



# Aviation Products Liability

Commercial Select

Proposal

**Allianz** 



## Contents

Introduction	1–4
Proposal	
– Business Details	5
– Aviation Products Liability	6
– General Questions	9
– Declaration	10

Thank you for choosing Allianz Insurance plc. We are one of the largest general insurers in the UK and part of the Allianz Group, one of the world's foremost financial services providers.

With Allianz Insurance plc, you can be confident that you're insured by a company which is relentless in its commitment to protecting and serving you. You can trust us to insure your business, as we've been providing leading insurance solutions in the UK for over 100 years.

We work in partnership with your insurance adviser to ensure you receive the highest levels of product and service excellence. Our technical experts understand how best to protect you against the risks your business faces. You don't have to take our word for it.

If you need to make a claim you will be in safe hands. Our professionally trained staff aim to treat you, as you would expect, both promptly and fairly. By listening to you, and understanding your needs we will provide you with the most appropriate solutions to get your business trading again as quickly as possible.

**Should you need further details or have any questions your insurance adviser will be delighted to help.**

# Introduction

Aviation Products Liability is a specialist cover normally only available from specialist insurers and as a stand alone insurance policy. Allianz Insurance plc in conjunction with Allianz Global Corporate & Specialty, our leading aviation

insurer, have added Aviation Products Liability insurance to our Commercial Select product, enabling you to combine this specialist cover with your other general insurance products into one policy.

## What is Aviation Products Liability?

### Aviation Products Liability

#### Significant Key Features and Benefits

- **Aviation Products Liability** – covers your legal liabilities to third parties arising from injury or damage caused by the failure of a component manufactured or product supplied. Cover automatically extends to include Grounding cover - this covers the eventuality of all aircraft of a particular type being grounded following an accident, with consequent liability upon you for loss of use to the owners of undamaged aircraft.
- The insurance cover is a 12 month contract and is annually renewable.
- It is underwritten by Allianz Global Corporate & Specialty, the UK Branch of Allianz Global Corporate & Specialty AG, Koniginstrasse 28, 80802 Munich, Germany. UK Branch registered office: 27 Leadenhall Street, London EC3A 1AA, Company No. FC024389. Branch No, BR006950. Authorised by Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and regulated by the Financial Services Authority (FSA) for the conduct of business in the UK. FSA reg. number FRN214374.

#### Significant Exclusions or Limitations

- Loss of or damage to property belonging to you or in your charge or control
- Contractual Liability you may assume in excess of that which may otherwise have been imposed by law.
- Liability under Employers' Liability or Workmens' Compensation laws.
- Loss of use of any aircraft which has not been physically damaged (other than as covered under the Grounding Section)
- Any contractual performance failure.
- Maintenance, routine overhaul, alteration or modification (other than as covered under the Grounding Section)
- Nuclear liability
- Noise, pollution and contamination, electrical or electromagnetic interference.
- War, hostile detonation of nuclear weapons, strikes, riots, terrorism, malicious acts and sabotage, confiscation and hi-jacking.
- Claims associated with particles, dust and fibres.
- U.S. Government property
- Previously suspected defects
- Failure of computer hardware and software
- Space products
- Any liability governed by road traffic laws.
- Limit of Indemnity – as selected by you and specified in the Policy Schedule, and relates to :
  - One claim or series of claims arising out of one Occurrence
  - All claims during any one period of insurance arising out of products supplied i.e. an annual aggregate limit
  - Liability to which you may be exposed relating to the loss of completed aircraft caused by a Grounding resulting from an Occurrence
  - Your liability arising from an Occurrence arising during the course of work you carry out away from your premises
  - Additional costs associated and defence, settlement and supplementary payments associated with claims for damages under the Products, Grounding and Working Party Liability Sections.

## What is Commercial Select?

Commercial Select is designed to cover the main insurance needs of a business. The insurance cover is a 12 month contract and is annually renewable. It is underwritten by Allianz Insurance plc. In addition to Aviation Products Liability, other covers are optional for your selection, and are detailed below.

### Covers Available:

- Property Damage (“All Risks”) or Property Damage (Specified Events)
- Theft
- Business Interruption
- Money, Goods in Transit, and Specified “All Risks”
- Employers Liability, Public Liability or Public and Products Liability
- Accident and Business Travel
- Fidelity
- Commercial Legal Expenses

## Explanation of Cover Available:

### Property Damage

Insures your buildings, machinery, fixtures and fittings and your stock.

