenses incurred by **you** or **someone we protect** that have been approved in advance by **us**.

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

## Part IV. Exclusions

This policy does not apply to claims for **bodily injury** or **property damage** described in the following paragraphs:

1. **Bodily injury** or **property damage** caused directly or indirectly by, happening through or as a consequence of:

- A. any type of noise or vibration whatsoever (whether or not audible) including sonic boom and any phenomena associated therewith;
- B. any type of pollutants, contaminants or waste of any kind or type whatsoever. "Pollutants" or "contaminants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. "Waste" includes materials to be recycled, reconditioned or reclaimed;
- C. asbestos, exposure to asbestos, or any products containing asbestos;
- D. any type of electrical and/or electromagnetic interference whatsoever;
- E. any type of interference with the quiet enjoyment of or any other use of any property whatsoever.

However, Exclusion 1 above does not apply to any **occurrence** caused by or resulting in a crash, fire, explosion or collision or an **in flight** emergency causing abnormal **aircraft** operation; nor does 1.B above apply to an **occurrence** arising out of the contamination of goods or products covered under Hazard Division 2 of this policy.

Nothing contained in this section overrides any radioactive contamination or any other exclusion clause attached to or forming part of this policy.

- 2. Any claim, loss, damage, cost or expense arising out of any direction or request that **you** or **someone we protect** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants, contaminants or waste, including any type of asbestos or asbestos-related products.
- 3. Assault and battery if committed by or at the direction of **you** or **someone we protect**. However, this exclusion does not apply if the assault and battery arises out of the use of reasonable force for the purpose of preventing or eliminating danger in the operation of the **airport** or an **aircraft**, or for the purpose of preventing **bodily injury** or **property damage** covered by this policy.
- 4. **Bodily injury** to **you** or **someone we protect**. However, this exclusion does not apply to liability assumed in a contract covered under Hazard Division 4. "Contractual Liability."
- 5. **Bodily injury** or **property damage** arising out of the manufacture, distribution, sale or service of alcoholic beverages by **you** or **someone we protect**.
- 6. **Property damage** to any property owned by, leased or rented to or occupied by **you** or **someone we protect** except with respect to liability under Coverage A. Hazard Division 5, "Fire Legal Liability."
- 7. **Property damage** to any property in **your** care, custody or control, or in the care, custody or control of **someone we protect**, for the purposes of sale, storage, safekeeping or for the purpose having operations performed on such property. However, this exclusion does not apply to any **aircraft** covered under Coverage B, "Hangarkeeper's Liability."
- 8. Except with respect to **aircraft** covered under Coverage B, "Hangarkeeper's Liability," or liability arising under Coverage A. Hazard Division 2. "Products and Completed Operations," or a written sidetrack agreement or arising out of the use of elevators or escalators, **property damage** to:
  - A. Tools or equipment while being used by **you** or **someone we protect** in performing operations; or
  - B. Property in the custody of **you** or **someone we protect** which is to be installed, erected or used in construction by **you** or **someone we protect**; or
  - C. Property not located on the **airport**.
- 9. **Bodily injury** or **property damage** arising out of the operation, maintenance, use, loading or unloading of any **aircraft** by or on behalf of **you** or **someone we protect**. This exclusion does not apply to any **aircraft** not owned or leased by **you** or **someone we protect** when such control is solely ground traffic control over the ground movement of such **aircraft**. This exclusion also does not apply to **property damage** to an **aircraft** covered under Coverage B, "Hangarkeeper's Liability."
- 10. **Bodily injury** or **property damage** caused by or arising out of:
  - A. Any **auto** owned or operated by or on behalf of **you** or **someone we protect** while off the **airport** unless responding to any **aircraft** or aviation emergency; or
  - B. Any ships, vessels, craft or boats owned, chartered, used or operated by or on account of **you** or **someone we protect**, unless the **occurrence** happens on the **airport** or unless responding to any **aircraft** or aviation emergency. However, this exclusion does not apply to watercraft under 26 feet in length that are used in connection with the **airport** and are not owned by **you** or **someone we protect**; or
  - C. The conduct of any air meet, contest or similar outdoor exhibition permitted, sponsored or participated in by **you** or **someone we protect**, but this exclusion does not apply to the static ground display of **aircraft**; or

