



Hot Air Balloon and Airship Insurance Policy

Brought to you by J Bennett & Son
(Insurance Brokers) Ltd & Liberty
Mutual Insurance Europe SE.

Flying alongside you since 1976



Liberty
Specialty Markets

J. Bennett & Son
Insurance Brokers

A policy of partnership since 1908

Hot Air Balloon and Airship Policy Introduction

In return for payment of the premium shown in the **Schedule**, **we** agree to insure **you**, subject to the terms and conditions contained in or endorsed on this **Policy**, against loss or **damage you** sustain or legal liability **you** incur during the Period of Insurance as shown in the **Schedule**.

This document, the **Schedule** and any endorsements or extensions form **your Policy**. This document sets out the conditions of the insurance between **you** and **us**. Please read the whole document carefully and keep it in a safe place.

Wherever words appear in **bold** in this **Policy** they will have the meanings shown in the Defined Terms or the additional defined terms in each Section.

We are authorised by the Prudential Regulation authority (PRA) and regulated by the Financial Conduct Authority (FCA).

Your Policy has been issued and signed on behalf of **us** by;

J. Bennett & Son (Insurance Brokers) Ltd
9 North's Estate
Old Oxford Road
Piddington
High Wycombe
H14 3BE

Telephone: 01494 450450
Email: insure@jbennett.co.uk

J. Bennett & Son (Insurance Brokers) Ltd is authorised and regulated by the FCA.

Contents

Hot Air Balloon and Airship Policy Introduction	1
Notices	3
Cancellation Rights and Cooling-Off	5
Complaints	6
⚠ Your Obligations	8
Claims Conditions.....	10
General Defined Terms	11
General Exclusions	12
Material Damage Section.....	14
Liability Section	17
General Policy Extensions	22
General Conditions	23
Policy Endorsements.....	24

Notices

Information we need to know about

In deciding to accept this insurance and in setting the terms and premium, **we** have relied on the information **you** have given **us**. **You** must take care when answering any questions **we** ask by ensuring that all information provided is accurate and complete.

If **we** establish that **you** deliberately or recklessly provided **us** with false or misleading information **we** will treat this **Policy** as if it never existed and decline all claims.

If **we** establish that **you** carelessly provided **us** with false or misleading information it could adversely affect **your Policy** and any claim. For example, **we** may:

1. treat this **Policy** as if it had never existed and refuse to pay all claims and return the premium paid. **We** will only do this if **we** provided **you** with insurance cover which **we** would not otherwise have offered;
2. amend the terms of **your** insurance. **We** may apply these amended terms as if they were already in place if a claim has been adversely impacted by **your** carelessness;
3. reduce the amount **we** pay on a claim in the proportion the premium **you** have paid bears to the premium **we** would have charged **you**; or
4. cancel **your Policy** in accordance with the Our Right to Cancel condition below.

We or **your** insurance **Broker** will write to **you** if **we**:

1. intend to treat **your Policy** as if it never existed; or
2. need to amend the terms of **your Policy**.

If **you** become aware that information **you** have given **us** is not inaccurate, **you** must inform **your** broker as soon as practicable.

Notifying us of any changes

You must notify **your Broker** as soon as practicable if **you** become aware of any changes in the information **you** have provided to **us** which happens before or during any period of insurance. All notifications must be made in writing, by email, or by telephone.

Changes to the information **you** have provided could result in **you** having to pay an additional premium or **us** amending the terms of **your** insurance.

Fraud

A) If **you** make a fraudulent claim under this **Policy**, **we**:

1. Are not liable to pay the claim; and
2. May recover from **you** any sums paid by **us** to **you** in respect of the claim; and
3. May by notice to **you** treat the **Policy** as having been terminated with the effect from the time of the fraudulent act.

B) If **we** exercise **our** right under condition A)3) above:

1. **We** shall not be liable to **you** in respect of a relevant event occurring after the time of the fraudulent act; and
2. **We** need not return any of the premiums paid.

Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation from FSCS if **we** are unable to meet **our** obligations to **you** under this **Policy**.

If **you** are entitled to compensation from FSCS, the level and extent of compensation will depend on the nature of this **Policy**.

Further information about FSCS is available on their website: www.fscs.org.uk or **you** can write to them at PO Box 300, Mitcheldean, GL17 1DY.

How we use your personal data

We take the protection of **your** personal data seriously and is committed to protecting **your** privacy. There are a number of different companies within **our** group. The specific company within Liberty Specialty Markets which acts as the "data controller" of **your** personal data will be the organisation providing **your policy** as set out in the documentation that is provided to **you**. If **you** are unsure **you** can also contact **us** at any time by e-mailing **us** at dataprotectionofficer@libertyglobalgroup.com or by post at Data Protection Officer, Liberty Specialty Markets, 20 Fenchurch Street, London EC3M 3AW, UK. Where **you** provide **us** or **your broker** with details about other people, **you** must provide this notice to them.