There are two options of cover:

#### Option 1 - Commercial All Risks

Specified Events, Theft and Accidental Damage.

#### Option 2 - Specified Events

Fire, lightning, explosion, aircraft, riot and civil commotion, malicious persons, earthquake, subterranean fire, storm, flood, escape of water from any tank, apparatus or pipe and impact. Theft as a result of someone using force and violence to get into or out of your premises, including any damage they cause.

### Business Interruption

Your business will be interrupted and your profit reduced if your buildings or contents are damaged or destroyed by Fire or any of the covers given under Property Damage. You will still have to pay expenses such as wages and extra costs to reduce the interference to your business. This policy insures your financial loss.

### Basis of cover

Gross Profit is most suitable for businesses producing or selling goods.

Gross Revenue is for business supplying a service such as sports and social clubs. There are covers available which may be suitable for you.

There are two options of cover:

#### Option 1 - Commercial All Risks

#### Option 2 - Specified Events and Theft (Optional)

### Theft

Theft as a result of someone using force and violence to get into or out of your premises, including any damage they cause.

### Money

Insures your money for accidental loss or theft at your premises during business hours and overnight and whilst you are taking it to and from your bank or post office. Includes damage to your safe and theft by your employees which you discover within 15 working days. Also covers you and your employees if you are assaulted and injured whilst carrying your money.

### Goods in Transit

Insures your stock for accidental loss, damage, fire or theft, whilst in transit anywhere in the United Kingdom. Covers stock in your own vehicles, when carried by road hauliers or by rail or post.

### Specified All Risks

Accidental loss or damage to specified items within the UK, EU or worldwide

### Public and Products Liability

Public liability insures your legal liability to pay compensation to members of the public if they are injured or their property is damaged as a result of an accident caused by you or your employees while working for you. Cover also includes financial loss resulting from nuisance, trespass, obstruction or interference with any right of way, light, air or water.

Cover applies in the United Kingdom and any other member country of the European Union. It also applies elsewhere in the world in respect of non-manual work by you or your employees who are working temporarily abroad.

You may select the limit of indemnity.

You may include Products Liability cover. This insures your legal liability to pay compensation to members of the public if they are injured or their property is damaged as a result of an accident caused by your products.

You may select the limit of indemnity.

## Public and Products Liability – Excess of Loss

Awards for injuries and damage continue to rise and limits of indemnity under Public/Products liability products, once considered as being adequate, are now failing to keep pace.

In addition, some businesses will require high limits due to the nature of their activities, the products they produce of the work or services they undertake. A high limit may be required in order to undertake a specific large scale contract or project and contractual requirements for high limits are commonplace in the contracting trades. Product manufacturers may also need to consider that the limit of indemnity for Products Liability insurance is normally aggregated and the limit may become exhausted very quickly should the product cause multiple claims.

However, most insurers are reluctant to provide high indemnity limits beyond certain levels and additional layers of insurance cover - Excess of Loss – from other insurers are frequently sought to build up the total amount of cover available.

Our Excess of Loss cover is specifically designed to both meet the needs of such business and to be easily incorporated into their overall insurance programme.

## Directors and Officers Liability

Directors and Officers Liability insurance provides financial protection and therefore peace of mind for directors in terms of their personal liability when managing their company in their capacity as a director.

Smaller sized businesses can be just as vulnerable to claims as larger companies and as the directors of small private companies are subject to similar duties as listed companies.

Under the 1985 and 1989 Companies Acts directors and officers are exposed to over 200 hundred areas of statutory liability. This means that they can face unlimited personal liability for their actions and decisions on behalf of the company. Other legislation (e.g. Companies Act 2006) has further increased such liabilities.

Where a director or officer is alleged to have committed a wrongful act (any actual or alleged breach of duty, trust, neglect, error or omission) in performance of their duties they are exposed to potential liability.

A directors' personal assets may be at risk if they are sued - claims can be brought by anyone with an interest in the affairs of the company: regulators, statutory authorities, shareholders, other directors, employees and in the case of insolvency, creditors, liquidators and administrators.