- D. **Aircraft traffic control services** by an **aircraft traffic control tower** unless solely operated by the **FAA** or United States Military or an entity, other than you or **someone we protect**, under contract directly with the **FAA** or United States Military to provide **aircraft traffic control services**; or
- E. The ownership, maintenance or use of:
- (i) grandstands, bleachers or observation platforms other than observation decks or promenades which are part of permanent structures on the **airport**, or
  - (ii) swimming pools, or
  - (iii) lodging accommodations for the general public, or
  - (iv) any type of school other than schools operated by **you** which are incidental to **your airport** operations.
- F. Restaurants operated by **you**, **someone we protect** or by others trading under **your** name, caused by goods or products manufactured, sold, handled or distributed by **you** or by others trading under **your** name after possession of such goods or products has been relinquished to others;
11. Damages claimed for the withdrawal, inspection, repair, replacement, or loss of use of **your** products or work completed by or for **you** or of any property of which such products or work form a part, if such products, work or property are withdrawn from the market or from use because of any known or suspected defect or deficiency therein;
12. **Bodily injury** or **property damage** resulting from:
- A. A delay in or lack of performance by **you** or on **your** behalf of any contract or agreement, or
  - B. The failure of **your** products or work completed by or for **you** to perform the function or serve the purpose intended by **you**, including a mistake or deficiency in any design, formula, plan, specification, advertising material or printed instruction prepared or developed by **you** or **someone we protect**;
- But this exclusion does not apply to **bodily injury** or **property damage** resulting from the actual malfunctioning or failure of such products or work;
13. Under Coverage A, Hazard Division 4. "Contractual Liability":
- A. If **you** or **someone we protect**, or indemnitee thereof, is an architect, engineer or surveyor, to **bodily injury** or **property damage** arising out of any professional services performed by **you**, **someone we protect**, or indemnitee thereof;
  - B. **Property damage** to:
    - (i) property owned by, occupied by, leased by or rented to **you** or **someone we protect**;
    - (ii) property used by **you** or **someone we protect**;
    - (iii) property in the care, custody or control of **you** or **someone we protect** or as to which **you** or **someone we protect** is for any purpose exercising physical control.
14. Under Coverage A, Hazard Division 2. "Products and Completed Operations":
- A. **Property damage** to **your** products arising out of any such products or any part of such products; or
  - B. **Property damage** to work performed by **you** or on **your** behalf arising out of the work performed, or any portion thereof, or out of materials, parts or equipment furnished in connection with such work.
15. Under Coverage B, "Hangarkeeper's Liability":
- A. **Property damage** to robes, wearing apparel, personal effects or merchandise of any description, whether or not the **aircraft** in which they are contained is stolen or damaged;
  - B. **Property damage** to any **aircraft** owned by, hired by or loaned to **you** or **someone we protect**, or any family member thereof; or
  - C. **Property damage** to any material furnished by **you** or any work done by **you** out of which the **occurrence** arises;
16. Under Coverage C, "Personal Injury Liability" or Coverage D, "Advertising Injury Liability," liability for:
- A. Any injury if the first injurious publication or utterance of the same or similar material was made prior to the effective date of this policy;



- B. Any injury if the publication or utterance was made by or at the direction of **you** or **someone we protect** with the knowledge of its false nature;
  - C. Any injury caused by breach of contract, other than misappropriation of advertising ideas under an implied contract;
  - D. Any injury caused by the failure of goods, products or services to conform to the advertised quality or performance of such goods, products or services;
  - E. Any injury caused by the wrong description of the price of goods, products or services;
  - F. Any offense committed by **you** or **someone we protect**, or any indemnitee thereof, whose business is advertising, broadcasting, publishing or telecasting;
17. This policy does not apply to fines, penalties, punitive damages, exemplary damages, or treble damages in whatever form assessed.