In order for **us** to deliver **our** insurance services, deal with any claims or complaints that might arise and prevent and detect fraud, **we** need to collect and process personal data. The type of personal data that **we** collect will depend on **our** relationship with **you**: for example, as a policyholder, third party claimant or witness to an incident. Your information will also be used for business and management activities such as financial management and analysis. This may involve sharing your information with, and obtaining information about **you** from, **our** group companies and third parties such as brokers, credit reference agencies, reinsurers, claims handlers and loss adjusters, professional advisors, **our** regulators or fraud prevention agencies. **We** also collect personal data about **our** suppliers and business partners (such as brokers) for the purposes of business management and relationship development.

Please see the full privacy notice available at www.libertyspecialtymarkets.com/privacy-cookies for further information on how your personal data is used and the rights that **you** have in relation to the personal data **we** hold about **you**. Please contact **us** using the details above if **you** wish to see the privacy notice in hard copy.

Cancellation Rights and Cooling-Off

Your right to cancel

You can cancel this **Policy** at any time by contacting **us** by email, letter, facsimile; telephone or in person using the contact details on page 1 of **your Policy** documentation.

If **you** cancel this **Policy** within 14 days from the start date of this **Policy**, or from when **you** received **your Policy** documentation (whichever is the latest), provided **you** have not made a claim, **we** will refund **your** premium in full. If a claim has been accepted under this **Policy**, no refund of premium will be returned to **you**.

If **you** cancel this **Policy** at any time outside this period then, provided **you** have not made a claim, **you** will be entitled to a refund of any premium paid, subject to a deduction for any time for which **you** have been covered. If a claim has been accepted under this **Policy**, no refund of premium will be returned to **you**.

Our right to cancel

We reserve the right to cancel this **Policy** at any time by sending **you** 30 days' written notice to **you** at **your** last known address. **We** will only do this for a valid reason (which will be provided to **you** in writing), such as: non-payment of premium; a change in risk which means that **we** can no longer provide **you** with the insurance cover; non-cooperation; or failure to supply any information or documentation **we** request.

In this instance, **we** will only charge **you** for the exact number of days for which **you** have had this **Policy**, provided **you** have not had a claim accepted. If a claim has been accepted under this **Policy**, no refund of premium will be returned to **you**.

Complaints

If you have any questions or concerns about your policy or the handling of a claim in the first instance please contact your broker.

However, if you wish to make a complaint you may do so in writing or verbally at any time using the contact details below.

The Complaints Manager
Liberty Specialty Markets
20 Fenchurch Street
London,
EC3M 3AW
United Kingdom

Tel: +44 (0)20 3758 0840
Email: complaints@libertyglobalgroup.com

When submitting your complaint, it will help if you are able to provide the following information:

- Policy number/ Claim number
- Date of loss
- Who did you buy your insurance from?

Once we receive your complaint we will send you a written acknowledgement setting out the time scales for resolution of your complaint.

If you remain dissatisfied with our response to your complaint, or we have not completed our investigation after eight weeks, you may be entitled to refer your complaint to the Financial Ombudsman Service using the details below:

Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9SR

Tel: 0800 023 4567 or 0300 123 9123
Email: complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

If you are not domiciled in the UK and wish to escalate your complaint to your own local dispute resolution service you are free to do so. Please contact your broker for further details on which organisation is best placed to assist you should you remain dissatisfied with our response.

As we are a Luxembourg insurance company, you may also be entitled to refer the dispute to any of the following dispute resolution bodies:

Commissariat aux Assurances
7, boulevard Joseph II,
L-1840 Luxembourg
(+352) 22 69 11 – 1
caa@caa.lu
www.caa.lu

Service National du Médiateur de la consommation
Ancien Hôtel de la Monnaie
6, rue du Palais de Justice
L-1841 Luxembourg
(+352) 46 13 11
info@mediateurconsommation.lu
www.mediateurconsommation.lu

Médiateur en Assurances
ACA,
12, rue Erasme
L-1468 Luxembourg
(+352) 44 21 44 1
mediateur@aca.lu
www.ulc.lu

You can also raise a complaint about a product or service purchased online within the European Union to the Online Dispute Resolution (ODR) platform. Details of how you can do this can be found on their website.

Your Obligations

There are obligations within this **Policy**, that **you** are required to comply with to receive benefit under this **Policy**. These obligations either require **you** to act in a certain way, or detail a need **you** must fulfil for **your Policy** to remain in-force.