For small businesses, directors are often the sole or major director or shareholder and most will not have the resource to defend a claim which may put their business in jeopardy. Many directors incorrectly believe that they are protected by the limited liability status of their company.

Designed to meet the needs of small to medium sized UK businesses Allianz are one of the few leading insurers who offer Directors & Officers cover as part of a combined insurance policy.

## Employers Liability

Insures your legal liability to pay compensation to employees if they are injured (this means bodily injury, death, disease, illness or shock) whilst working for you. Cover includes your costs and those of your employee.

The policy applies in the United Kingdom and anywhere in the world for employees who live in the United Kingdom and are working temporarily abroad. They must bring any claim in the United Kingdom or any member country of the European Union.

The standard limit of indemnity is £10m, but higher limits may be available on request.

## Fidelity Insurance

This cover provides for the direct loss of money or goods caused by employee theft, fraud or dishonesty, committed with the clear intent of obtaining an improper gain for themselves, up to the limit selected by you.

## Accident Insurance

The cover provides for compensation for an accident which results in death or disablement.

A range of capital sums and weekly benefits can be tailored to meet your needs. A wide range of extensions are automatically added to the base level of cover and a comprehensive range of telephone helplines are included too.

## Business Travel

The cover can provide for compensation arising out of an accident during a journey which within 12 months results in death or disablement.

Cover can include medical expenses incurred as a direct consequence of death, injury, illness or compulsory quarantine during a journey outside of the UK.

Other features can include cancellation and curtailment, baggage and personal money, personal liability, hijack and legal expenses.

A comprehensive range of telephone helplines are included too.

## Commercial Legal Expenses

**Commercial Legal Expenses cover includes:**

- Legal Expenses cover in respect of legal fees for Criminal Prosecution Defence (non-motor related)
- Lawphone – access to a legal advice helpline to get advice on any commercial legal problem 24 hours a day, 365 days a year
- Allianz Legal Online – access to business support to help you produce legal paperwork in connection with your business.

### Commercial Legal Expenses Optional Extension 1

- Standard cover plus Employment, Taxation Proceedings, Damage to Premises, Data Protection, Commercial Tenancy Agreement, Licence Protection, Personal Injury and Jury Service Allowance

### Commercial Legal Expenses Optional Extension 2

- Standard cover and Commercial Legal Expenses Optional Extension 1 plus Contract cover

## Engineering Insurance

Allianz Insurance plc offers a comprehensive range of Engineering products, including:

- Machinery Damage
- Computer, Contract Works
- Contractors Plant & Machinery
- Hired Plant
- Deterioration of Stock and Business Interruption

as well as Inspection Services.

## Energy Services

The Energy Performance of Buildings Directive was introduced into the UK from January 2006. Its objective is to improve energy efficiency and reduce carbon emissions as part of the Governments strategy to achieve a sustainable environment.

Under the Energy Performance of Buildings (Certificates and Inspections) Regulations 2007, property owners, operators and managers are required to put in place a programme of energy performance certification and energy inspections for air conditioning units.

Allianz Engineering Energy Services offer a range of services and solutions for compliance with the Energy Performance of Building Regulations through a network of accredited surveyors:

- Energy Performance Certification
- Display Energy Certification
- Air Conditioning (Level 1 & 2) Efficiency Inspection
- Heating Plant (Boiler) Efficiency Inspection
- Energy Audit and report

Please contact your insurance adviser or local Allianz Engineering branch for details of these products and services.

## Policy Cover

The above is a brief explanation of the cover available. All sections include extensions of cover and are subject to certain conditions and exclusions. Your insurance adviser or local Allianz office will be pleased to explain the policy cover in more detail. If you ask us, we will give you a specimen copy of the policy.

## Other Covers

We can also cover you for Commercial Vehicles and Private Cars, Annual Business Travel, Accident and Sickness, Engineering Inspection and Insurance and Marine Cargo. Your insurance adviser or local Allianz office will be pleased to tell you about these.

