

Individual loss of licence insurance

Policy wording

Introduction

This insurance is provided through Hiscox Global Flying a division of Hiscox Underwriting Ltd authorised by **us** to issue insurance policies on **our** behalf.

Signed for and on behalf of Hiscox Syndicates at Lloyd's, managed by Hiscox Syndicates Limited.



Steve Langan
Managing Director Hiscox UK

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Our promise to you

In return for the premium paid, **we** agree to insure **the insured** in accordance with the terms and conditions of the **policy**.

Definitions

Words shown in **bold** type to which a specific meaning is given below shall have the same meaning wherever they appear in this **policy**.

The insured

The person named in the schedule and/or his or her legal personal representatives wherever the context admits.

Maximum sum insured

The actual amount payable by **us** in the event of the **loss of licence(s)/certificate(s)** as stated in the schedule. Payment will be limited solely to earnings accruing from all **licence(s)/certificate(s)** held by **the insured**.

Licence(s)/certificate(s)

All **licence(s)/certificate(s)** held by **the insured** in connection with his or her occupation.

Loss of a licence(s)/certificate(s)

Absolute prevention, as a consequence of **illness** or **bodily injury**, from acting in the capacity for which a **licence(s)/certificate(s)** is held.

Illness

Any sickness or disease (not falling within the definition of **accident**) including **mental or behavioural disorder(s)** which first manifest(s) itself during the **period of insurance**.

Accident

A sudden, violent, unforeseen, external and visible event which occurs at an identifiable time and place during the **period of insurance**.

Accident shall also include exposure to the elements resulting from a mishap to a conveyance in which **you** are travelling.

Bodily injury

Physical injury caused by an **accident** and including any **illness** solely and directly resulting from such **accident**.

Previous disability

Any condition for which **you** have sought advice, diagnosis, treatment or counselling or of which **you** were or should reasonably have been aware of at inception of this insurance or for which **you** have been treated at any time prior to inception of this insurance.

Mental or behavioural disorder(s)

Any disorder(s) diagnosed by a qualified medical practitioner and which is included in the internationally-recognised classification system DSM-IV (the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition, 1994). Such a diagnosis shall imply severe and lasting impairment in personal performance as indicated by at least one of the following:

- a. a limitation in activities of daily living;
- b. social functioning;
- c. impairment in concentration, memory or other cognitive functioning leading to chronic task under-performance in terms of aptitude, learning new material, reliable accuracy, endurance or pace of work;
- d. deterioration or decomposition in work settings;
- e. episodic disorders of mood;
- f. disorders of form and control of thought.

Individual loss of licence insurance

Policy wording

Date of loss	The first day that you are suspended from active duty as a direct result of sustaining bodily injury or the manifestation of an illness . Suspension must be evidenced by our receipt within 30 days of date of loss of a 'temporarily unfit' assessment issued by the relevant licence issuing authority.
Period of insurance	The time for which this policy is in force as shown in the schedule.
Policy	This insurance document and the schedule, including any endorsements.
Terrorism	If we allege that a claim is not covered by this policy the burden of proving the contrary shall be upon you . Terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of person, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.
War or related risks	War, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power.
We/us/our	Hiscox Syndicates at Lloyd's, managed by Hiscox Syndicates Limited.
You/your	The person named in the schedule.

What is covered	We will pay you a benefit in accordance with the schedule in the event that your licence(s)/certificate(s) is (are) suspended in consequence of a long term unfitness assessment being issued by the licence issuing authority during the period of insurance or within 12 months after the expiration of this policy , as a result of:
Coverage 1	100% of the maximum sum insured in respect of bodily injury ; or
Coverage 2	25% of the maximum sum insured or £20,000, whichever the lesser, in respect of any illness which is: <ul style="list-style-type: none"> a. consequent upon the influence of alcohol, drugs or narcotics; or b. incapable of diagnosis or has not been diagnosed as an illness; or
Coverage 3	100% of the maximum sum insured in respect of any illness including mental or behavioural disorder(s) other than an illness which is included in 1. or 2. above. Payment under 2 a. is conditional upon you within 90 days from the date of diagnosis of such illness entering a rehabilitation programme approved by us , demonstrating and continuing to demonstrate to our satisfaction that you are participating and co-operating in all aspects of such rehabilitation programme. The cost of participation in the programme will be deducted from any benefit payment.