If **you** break any of these obligations **we** may:

1. not pay **your** claim;
2. amend the terms of **your Policy**. **We** may apply these amended terms as if they were already in place if a claim has been adversely impacted by **you** not complying with that condition;
3. charge **you** more for **your Policy** or reduce the amount **we** pay on a claim in the proportion of the premium **you** have paid bears to the premium **we** would have charged **you**;
4. cancel **your Policy** in accordance with Our Rights to Cancel on page 5.

The following obligations apply to all Sections, Extensions and Endorsements of this **Policy**;



Airworthiness

Prior to any **Flight**, **you** must ensure the **Balloon or Airship** has a **Certificate of Airworthiness** or in the case of Annex 1 balloons, appropriate inspection documentation.



Regulation Care

You must comply with all air navigation and airworthiness orders and requirements issued by any aviation authority have jurisdiction affecting the safe operation of the **Balloon or Airship**.



Reasonable Care

You must take reasonable care;

1. to prevent any loss or **damage** or any event that may lead to a claim under this **Policy**.
2. prevent any circumstances or to cease any activity which may give rise to liability under this **Policy**.
3. to keep the **Balloon or Airship** and **Ground Equipment** in proper repair.
4. in the selection and supervision of Employees.
5. to make good or remedy any defect or danger which becomes known and take such additional precautions as are required.



Vehicle and Towing Safety

You must ensure that any vehicle or trailer used to transport the **Balloon or Airship** and **Ground Equipment** are;

1. Maintained in a roadworthy condition;
2. Security locks and other security devices are maintained in working order.



Storage

You must ensure that the place where the **Balloon or Airship** and **Ground Equipment** is kept has security installed, and **you** must maintain the security in good working order during the Period of Insurance.

Claims Conditions

Contents of this Section

Your Obligations

Your Actions

Our Rights

Your Obligations

As soon as **you** are aware of an event or cause or **Occurrence** that is likely to lead to a claim or loss under this **Policy**, **you** must;

1. Contact **us** as soon as reasonably possible of any loss or **damage** to the **Property**;
2. In the event of theft or other malicious incident give immediate notice to the police authority and get a crime reference number;
3. Tell **us** immediately about any **Occurrence** likely to give rise to a claim and of the institution of any proceedings being brought against **you**;
4. Provide **us** with all the information, including every letter writ or document and help **we** require to settle **your** claim;
5. not admit responsibility or make an offer of payment without **our** permission. If **you** do admit responsibility or offer payment, **we** may not pay **your** claim or reduce the amount payable or treat this **Policy** as if it never existed

Your Actions of Precaution

At your own expense, **you** must;

1. take all reasonable precautions to prevent or diminish **Damage** or any **Occurrence** or cease any activity which may give rise to claim under this **Policy**;
2. as soon as reasonably possible after discovery remedy any defect or danger or take reasonable additional precautions as the circumstances may require.

Our Rights

We will be entitled, at any time and at **our** cost, but in **your** name, to:

1. Take over and conduct the defence of settlement of any claim.
2. **We** have full discretion in the conduct of any legal proceedings and in the defence or settlement of any claim.

General Defined Terms

These meanings apply throughout **your Policy**. If a word or phrase has a defined meaning it will be shown in **bold** print and will have the same meaning wherever it is used. There are additional defined terms under each Section.

Air Navigation (amendment) Order 2017 shall include any subsequent amendments and governs the operation of civil aviation in the United Kingdom's overseas territories.

Balloon or Airship shall mean any Balloon or Airship that **you** own and specified under the Balloon or Airship Details in the **Schedule** and will include equipment in, on or whilst detached from the Balloon or Airship.

BBAC shall mean British Balloon and Airship Club.

Broker shall mean J Bennett & Son.

CAA shall mean Civil Aviation Authority.

Certificate of Airworthiness shall mean the certification given to the **Balloon or Airship** by the **BBAC**.

Excess shall mean the first amount as specified in the **Schedule**, of any claim or claims for which **you** are responsible.

Flight shall mean the period of time, starting when burner is first ignited to begin inflating the **Balloon or Airship** and ends when the **Balloon or Airship** is deflated.

Force Majeure shall mean an unusual and unforeseen situation beyond your control or the outcome could not be avoided.

Passenger shall mean any person other than the **Pilot** when they get on or off the **Balloon or Airship** during a **Flight** or any failed **Flight**.

Pilot shall mean the person(s) named in the **Schedule**.

Policy shall mean this document including the Schedule and any Endorsements or Extensions.

Schedule shall mean the document which gives details of **your** cover, the Period of Insurance and Limits **you** have.