# Proposal

## Business Details

1 Your full name including any trading name:

2 A If you are a limited company, please show your Company Registration Number:

B If you are not a limited company, please show the full names and addresses of all principals and partners and any trading name:

C If you have any subsidiary companies, please show their names and addresses:

3 Your postal address:

4 Full description of your business activities:

5 How long have you been in business:

6 Have you ever traded under a different name?

Yes  No

If 'Yes', please give details and the reason for the change:

7 Details of current insurance:

a Name of current insurer:

b Limits of liability:

c Expiry date:

8 When do you want your insurance to start? (The policy is renewable annually)

# Aviation Products Liability

**1 Limits of Insurance** – please indicate limits required:

Coverage A – Bodily Injury and Property Damage Liability £  any one occurrence and annual aggregate

and Coverage B – Grounding Liability combined

Coverage C – Working Parties Liabilities £  any one occurrence

**2** Do you run any part of your business from, or work in, any premises in any foreign country? Yes  No

If 'Yes', please give details including the country:

**3** Do you do any manual work away from your premises? Yes  No

If 'Yes', please give full details of the types of work:

**4 Product Information**

**A** Describe all aircraft products, designed, manufactured, assembled, or distributed by you or your subsidiaries (submit brochures, if available):

**B** Please specify the aircraft and aircraft system in which products are use:

**C** Do you or your subsidiaries manufacturer the entire products? Yes  No

If 'no' describe component part(s) sourced from others:

**D** Do you or your subsidiaries fully assemble the product(s)? Yes  No

If 'no' describe assembly services sourced from others:

**E** Do you or your subsidiaries maintain and/or service the products? Yes  No

If 'yes', please attach a copy of your standard written service contract.

**F** Do you have or are you working towards ISO 9001/2 accreditation? Yes  No

5 **Turnover** Please provide an estimate of turnover for next year, and details of actual turnover for prior years.  
Please show the percentage of any direct or indirect exports to the USA or Canada.

	Estimated Next Year	Actual This Year	Previous year	Previous year	Previous year
	£	£	£	£	£
<b>Non-Military</b>					
Commercial Aircraft Airframe					
Commercial Aircraft Engine					
Fixed Wing Airframe					
Fixed Wing Engine					
Helicopter Airframe					
Helicopter Rotors					
Commercial Space					
Other (please specify here)					
Exports USA/Canada (% of total)	%	%	%	%	%
<b>Non-Military Sub Total</b>	£				

<b>Military</b>					
Fixed Wing Airframe					
Fixed Wing Engine					
Rotorcraft Engine					
Rotorcraft Airframe					
Missiles / (RVPs)					
Spacecraft					
UAVs (unmanned Ariel Vehicle)					
Other (please specify here)					
Exports USA/Canada (% of total)	%	%	%	%	%
<b>Military Sub Total</b>	£				

<b>Grand Total</b>					
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<b>Repair &amp; Servicing of Aircraft and Aviation Product</b>					
Gross Receipts					

Describe Repair and/or Servicing Operations:

List principle customers and percentage of sales for each

Customer Name	% of Sales
1. <input type="text"/>	<input type="text"/> %
2. <input type="text"/>	<input type="text"/> %
3. <input type="text"/>	<input type="text"/> %
4. <input type="text"/>	<input type="text"/> %
5. <input type="text"/>	<input type="text"/> %

6 Additional Information

A Do you issue any written guarantees, conditions or warranties for the product? Yes  No

If 'Yes', please provide details, and attach a copy:

B Describe product engineering & testing controls, including names of outside firms and government agencies involved in maintaining quality control:

C List all products discontinued and companies sold/terminated for which coverage is required:

D Describe potential hazards of all aircraft products including if: flammable, explosive, corrosive, poisonous or toxic:

E Do you enter into any hold harmless or indemnification contracts? Yes  No

If 'Yes', please attach copies  or describe:

F Have any products ever been subject to:

a Manufacturer's Factory Service Bulletin or advisory? Yes  No

b Airworthiness Directive? Yes  No

c Emergency Airworthiness Directive? Yes  No

d Recall by: i Any applicant? Yes  No

ii Any other firm? Yes  No

iii Any governmental agency? Yes  No

7 Extensions required: (tick as appropriate)

a War Risks Extension (Avn52G)

b Space Risks

c Working Parties Legal Liability

# General Questions

1 Has any Insurer ever

- a) declined to insure you? Yes  No
- b) cancelled or declined to renew any of your insurances? Yes  No
- c) imposed special terms? Yes  No

If 'Yes', to A, B or C please give details

2 Have you or any partner, director or any other person responsible for managing the business in connection with this or any other business in which you or they have been trading, ever been

