

太平洋保險有限公司

THE PACIFIC INSURANCE CO., LTD.

(INCORPORATED IN HONG KONG IN 1960)

總行：香港灣仔皇后大道東43-59號東美中心10/F
HEAD OFFICE : 10/F., DOMINION CENTRE, 43-59 QUEEN'S ROAD EAST, WANCHAI, HONG KONG

SMALL UNMANNED AIRCRAFT "SUA" THIRD PARTY LIABILITY INSURANCE POLICY

Please read this Policy carefully and ensure that it meets your requirements.

This Policy, the Schedule and any Memoranda thereon shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or Schedule shall bear such specific meaning wherever it may appear.

THE INSURED AND THE COMPANY AGREE

- (a) The Proposal shall be incorporated into and form the basis of the contract.
- (b) The Insured will pay the Premium specified in the Schedule.
- (c) The Company will provide insurance subject to the limits, terms, conditions and exclusions of this Policy in respect of any insured event occurring during the Period of Insurance.
- (d) The due observance and fulfilment of the terms, conditions and endorsements of this Policy relating to anything to be done or not to be done or to be complied with by the Insured; and the truth of the contents and statements in the Proposal, shall be conditions precedent to any liability of the Company under this Policy.

NAVIGATION AND WARRANTY

- 1. This insurance applies to the Insured SUA using within Hong Kong SAR airspace and subject to the approval of the Civil Aviation Department (CAD), Hong Kong SAR.
- 2. It is warranted that the Insured SUA is classified/categorized under the relevant regulations and Civil Aviation Department (CAD)'s guidelines.
- 3. It is warranted that the Insured SUA holds a valid registration certificate as issued by Civil Aviation Department, Hong Kong SAR.
- 4. It is warranted that the Insured Remote Pilot holds a valid registration certificate as issued by Civil Aviation Department, Hong Kong SAR.

INDEMNITY

- 1. This insurance is issued for the purposes of Small Unmanned Aircraft Order ("SUAO") under Sections 2A and 12 of the Civil Aviation Ordinance, Chapter 448 ("the Ordinance").
- 2. Subject to the limit of liability stated in the Schedule of this Policy, the conditions and exceptions of this Policy :

The Company will indemnify the Insured in respect of :

- (A) All sums which the Insured shall become legally liable to pay for compensation in respect of :

Section 1 - Death or Bodily Injury :

As per the amount specified in the Schedule

Section 2 - Damage to Property (Optional) :

As per the amount specified in the Schedule
(if applicable)

caused by or originated from the Insured SUA operated by the Insured and/or the Insured Remote Pilot in default or negligence and/or caused by the Insured SUA or by any object falling therefrom.

- SPECIMEN**
- (B) All costs and expenses of litigation recovered from the Insured by any claimant or claimants.
 - (C) All costs and expenses of litigation incurred by or on behalf of the Insured with the written consent of the Company.
- 3. The liability of the Company in respect of any one accident or series of accidents arising out of the same event shall in no case exceed the limit of liability stated in the Schedule.
 - 4. In the event of any change to the legislation during or subsequent to the Period of Insurance altering the amount of cover of a policy of insurance under the Ordinance, the limit of liability of the insurer shall remain the same as stated in the Schedule as if the Ordinance had been unaltered.

JURISDICTION CLAUSE

The Company shall not be liable under this Policy in respect of judgments against the Insured which are not in the first instance delivered by or obtained from a court of competent jurisdiction of Hong Kong.

POLICY EXCESS CLAUSE

The Company shall not be liable for the amount of Excess (if any) as stated in the Schedule of this Policy in respect of each and every Event.