What is not covered	We will not make any payment for any claim or loss directly or indirectly due to: <ol style="list-style-type: none"> 1. your death; 2. intentional self-injury or attempted suicide or assault provoked by you; 3. a criminal act by you; 4. your deliberate exposure to exceptional danger or activity (except in an attempt to save human life or in self-defence or in an attempt to prevent loss or damage to their property), unless approved by us and endorsed on this policy; 5. your undertaking active duty with the Armed Forces other than part-time non-combatant duties; 6. your being relieved of flying status for reasons other than as covered in this policy; 7. Acquired Immune Deficiency Syndrome (AIDS) or AIDS Related Complex (ARC) howsoever this syndrome has been acquired or may be named;
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Individual loss of licence insurance

Policy wording

8. **war or related risks;**
9. **terrorism;** If there is any dispute between **you** and **us** over the application of this exclusion, it will be for **you** to show that the exclusion does not apply.
10. **previous disability;**
11. pregnancy or childbirth;
12. subsequent change(s) in medical standards to those prevailing at the inception of this **policy** issued by the licence issuing authority or any other competent authority including government, which materially increases or extends **our** liability.

How much we will pay

We will pay the benefits shown in the schedule unless limited below. In the event of the **licence(s)/certificate(s)** being restored within 18 months from the date of settlement of the claim, **we** may require **you** to repay **us** a pro-rata proportion of the benefit paid.

Payment under this policy is subject to **your** undertaking in writing not to apply to have the **licence(s)/certificate(s)** restored within 36 months from the date of settlement of the claim without **our** prior written consent. Such consent shall not be unreasonably withheld.

Conditions

Conditions precedent

Conditions 2, 3 and 9 below and the claims conditions are all conditions precedent to **our** liability. **We** will not make any payment under this **policy** unless **you** comply with all the requirements of these conditions.

General conditions

The following conditions apply to the whole of this **policy**.

Basis of insurance

1. Because of its importance, all information which **you** or anyone on **your** behalf provided before **we** agreed to insure **you** is incorporated into and forms the basis of this **policy**.
All facts and matters which might be relevant to **our** consideration of **your** proposal must be disclosed and all material representations made to **us** must be true, otherwise **we** are entitled to treat this insurance as if it had never existed.

Change of circumstances

2. **You** must tell **us** as soon as reasonably possible of any change in circumstances during the **period of insurance** which may materially affect this **policy**. (A material fact or circumstance is one which might affect our decision to provide insurance or the conditions of that insurance.) **We** may then change the terms and conditions of this **policy**.

Premium payment

3. **We** will not make any payment under this **policy** unless **you** have paid the premium.

Cancellation

4. You can cancel this insurance at any time by writing to **us** or **your** insurance broker. If **you** have not made a claim, **we** will return any premium **you** have paid for the remaining **period of insurance**.

We can cancel this insurance by:

- a. sending 30 days' notice in writing by registered post or recorded delivery to **your** last known address. **We** will return any premium **you** have paid for the remaining **period of insurance**;
- b. sending 30 days' notice in writing by registered post or recorded delivery to **you** and/or **your** representative in the event of non-payment of premium within 30 days of inception of the **period of insurance** and/or expiry of the terms of credit. If **you** pay the premium by instalments and an instalment remains unpaid after 14 days, **we** will cancel this **policy** from the date the last instalment was due.

Termination

5. The **policy** will terminate and cease to have effect upon:
 - a. payment of benefit;
 - b. **your** attaining age 60;
 - c. **your** ceasing to be gainfully employed in the capacity for which **you** hold the **licence(s)/certificates(s)**.

Individual loss of licence insurance

Policy wording

Rights of third parties

6. **We** and **you** are the only parties to this **policy**. Nothing in this **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.

Other insurance

7. The maximum benefit payable to **you** shall not exceed the following multiples of annual earnings solely accruing from all **licence(s)/certificate(s)** held by **you** under this and/or all other loss of licence policies held in **your** name, unless agreed by special acceptance by **us**.