Territorial Limits shall mean United Kingdom, European Union, Norway, Switzerland and Turkey.

We, Us, our shall mean Liberty Mutual Insurance SE.

You, your shall mean the person or people named in the **Schedule**.

General Exclusions

These apply to all Sections, Extensions and Endorsements of this **Policy**.

We will not cover **you** or be liable for;

A) Balloon or Airship Use

1. when the **Balloon or Airship** exceeds the number of persons or load as set by the **CAA**.
2. when the **Balloon or Airship** exceeds the Passenger Limit shown in the **Schedule**.
3. any use other than as shown in Balloon or Airship Use within the **Schedule**, unless due to **Force Majeure**.
4. any use by any Pilot not shown in the **Schedule**, unless due to **Force Majeure**.
5. outside of the **Territorial Limits**, unless due to **Force Majeure**.
6. any **Flight** during sunset and sunrise as set out in the **Air Navigation (amendment) Order 2017**.
7. **Passengers** being carried for hire and reward.
8. carrying any item or person which does not form part of the normal operation of the **Balloon or Airship**.
9. any **Flight** beyond 5 (five) nautical miles of the edge of land.
10. any **Balloon or Airship** used for the purpose of record-breaking.

B) Excess

your Excess as shown in the **Schedule** for each Section.

C) Radioactive contamination

any loss, damage or legal liability caused by or contributed to by or arising from nuclear reaction, nuclear radiation or radioactive contamination.

D) Biological and Chemical Contamination

any loss, damage or legal liability caused by or contributed to by or arising from any biological or chemical contamination.

E) Electronic Data

any loss, damage or legal liability caused by or contributed to by or arising from;

- i. computer viruses or other attacks by electronic means including hacking, by malfunction or by user error;
- ii. the failure of any equipment to correctly recognise the time or date or change of time or date.

F) War & Terrorism

any loss, damage or legal liability caused by or contributed to by or arising from

- i. 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;
- ii. Strikes, riots, civil commotions or labour disturbances;
- iii. Any act of one or more persons, whether or not agents of a sovereign power, for political or terrorist purposes and whether loss or damage resulting therefrom is accidental or intentional.
- iv. Any malicious act or act of sabotage.
- v. Confiscation, nationalisation, seizure, restraint, detention, appropriation, requisition for title or use or under the order of any government (whether civil, military) or public or local authority.

- vi. Hijacking or any unlawful seizure or wrongful exercise of control of the **Balloon or Airship** or crew in Flight (including any attempt at such seizure or control) made by any person or persons on board the aircraft acting without your consent.

In respect of this Exclusion F, this **Policy** does not cover any loss damage, liability whilst the **Balloon or Airship** is outside of your control by reason of any of i. through to vii. above. The **Balloon or Airship** shall be deemed returned to your control on the safe return of the **Balloon or Airship** at any airfield not excluded by the **Territorial Limits** and is suitable for the operation of the **Balloon or Airship** and safe return shall mean the **Balloon or Airship** is not inflated.

G) Indirect Loss

Any losses not directly associated with the incident that caused **you** to claims, unless **we** have expressly stated within the **Policy**.

H) Nuclear or Radioactive risks

Any loss, damage or legal liability caused by or contributed to by or arising from:

- (i) 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.
- (ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- (iii) ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.

Material Damage Section

Contents of this Section

Defined terms
What is covered
Limit of cover
What is not covered
Section conditions

Defined terms

You can find the meanings for words in **bold** on page 9. There are some words that may only appear in this section or are defined differently and their meaning are shown here.

Damage or Damaged shall mean accidental physical loss of or damage to the **Property**.

Ground Equipment shall mean the trailer and equipment used in connection with the storage and operation of the **Balloon or Airship**, but not including the **Balloon or Airship**.

Market Value shall mean the cost of replacing the **Balloon or Airship** with one of the same make, model, specification and condition.

Property shall mean;

1. **Balloon or Airship**;
2. **Ground Equipment**;
3. **Personal Effects**.

Personal Effects shall mean;

1. Owned by the **Passenger**;
2. Owned by the **Pilot**;

and worn or carried during the **Flight**.

Transit shall mean from the time the **Property** is loaded until the time the **Property** is unloaded at the destination.

What is Covered

If any **Property** is **Damaged**, including the **Balloon or Airship** or **Ground Equipment** being **Damaged** whilst in **Transit**, **we** will pay **you**;

- i. To repair or restore the **Property**; or
- ii. To replace the **Balloon or Airship** as new.

In the event of **Damage** to **Balloon or Airship** that have more than 200 (two hundred) flying hours or is at least 5 (five) years old, at **our** option, **we** may settle **your** loss at **market value** at the time of the **Damage**.