- a) convicted of or charged (but not yet tried) with any criminal offence other than road traffic offences Yes  No
- b) declared bankrupt or insolvent Yes  No
- c) a director or partner of a company that went into liquidation or receivership Yes  No
- d) prosecuted for a breach of any statute relating to health or safety of employees or others Yes  No
- e) served with a Prohibition Notice under the Health and Safety at Work Act Yes  No
- f) the subject of a recovery action by Customs and Excise or the Inland Revenue Yes  No
- g) the subject of a county court judgement made against you Yes  No

If 'Yes', to any of the above please give details

3 Have you or any Partner or Director (in connection with this or any other business in which you or they have been trading) suffered any loss, made any claims or been involved in any accidents or incidents which have or could have resulted in a claim in respect of the risks proposed within the last ten years? Yes  No

**Important: You must give details of all claims, even if they were declined by your previous insurers.**

If 'Yes', please give details

Year	Type of Loss	Details of Loss	Amount Paid £	Amount Outstanding £

# Declaration

- 1 I/We declare that to the best of my/our knowledge and belief:
  - a) the above statements and particulars, whether written by me/us or by others on my/our behalf, are true and complete;
  - b) any statement or particulars which have been given separately by me/us or by others on my/our behalf are true and complete;
  - c) I/we have not withheld any material fact\*
  - d) no insurer has declined my/our proposal, cancelled or refused to renew my/our policy or increased the premium or required special terms or conditions in respect of any of the risks proposed; and
  - e) all sums insured stated above represent the full value of the property to be insured.

- 2 I wish to modify the above statements in the following respects:

- 3 I/We agree that this proposal and declaration and any information given separately shall be the basis of the contract between Allianz and myself/ourselves.
- 4 I/We agree to accept the Allianz standard form of policy for this type of insurance.
- 5 I/We understand that Allianz reserves the right to decline any proposal.
- 6 I/We understand that Insurers share information with each other, credit reference agencies and other information agencies with regard to credit agreements, policies and claims, primarily to assess risks, handle claims and prevent fraud.  
I/We consent to this.

Authorised Signature

Date

Position in company

## Important:

### \*Material fact

Material facts are those which are likely to influence us in the acceptance or assessment of this proposal and it is essential that you disclose them. If you are in doubt about whether a fact is material, you should disclose it, since failure to do so could invalidate your policy.

### Your Records

You should keep a record (including copies of letters) of all information you supply to Allianz about this proposal.

### Data Protection Act

We may use the personal and business details you have given us or which are supplied by third parties including any details of directors, officers, partners and employees to provide you with a quotation; deal with your policy; to search credit reference and fraud agencies who may keep a record of the search; to share with other insurance organisations to help offset risks, to help administer your policy and to handle claims and prevent fraud; to support the development of our business by including your details in customer surveys, and for market research and compliance business reviews which may be carried out by third parties acting on our behalf. You agreed when you applied for the policy that your directors, officers, partners, and employees have consented to our using their details in this way.

We may need to collect data relating to Insured Persons, which under the Data Protection Act is defined as sensitive (such as medical history of Insured Persons) for the purpose of evaluating the risk or administering claims which may occur. You must ensure that you have explicit verbal or written consent from the insured persons to such information being processed by us and that this fact is made known to the insured persons.

We may share your details with other companies within the Allianz group of companies or pass them to third parties so that we may tell you by telephone, email or post of products and services which we think may be of interest to you. If you do not want to know about these products and services, please write to: Customer Satisfaction Manager, Allianz Insurance plc, 57 Ladymead, Guildford, Surrey, GU1 1DB to let us know. Your details will not be kept for longer than is necessary.

Under the Data Protection Act 1998 individuals are entitled to a copy of all the personal information Allianz Insurance plc holds about them. Please contact the Customer Satisfaction Manager at the address above.

Personal details may be transferred to countries outside the EEA. They will at all times be held securely and handled with the utmost care in accordance with all principles of English law.

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[www.allianz.co.uk](http://www.allianz.co.uk)

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Registered office. 57 Ladymead, Guildford, Surrey, GU1 1DB, United Kingdom.

Allianz Insurance plc is a member of the Association of British Insurers.  
Allianz Insurance plc is authorised and regulated by the Financial Services Authority. Our registration number is 121849.  
This can be checked by visiting the FSA website at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234