DEFINITIONS

For the purpose of this Policy :

- 1. "The Company" means The Pacific Insurance Co., Ltd.
- 2. "The Insured" means the person specified as such in the Schedule.
- 3. "Insured Remote Pilot" means the Insured or any other person who is operating on the Insured's order or with his permission provided that the Insured or the person operating the Insured SUA holds a valid registration certificate as issued by Civil Aviation Department, Hong Kong SAR to operate the Insured SUA.
- 4. "Insured SUA" means the small unmanned aircraft specified in the Schedule.
- 5. "Event" means one occurrence or all occurrences of a series consequent on or attributable to one source or original cause.
- 6. "The Policy" means this Small Unmanned Aircraft "SUA" Third Party Liability Insurance Policy, the Schedule and any memoranda and endorsements contained herein or endorsed hereon which shall be read together as one document and any word or expression to which a specific meaning has been assigned shall bear such meaning wherever it may appear.
- 7. "The Proposal" means any signed proposal form and declaration and any information supplied by or on behalf of the Insured in addition thereto or in substitution therefor.
- 8. In this Policy, unless the context otherwise requires, the singular includes the plural and vice versa, and a reference to one gender includes a reference to the other genders.

SPECIAL EXCLUSIONS

The Company will not be liable to indemnify any person claiming to be indemnified :

- 1. Unless such person shall observe fulfil and be subject to the terms and conditions of this Policy in so far as they can apply.
- 2. If such person is entitled to indemnity under any other insurance policy.

EXCLUSIONS

This Insurance does not cover :

- 1. Liability in respect of any loss, expense, damage to property, death or bodily injury directly or indirectly caused by or arising out of :
 - (a) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war;
 - (b) mutiny, military or popular uprising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege;
 - (c) nuclear weapons material;

- (d) ionising, radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
- (e) riot, civil commotion, strikers, locked-out workers or labour disturbances;
- (f) natural disasters such as typhoon, windstorm, tornado, flood, lightning, lightning strike, earthquake, tsunamis, rockslides, landslip and subsidence;
- (g) any malicious act or act of sabotage;
- (h) fine, penalty, exemplary damages or damages of a punitive nature;
- (i) pollution or contamination;
- (j) consequential loss or damage.
2. Liability in respect of death or bodily injury or loss to any person in the employment of any person insured by this Policy, whether employed under a contract of service, which arises out of and in the course of his employment with or service for the Insured.
 3. Liability in respect of death or bodily injury or loss sustained by any member of the crew/agents/operator whilst engaged in the operation of Insured SUA.
 4. Liability in respect of damage to property belonging to or in the care, custody or control of Insured and/or the Insured Remote Pilot.
 5. The Insured and/or the Insured Remote Pilot operating the Insured SUA is under the influence of alcohol or under the influence of drugs, amphetamines, marijuana, heroin, opium, or other illegal drugs.
 6. The Insured and/or the Insured Remote Pilot operating the Insured SUA engages in stunt performances or any kind of competition (including not limited to racing).
 7. The operation of the Insured SUA violates and/or in breach of the Civil Aviation Ordinance (Cap 448), Small Unmanned Aircraft Order (Cap 448G) or relevant laws and regulations.
 8. The Insured SUA is used for illegal purposes, or for purposes other than those stated in the Schedule of this Policy.
 9. The Insured SUA is used and/or operated for operating a business not specified in the Schedule of this Policy, or performing an act that has not been approved by the competent authority, or engaging in an illegal act.
 10. The Insured SUA is used and/or operated outside the geographical limits stated in the Schedule of this Policy.
 11. The Insured SUA is being operated by any non-registered remote pilot.
 12. Any liability assumed or rights waived by the Insured under any agreement except to the extent that such liability would have attached to the Insured in the absence of such agreement.

LIMITATIONS AS TO USE OF THE INSURED SMALL UNMANNED AIRCRAFT

The insurance coverage is operative only when the Insured SUA is used for purposes as allowed under the certificate as issued by Civil Aviation Department, Hong Kong SAR in connection with the Insured's business specified in the Schedule of this Policy.

AVOIDANCE OF CERTAIN TERMS AND RIGHT OF RECOVERY

If the Company is obliged by the Ordinance to pay an amount for which the Company would not otherwise be liable under this Policy, the Insured shall forthwith repay such amount to the Company.