Vermin or Insects

We will pay **you** for **damage** to the **balloon or airship** by vermin or insects.

The most **we** will pay under this cover during any one Period of Insurance is £10,000.

Reduced sum insured by Damage

The sum insured for the **Property** shall be reduced as of the date of **Damage** by the amount of such **Damage** until the repairs begin. **We** will then increase the sum insured by the value of the finished repairs until the sum insured is reinstated or the **Policy** has ended.

Limit of Cover

The most **we** will pay for any **Property** covered by this section is the sum insured shown in **your Schedule** for each item.

What is Not Covered

- A) **We** will not pay for any loss, **damage**, cost or expense caused by;
1. lack of maintenance, wear and tear or which happens gradually.
 2. moth, fungus, damp, rust, corrosion wet or dry rot.
 3. Vermin and insects, unless covered under the Vermin and Insects Coverage.
 4. Faulty or unsuitable materials, design or poor workmanship.
 5. Mechanical or electrical breakdown or failure or overloading in respect of the machine, apparatus or equipment in which such breakdown or failure began.

For A) above, **we** will pay for any **Damage you** incur only when;

- i. **Damage** results from theft, fire, lightning, explosion, aircraft and articles dropped from them, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbance, malicious person excluding earthquake, storm, flood, escape of water, impact by any road vehicle or animal; or
- ii. **Damage** from any other cause that we have not excluded.

- B) **We** will not pay for any loss, **damage**, cost or expense arising from;
1. Confiscation or detention by customs or other officials or authorities;
 2. Loss of income Delay, loss of market, loss of use;
 3. Vehicles licensed for road use (including accessories), and caravans;
 4. Pressure waves caused from aircraft and other aerial devices travelling at sonic or supersonic speeds.

Section Conditions

Removal for Repair

We will pay the reasonable cost of removing the **balloon or airship** from the site of the **damage** to the repairers and once repaired for delivery back to **you** at the location where the **balloon or airship** is stored.

The most **we** will pay under this cover for any one loss is £1,000 and the most **we** will pay during any one Period of Insurance is £2,000.

Recovery

We will pay the reasonable costs of recovering any **balloon or airship** covered by this **Policy** and pay any salvage charges **you** become legally liable to pay.

The most **we** will pay under this cover for any one loss is £5,000 and the most **we** will pay during any one Period of Insurance is £10,000.

Settlement

We are under no obligation to make any payment to repair or replace the **property** until these costs have been incurred.

Restoring or repairing the **property** must commence within 12 (twelve) months from the date of the **Damage**.

Other Insurance

If at the time of any **damage** there is any other insurance effected by **you** or on **your** behalf covering the **property damaged**. **Our** liability shall be limited to **our** share of such loss which bears to the Limits.

Our Rights to Subrogate

We will be entitled to undertake in **your** name or on **your** behalf;

1. The defence or settlement of any claim;
2. Steps to enforce rights against any other party before or after payment is made by **us**.

Abandonment of Property

You will not abandon any property to **us**.

Terrorism

We will provide **you** cover for **Damage** to the **Property** within England, Wales and Scotland (but not adjacent seas) caused by fire and explosion directly resulting from terrorism as stated within General Exclusion F.iv.

The most **we** will pay under this cover for any one loss is £100,000 or the Limit as shown in the **Schedule**, whichever the lesser. This is the most **we** will pay during any one Period of Insurance.

Liability Section

Contents of this Section

Defined terms

What is covered:

Event 1 Public Liability

Limit of cover

Event 2: Passenger Liability

Limit of cover

What is not covered

Section conditions

Defined terms

You can find the meanings for words in bold on page 9. There are some words that may only appear in this section or are defined differently and their meaning are shown here.

Employee shall mean;

1. Any person under a contract of service or apprenticeship with **you**;
2. Any labour master or labour only sub-contractor or person supplied or employed by them;
3. Any self-employed person;
4. Any person hired to or borrowed by **you**, this does not include person(s) who assist **you** with the set-up and retrieval of the **balloon or airship** and receive no reward for their assistance;
5. Any person engaged under work experience, youth training or similar scheme;

While working for **you** in connection with the ownership or use of any **Balloon or Airship**.

Bodily injury shall mean;

1. Death, illness or disease;
2. Mental injury, mental anguish or shock.

Costs and Expenses shall mean those costs incurred with **our** prior written

consent, to investigate or defend a claim against **you** including but not limited to legal fees.

Noise shall mean vibration, sonic boom and any similar experience.