## Part V. Conditions

### 1. Policy Period and Territory

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

### 2. Inspection and Audit

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

**We** or **our** authorized representatives may examine or audit **your** books and records at any time during the policy period and extensions thereof, any time they are the subject of an open claim and, within three years after the final termination of this policy, as far as they relate to the subject matter of this insurance.

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

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

Failure to give notice to **us, our aviation managers** or **your** agent as required under this policy shall not invalidate any claim made by the insured, injured person or any other claimant, unless the failure to provide such timely notice has prejudiced **us**. However, no claim made by the insured, injured person or other claimant will be invalidated if it shall be shown not to have been reasonably possible to give such timely notice and that notice was given as soon as was reasonably possible thereafter.

### 4. Limit of Coverage

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

### Coverage A. Bodily Injury and Property Damage Liability

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

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

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

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

### Coverage B. Hangarkeeper's Liability

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

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

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

### Coverage C and D. Personal Injury Liability and Advertising Injury Liability

The limit of coverage stated in the Coverage Identification Page in respect of Coverage C and D as applicable to "each occurrence" is the most **we** will pay for all damages because of any one **occurrence** as defined for Coverage C and D.

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

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

## 5. Deductibles

### Coverage A, C and D

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

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

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

### Coverage B. Hangarkeeper's Liability

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

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

## 6. Separate Insureds

**You** and **someone we protect** are protected separately. However, none of the provisions, terms, conditions and exclusions of the policy change by virtue of this protection and the limits of coverage shown on the Coverage

Identification Page do not increase regardless of (a) the number of the entities or persons protected by the policy, (b) the number of claims or (c) the number of claimants as the result of any one **occurrence**.

## 7. **Action Against Us**

No person or organization has a right under this policy:

- a. To join **us** a party or otherwise bring us into a suit asking for damages from **you** or **someone we protect**; or,
- b. To sue **us** under this policy unless all of its terms have been fully complied with.

A person or organization may sue **us** to recover on an agreed settlement or on a final judgment against **you** or **someone we protect**, but **we** will not be liable for damages that are not payable under the terms of this policy or that are excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by **us**, **you** or **someone we protect** and the claimant or the claimant's legal representative.

If **we** deny coverage or do not admit liability because **you** or **someone we protect**, or the injured person, someone acting for the injured person or other claimant fails to give **us** written notice as soon as practicable, then the injured person, someone acting for the injured person or other claimant may bring an action against **us**, provided the sole question is whether the denial of coverage or non-admission of liability is based on the failure to provide timely notice. However, the injured person, someone acting for the injured person or other claimant may not bring an action if within 60 days after **we** deny coverage or do not admit liability, **we** or an insured: (a) brings an action to declare the rights of the parties under the policy; and (b) names the injured person, someone acting for the injured person or other claimant as a party to the action.

## 8. **Death, Bankruptcy or Insolvency**

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

## 9. **Our Right To Recover From Others**

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

## 10. **Other Insurance**

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

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

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

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

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

- B. **Contribution by Limits.** If any of such other insurance does not provide for contribution by equal shares, **we** will not pay for a greater proportion of such loss than the applicable limit of coverage under this policy for such loss bears to the applicable limit of coverage under all such other valid and collectible insurance against such loss.

**11. Changes to Your Policy**

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

**12. Assignment**

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

**13. Sole Agent**

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

**14. Fraud or Misrepresentation**

**We** do not provide coverage for **you** or **someone we protect** if **you** or **someone we protect** has deliberately concealed or misrepresented any material fact or circumstance relating to the policy either before or after an occurrence. No misrepresentation shall be deemed material unless knowledge by **us** of the facts misrepresented would have led to **our** refusal to make such contract.

**15. Unintentional Errors and Omissions**

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

**16. Cancellation and Non-Renewal of This Policy**

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

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

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

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

**17. Knowledge of Occurrence**

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

**18. Inadvertent Failure to Report**

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