CLAIMS SETTLEMENT CONDITIONS

1. **Reporting and Notice.** In the event of any occurrence which may give rise to a claim under this Policy (regardless of any Excess) the Insured shall immediately give notice thereof in writing to the Company with full particulars. The Insured shall also give the Company notice in writing immediately the Insured becomes aware of any intention to prosecute the Insured any impending prosecution inquest or fatal inquiry in connection with any occurrence which may give rise to a claim under this Policy. Every letter, claim, writ, summons and process shall be forwarded to the Company immediately on receipt.
2. **Conduct of Claim.** No admission, offer, promise, payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Company which shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute in the name of the Insured for its own benefit any claim and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. The Insured shall give all such assistance as the Company may require.
3. **Company's Right.** The Insured shall pay on demand the amount of Excess to the Company prior to settlement of any claim.

4. **Company's Option.** In connection with any claim or series of claims made against the Insured consequent on or attributable to one source or original cause the Company may at any time after the deduction of any Excess pay to the Insured the Limit of Indemnity (after deduction of any sums already paid as damages, claimant's costs and expenses) or any lesser amount for which such claims can be settled and thereupon the Company shall relinquish the control of such claims and be under no further liability in connection therewith except for additional costs and expenses for which the Company may be responsible under this Policy in respect of matters prior to the date of such payment.
5. **Other Insurance.** If at the time of any claim under this Policy the Insured is or would but for the existence of this Policy be entitled to indemnity under any other policy or policies, the Company shall not be liable except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this Policy not been effected.
6. **Waiver of Claims.** The Insured shall not become a party to any agreement the effect of which is that the Insured waives any claim which the Insured would otherwise have against any person in respect of or arising out of any occurrence resulting in liability on the part of the Insured for which indemnity is provided by this Policy or whereby any such claim is limited or qualified in any way.
7. **Subrogation.** The Company shall be entitled at its sole discretion to prosecute in the name of the Insured any claim for damages costs indemnity contribution or otherwise against any person who may be liable to the Insured in respect of any liability on the part of the Insured for which indemnity is provided by this Policy and shall have full discretion in the conduct of any such proceedings and in the settlement of any such claim. The Insured shall give all such information and assistance as the Company may from time to time require and execute any necessary documents for the purpose of vesting such rights in the Company. Any moneys recovered pursuant to the exercise of such rights shall be applied firstly for the benefit of the Company to the extent of the amount paid by the Company in respect of any claim including any costs and expenses paid or incurred by the Company and costs and expense incurred in prosecuting such recovery action.

GENERAL CONDITIONS

1. **Notices.** Every notice or communication to be given or made under this Policy shall be delivered in writing to Company and in the case of notice or communication to the Insured to his address specified in the Schedule.
2. **Precautions.** The Insured shall take reasonable precautions to prevent any loss or damage or liability. In so far as coverage is provided in this policy, it is agreed that such coverage shall not be invalidated by any reasonable action by, at the direction of, or on behalf of the Insured for the purpose of protecting persons or property.
3. **Due Diligence.** The Insured shall at all times use due diligence and do and concur in doing everything reasonably practicable to avoid accidents and to avoid or diminish any loss hereon.
4. **Material Change in Risk.** The Insured shall immediately notify the Company in writing of any material change in the risk insured and no claim arising subsequent to such change shall be recoverable hereunder unless such change has been accepted by the Company.
5. **Assignment.** No assignment of interest under this Policy shall bind the Company unless the written consent of the Company is first obtained and endorsed hereon.
6. **Cancellation.** This Policy may be terminated at any time at the request of the Insured, in which case the Company will retain the customary short period rate for the time this Policy has been in force. This Policy may also be cancelled at any time by seven days' notice by registered letter from the Company to the Insured's last known address and in such event the Company will return a pro rata portion of the premium for the unexpired part of the Period of Insurance.
7. **Arbitration.** All differences arising out of this Policy shall be determined by arbitration in accordance with the Arbitration Ordinance as amended from time to time. If the parties fail to agree upon the choice of the arbitrators, then the choice shall be referred to the Chairman for the time being of the Hong Kong International Arbitration Centre. It is hereby expressly stipulated that it shall be a condition precedent to any right of action or suit upon this Policy that an arbitration award shall be first obtained. If the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within twelve calendar months from the date of such disclaimer have been referred to arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
8. **Governing Law.** This Policy is subject to the exclusive jurisdiction of Hong Kong SAR and is to be construed according to the laws of Hong Kong SAR.