Occurrence shall mean an accident or a continued or repeated exposure to conditions occurring during the Period of Insurance, which results in **Bodily Injury** and/or loss or damage to material property (not owned or in your care custody or control) which is neither expected or intended. All liability arising out of the exposure to substantially the same general conditions shall be treated as arising out of one **occurrence**.

What is Covered

Event 1: Public Liability

We will cover the amount of damages **you** are legally liable to pay in respect of;

1. **Bodily injury** to any person;
2. Loss of or damage to material property not owned or in your care custody or control;

Caused by an **occurrence** in connection with the ownership, control or use of any **Balloon or Airship** by **you**.

Limit of Cover

The Public Liability Limit shown in **your Schedule** is the most **we** will pay during any one Period of Insurance.

We will pay **costs and expenses** in connection with a claim under this Section and in addition to the Public Liability Limit, unless shown in the **Schedule** or endorsed to this **Policy**.

Event 2: Passenger Liability

We will cover the amount of damages **you** are legally liable to pay in respect of;

1. **Bodily injury** to any **Passenger**;
2. Loss of or damage to material property (not owned or in your care custody or control) of any **Passenger**;

Caused by an **occurrence** in connection with the ownership, control or use of any **Balloon or Airship** by **you**.

Limit of Cover

The **Passenger** Liability Limit shown in **your Schedule** is the most **we** pay during any one Period of Insurance. The most **we** will pay for **Property damage** for any one **Passenger** is £1000.00 or the amount as stated within EU Regulation EC 785/2004, whichever is the greater..

EU Regulation EC 785/2004 sets out the minimum levels of insurance cover that **you** are required to have in effect.

We will pay **costs and expenses** in connection with a claim under this Section and in addition to the **Passenger** Liability Limit, unless shown in the **Schedule** or endorsed to this **Policy**.

What is Not Covered

The following apply to both Event 1: Public Liability and Event 2: Passenger Liability.

We will not pay for any loss, **damage**, or liability for;

1. **bodily injury** to any **Employee(s)** arising out of and in the course of employment by **you**.
2. material property belonging to **you** or in **your** or **your Employees** care, custody or control.
3. contract or agreement which attached by virtue of a contract or agreement but which would not have attached in the absence of such contract or agreement.
4. any pollution or contamination, unless covered by Accidental Pollution and Contamination Cover within Section Conditions.
5. fines, penalties, punitive, exemplary or aggravated damages or any additional damages resulting from the multiplication or compensatory damages.

Section Conditions

The following apply to both Event 1: Public Liability and Event 2: Passenger Liability unless shown.

Accidental Pollution and Contamination

We will pay **you** for all sums which **you** become legally liable to pay as damages caused by a sudden, identifiable, unintended and unexpected pollution and contamination incident which takes place in its entirety at a specific moment in time and place in the **Territorial Limits** and during the Period of Insurance.

The most **we** will pay in respect of damages for accidental pollution during any one Period of Insurance is the Limit shown for Event 1, or if Event 1 has not been purchased the Limit for Event 2 will apply.

Noise Coverage

We will pay **you** for all sums which **you** become legally liable to pay as damages in respect of **Bodily injury** or loss or damage to material property (not owned or in your care custody or control) caused by **Noise** of the **Balloon or Airship** during the Period of Insurance.

The most **we** will pay in respect of damages for **Noise** during anyone Period of Insurance is £650,000 or the Limit of Liability shown in the Schedule, whichever is the lower amount.

Court Attendance Costs

We will pay **you** for each day that **we** request **you**, or any of **your** director or partner or any of **your** employee(s) to attend court as a witness in connection with a claim in connection with this section;

1. £250 **you** or **your** director or partner;
2. £100 **employee(s)**.

Safety Legislation Costs

We will cover costs where there is a claim or an alleged claim in connection with an offence committed by **you** for breach of

your statutory duty under any health and safety obligations during the Period of Insurance arising from. **You** must obtain **our** prior consent to legal representation and **we** will only agree to payment on a fee basis agreed by **us**.

If a claim for damages is settled or withdrawn **we** will have no further liability other than in respect of costs and expenses of legal representation incurred before the date of the claim payment or withdrawal of the claim.

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation, if in the opinion of counsel (appointed by mutual consent), that such appeal is more likely to succeed and the total amount of damages and claimants' costs are likely to exceed the total cost of legal representation.

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you**, or any person entitled to cover under this section in connection with the proceedings.

The most **we** will pay for safety legislation costs awarded against **you**, or any person entitled to cover under this section during any one Period of Insurance is the Limit shown in the **Schedule**.

We will not pay;

1. Fines, penalties or awards of compensation imposed by a criminal court;
2. Costs and expenses which is provided by any other legal expense insurance;
3. Proceedings which arise out of any activity or risk not covered under this **Policy**.

