

## Product: Vintage & Ex-Military Aircraft Insurance

Manufacturer Information
Product information
<p>This product has been designed to cater to the aviation insurance needs of customers in the possession of vintage and/or ex-military aircraft. As opposed to more standard general aviation aircraft insurances, this product often covers additional purposes/special uses including but not limited to air rallies, fly-ins, special events, museum display, club meetings, air displays, radar training, film work and passenger flights.</p> <p>Core covers are designed to protect the insured against physical loss of, or damage to, aircraft hull on an all risks basis including fitted parts and engines up to an agreed fixed value established at the outset of the policy. Aircraft spares and equipment, war and allied perils (including extortion and hi-jack), aircraft legal liability, premises legal liability and noise liability coverages are also provided based on the insured's specific needs. Liability cover can be provided on both a third party and passenger basis, which provides indemnity for personal injury and death, or damage to third party property.</p> <p>Cover can be arranged for both private individual customers, and for business / commercial customers who incur flight or aviation related risks.</p> <p>Optional additional covers can be selected by the insured include and will be subject to their own terms, conditions, limits, deductibles/excesses and exclusions. This can include, but is not limited to:</p> <ul style="list-style-type: none"> <li>• <b>Aircraft Spares:</b> covers engines, spare parts, equipment to be fitted or form part of an aircraft, and property of others controlled by the insured on the ground, and cargo in transit;</li> <li>• <b>Premises Liability:</b> additional coverage that covers damages for bodily injury or property damage arising out of the use of airport premises for the parking and storage of aircraft;</li> <li>• <b>Personal Accident:</b> injury, disablement, sickness or death of employees of the insured;</li> <li>• <b>Hull War / Malicious damage, strikes writeback (LSW555 wording):</b> exclusion write back providing cover for damage resulting from war, civil war, strike, riot, acts of sabotage, aircraft hijacking and seizure;</li> <li>• <b>War third party and passenger Liability cover - AVN52:</b> exclusion write back providing cover for third party injury, death or damage/loss of property resulting from war, civil war, strike, riot, acts of sabotage, aircraft hijacking and seizure;</li> <li>• <b>Supplementary payments:</b> cover for additional costs associated with damage incurred by aircraft, for example extinguishing fires / removal of debris in the event of issues with landing;</li> <li>• <b>Personal Injury extension:</b> cover for third party liability incurred due to e.g. wrongful confinement;</li> <li>• <b>Non-Owned Aircraft extension.</b></li> </ul>
Target market
<p>The product has been designed to cater to the needs of private individuals and commercial entities including micro-enterprises, small and medium sized enterprises and larger commercial customers, that have a financial interest in vintage and/or ex-military aircraft. This product can be sold to customers in the UK and Worldwide.</p> <p>This product can provide cover for additional purposes/special uses including but not limited to air rallies, fly-ins, special events, museum display, club meetings, air displays, radar training, film work and passenger flights.</p>
Types of customer for whom the product would be unsuitable
<p>The product has not been designed to cater to the needs of:</p> <ul style="list-style-type: none"> <li>• Individuals and commercial entities that do not have a financial interest in an aircraft that would fall within the description 'Vintage' (i.e. generally manufactured prior to the 1970s) or 'Ex-Military;'</li> </ul>



- Airline and lease finance companies that require a more bespoke, tailored or specialist product.

It is noted that blanket exclusions are in place for numerous high hazard jurisdictions / risk locations, and so the product is only suitable for customers who do not require insurance for activities conducted in those areas (unless cover is otherwise specifically agreed where within appetite and in consideration of additional premium).

#### Any notable exclusions or circumstances where the product will not respond

#### Exclusions (include but not limited to):

- Foreign object damage unless attributable to a single recorded incident;
- Wear and tear;
- Contractual liability;
- Injury to employees;
- Property belonging to, or in the care, custody or control of the insured;
- Road traffic liability;
- War and allied perils;
- Noise;
- Pollution;
- Nuclear risks.

#### Limits of liability:

- Loss of or damage to Aircraft: Aircraft hull sum insured / limits are set on an agreed values basis at the outset of the policy based on individual features of the aircraft e.g. make/type, year of manufacture, usage, max no. of passengers;
- Aircraft liability to third parties: sum insured set on an occurrence basis applied either individually to third parties or as a combined single limit, dependent on insured preference / needs;
- Aircraft liability to passengers: sum insured set on an occurrence basis applied either individually to passengers or as a combined single limit, dependent on insured preference / needs. Passenger caps may be imposed on the aircraft liability; sum insured for certain areas of operation.

Limits of liability may be set on a several or combined basis and there may be sub-limits per accident, injury per person, loss/damage to baggage/personal articles per person.

#### Excesses/deductibles:

- Aircraft hull deductibles: imposed according to aircraft type;
- Aircraft liability deductible: imposed for passenger baggage and personal articles;
- Geographic Limitations and Sanctions restrictions are imposed in the policy schedule.

#### Other information which may be relevant to distributors

This product should be sold in line with FCA regulations and can only be sold by a regulated insurance distributor.

Sales journeys must identify customer eligibility and ensure that key information and choices to be made are presented to customers in a way that supports a customer through the process of understanding core cover and configuring optional elements of insurance to suit their specific demands and needs.

This product can be sold face to face, via telephone, electronic communications or a mix of these methods, as long as customers are provided with sufficient information to make an informed decision regarding the suitability of the product.

This product can be sold with or without advice in line with FCA regulations or local regulations if the distributor is regulated outside of the UK.

#### Commission & Fees

Brokers are reminded of their own regulatory obligations in relation to remuneration under PROD 4.3.6 as well as the requirements to make all necessary disclosures to the customer.



<p>Where there are any fees charged by any member of the distribution chain these should be:</p> <ul style="list-style-type: none"> <li>• commensurate with the service provided by the distribution.</li> <li>• not have an adverse impact on customer value; and</li> <li>• distributor should ensure that TMKS is made aware of the fee amount and/ or method of calculation.</li> </ul> <p><b><u>How value is assessed</u></b></p> <p>Value is assessed based on a number of metrics, including underwriting, claims and complaints information as well as through broker and coverholder engagement.</p> <p>Remuneration paid as set out in our agreements with distributors has been considered as part of the value assessment.</p> <p>If additional add-ons (including premium finance) are sold alongside this product or additional remuneration is charged, this may affect the value for the customer.</p> <p>Further information on our product approval processes can be obtained on request.</p>	
Date Fair Value assessment completed	May 2023
Expected date of next assessment	May 2024