Liability to Others

We will provide cover under this Section to the following;

1. **Your Pilot**, director, partner or employees in respect of cover for which **you** would have been entitled to receive under this Section if the claim for which payment is being sought had been made against **you**;
2. Any legal personal representatives of any person entitled to cover under this Section in respect of liability incurred by that person.
3. the **CAA**, **BBAC** in respect of liability caused whilst the **Balloon or Airship** is being used by **CAA** and/or **BBAC** within the **Territorial Limits** for the purpose of any test **Flight**.
4. Where **you** are a member of a club or syndicate but only where such member is not entitled to coverage under any other insurance.

as if a separate policy had been issued to each and provided that they observe the terms and conditions of this **Policy** as far as they can apply.

The most **we** will pay on behalf of all shall not exceed the Limit of this Section.

Liability to Airports

If **you** have entered into a contract or agreement for the use of aerodromes owned or operated by the Crown Local Airport Authorities. **We** agree to cover them as if a **Policy** had been issued and waive rights and recourse against the Crown Local Airport Authorities arising out of **your** use with any **Balloon or Airship** facilities owned or operated by the Crown Local Airport Authorities. Provided that they observe the terms and conditions of this **Policy** as far as they can apply.

The most **we** will pay on behalf of all shall not exceed the Limit of this Section.

Flying Training

This only applies to Event 2: Passenger Liability.

If **you** have entered into a contract or agreement with the **CAA** or **BBAC** in connection with flying training of employees of the **CAA** or **BBAC**. Then Passenger Liability will apply to employees of the **CAA** or **BBAC** whilst acting as crew members in connection with flying training.

Sums owed to us

If **we** pay any amount which **you** or any other person entitled to cover under this Section is responsible to pay, then such amount shall be repaid to **us** as soon as reasonably practicable.

Settlement of Cover

We may, at any time at **our** discretion, pay to **you** the Limits, less any sums already paid under this Section, or any lesser sum for which the claim or claims against **you** can be settled and **we** shall not be under any further liability in respect of such claim or claims, other than costs and expenses incurred prior to the date of **our** payment.

In the event of any claim or claims resulting in **your** liability to a sum above the Limit, then **our** liability for any costs and expenses shall not exceed an amount being in the same proportion as **our** payment to **you** bears to the total payment made by **you** or on **your** behalf in settlement of the claim or claims.

General Policy Extensions

These General Policy Extensions apply to all Sections of this **Policy** subject to the relevant Limits shown in the Schedule unless different Limits are shown below.

Search and Rescue Costs and Expenses

We will provide **you** cover in respect of costs and expenses **you** incur (with **our** consent), during any search or rescue caused by an event during the Period of Insurance which stops the completion of the **Flight** from starting location to destination and involves either a forced landing or crash away from a recognised airfield which involves search for the **Balloon or Airship** and persons involved, including return of those persons to nearest point of public transport or hospital.

You will use your own equipment for the search and rescue wherever possible and such use of your equipment will be charged at the actual cost of operation.

The most **we** will pay in respect of search and rescue costs shall not exceed £5,000.

You will pay the first 2% of search and rescue costs and expenses each loss, subject to **you** paying a minimum of £25 and a maximum of £100.

We do not cover any expenses for recovering the **Balloon or Airship** as **you** are covered under Removal for Repair Expenses under Section.

Test Flights

We will provide cover to **you** for, loss, damage or legal liability caused by the **Balloon or Airship** being used by a **CAA** and/or **BBAC** pilot for the purpose of a test flight.

Unauthorised Use

We will provide cover to **you** (and no other person), loss, damage or legal liability caused by the **Balloon or Airship** being used in a place or in a manner and by a person not covered by this **Policy**.

You shall take all precautions to prevent unauthorised use.

We will not provide any cover under this extension if **you** have authorised the **Balloon or Airship** for such use.

General Conditions

These General Conditions apply to all Sections, Endorsements and Extensions of this **Policy**.

Joint Insureds

If **you**, comprises of more than one party, **we** will provide cover in the same manner as if a separate **Policy** had been issued to each. Provided that the total amount payable by **us**, will not exceed the Limit shown in the **Schedule** for that Section.

Law of your Policy

The parties are free to choose the law applicable to this **Policy**. Unless specifically agreed otherwise this **Policy** shall be subject to the laws of England and Wales.

Our Rights to Inspect

We may at any time after providing reasonable notice to **you**, that **we** or **our** appointed representatives may inspect the **Balloon or Airship** at the location the **Balloon or Airship** is held.

Rights of Third Parties


You and **we** are the only parties to this **Policy**. Nothing in the **Policy** is intended to give any person any right to enforce any term of this **Policy** which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.

Sanctions

We shall not provide any benefit under this **Policy** to the extent providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.

Policy Endorsements

These **Policy** Endorsement apply only if the number is shown under Endorsements Applicable shown in the **Schedule**.

If any of these **Policy** Endorsements show this symbol , **you** have obligations **you** must comply with and if **you** fail to do so, **we** may not pay **your** claim or reduce the amount payable or treat this **Policy** as if it never existed.

1) **Carriage of Passengers for Hire and Reward Extension**

We will provide **you** cover for carriage of **Passengers** for hire and reward and General Exclusion A)8) will not apply.

2) **Instructions for Hire and Reward Extension**

We will provide **you** cover for instructions for hire and reward and General Exclusion A)9) will not apply.

3) **Balloons in Flight**

 **You** will only have one (1) **Balloon or Airship** in **Flight** at any one time.

4) **Cross Channel Flight Extension**

You must give **us** details prior to any **Flight(s)** across the English Channel and **we** have agreed to the Extension. **We** will then provide **you** cover for any **Flight(s)** across the English Channel, and General Exclusion A)10) will not apply,


You will pay an increased Excess as follows;

- i. Section A: £500 or 1% of the claim, whichever maybe higher;
- ii. Section B: Events 1 and 2: £500.

We will only provide the minimum legal Limit under Event 2: Passenger Liability in respect of any **Flight(s)**.

We will not provide any cover in respect of any loss, damage or legal liability caused by intentional contact with the sea, other than in case of an emergency.

5) **Flight Limitation**

 **You** will not exceed more than twenty (20) **Flights** in any one Period of Insurance as shown in the **Schedule**.

6) **Ground Risk Restriction**

The cover **we** provide under Section A will not apply to **Damage** whilst the **Balloon or Airship** is in **Flight**.

7) **Night Flight Extension**

With **our** prior agreement and any additional premium **we** may charge, **we** will provide **you** cover for **Flights** taking off within 1 (one) and half of sunrise.

You will pay an increased **Excess** as follows;

- i. Section A: £1000;
- ii. Section B: Event 1: £1000;

for any claim during the period between sunset and sunrise as defined by the **CAA**.

8) **Bristol Channel Flights Extension**

We will provide **you** cover for **Flight(s)** across the Bristol Channel and General Exclusion A)10) will not apply to those **Flight(s)**.

9) **Night Glow Extension**

We will provide **you** cover for Night Glow Tethering, General Exclusion A6 will not apply for Night Glow Tethering.

10) **Balloon or Airship Meet Endorsement (to be completed/deleted as applicable)**

In respect of **you** attending _____ between ___/___/___ and ___/___/____. **We** agree to cover, hold harmless, waiver **our** rights of subrogation against and include as an additional insured for their respective interests _____.

We agree that for the period above, the Limit under Section B Events 1 and 2 shall be amended to £_____.

11) **Extended Coverage for Third Parties**

You have agreed to pay the additional premium for this Extension and **we** agree to delete General Exclusion F and provide **you** cover for damages **you** are legally liable to pay under Section 2: Event 1 and Event 2 in respect of such events.

The most **we** will pay in respect of these extended coverages shall be £10,000,000 or the Limit shown in **your Schedule**, whichever the lesser, any one **Occurrence** and this will be the most **we** will pay during any one Period of Insurance. This limit shall apply as part of your Limit and not in addition to your Limit.

Our extended cover will automatically terminate in the following events;

- i. Upon the outbreak of war (whether there be declaration of war or not) between any two or more of the following states; France, China, Russia, United Kingdom and the United States of America.
- ii. In respect of the **Balloon or Airship** requisitioned for either title or use upon such requisition.

If your **Balloon or Airship** is in **Flight** when i. or ii. occurs, then the cover provided by this extension (unless the **Policy** has been cancelled, or suspended) shall continue in respect of that **Balloon or Airship** until the **Balloon or Airship** has landed and all Passengers are off.

We may give **you** notice to review the Premium and **Territorial Limits**. The changes to the **Policy** will start at the end of the 7 (seven) days from 23.59 Greenwich Mean Time from the day the notice has been given. **You** or **us** may cancel the cover provided

by this Extension during the 7 (seven) day period. Then this Extension will be cancelled from the end of the 7 (seven) day period.



J. Bennett & Son
Insurance Brokers
www.jbennett.co.uk 01494 450450

J. Bennett & Son
Insurance Brokers

A policy of partnership since 1908



British
Insurance
Brokers'
Association
Member

Coverholder at

LLOYD'S