Up to and including age 29	5.0 times annual earnings
30 to 39	4.0 times annual earnings
40 to 49	3.0 times annual earnings
50 the lesser of £70,000	2.0 times annual earnings
51 the lesser of £70,000	2.0 times annual earnings
52 the lesser of £70,000	2.0 times annual earnings
53 the lesser of £60,000	2.0 times annual earnings
54 the lesser of £50,000	2.0 times annual earnings
55 - 59 the lesser of £40,000	1.8 times annual earnings

In order to recover the full benefits payable under this **policy**, **you** must have notified **us** of any other loss of licence insurance and the existence of that other insurance must have been noted and accepted by **us** before a claim arises. If no such prior notification has been given, this **policy** is deemed to be surplus to all other valid and collectable insurances. Any payment under these circumstances will only be the difference between the maximum allowable multiple of earnings, as stated above, and all other valid insurance, subject always to the **maximum sum insured** as stated in the schedule.

Law and jurisdiction

8. Unless some other law is agreed in writing, this **policy** will be governed by the laws of England. If there is a dispute arising out of or relating to this insurance, the dispute will only be dealt with in the courts of England.
9. If **you**, or any representative of **yours**, conceals, misrepresents or fails to disclose any fact or circumstance which affects this **policy** or its formation, the **policy** will be voidable from inception with regard to **you** or **your** representative. The **policy** is void if **you** or any representative of **yours** commits fraud or attempts to do so in connection with any claim under this **policy**.

Claims conditions

1. **You** must:

- a. make a claim in writing as soon as possible and in any event not later than 30 days from the date of unfitness as a result of sustaining **bodily injury** or the manifestation of **illness**, by notifying:

Hiscox Global Flying
1 Great St Helen's
London EC3A 6HX
Tel no: +44 (0)20 7448 6329
Fax no: +44 (0)20 7448 6998
Email: global-flying@hiscox.com

Such notification shall include all details as known to **you** and documentary evidence issued by the relevant licence issuing authority. The date of notification shall be taken as the date upon which the notice was delivered to Hiscox Global Flying. It must be understood that advice of a claim by telephone message is not deemed to be proper notice of a claim;

- b. at **our** request and expense, submit to an independent medical examination in the event of **bodily injury** or **illness**;
- c. irrevocably authorise:
- i. **us** to obtain details of all medical reports and hospital records and obtain information from any physicians, surgeons and hospital authorities concerned with the treatment of, or consulted by, **you**;

Individual loss of licence insurance

Policy wording

- ii. **us** to obtain information from and seek the opinion of the principal medical officer of the Civil Aviation Authority or any other competent authority or its successors (or other appropriate medical officer appointed for the purpose) as to whether **you** are unlikely to obtain a restoration of the **licence(s)/ certificate(s)**. If the opinion is that **you** are unlikely to obtain such restoration **we** will accept that opinion as evidence in favour of **you**.
- d. sign all authorisations required by **us** for these purposes, on written demand by **us** make a statutory declaration as to any facts relating to the claim and complete **our** standard claim questionnaire on request.
- e. notify **us** immediately if any action against a third party relating to the **licence(s)/certificate(s)** is planned or contemplated.
- f. notify **us** immediately upon becoming aware of any investigation, court of enquiry or similar proceedings likely to affect this **policy** and give all possible assistance and information to lawyers appointed by **us** as they may reasonably require;
- g. provide to **us** satisfactory proof of:
 - i. the happening of the event in respect of which the **maximum sum insured** will become payable;
 - ii. any other information that **we** may require.
2. **We** shall not be obliged to settle a claim under this **policy** until at least 180 days after the **date of loss**, **you** make a claim and all enquiries have been completed by **us**. The period of 180 days shall commence on the day the claim is received by **us**. No claim shall be payable if **you** die within such 180 days period.
 3. Receipt by **us** of a release from **you** or any other duly authorised representative of **yours** shall constitute an absolute discharge to **us** in respect of payments made under this **policy**.

Arbitration

We reserve the right to refer all unfitness assessments to **our** own medical advisers. In addition, **you** may be required to undergo an examination by a qualified medical practitioner experienced in the medical examination of flying personnel.

We also reserve the right to request **you** to undergo reasonable medical treatment and investigations, at **our** expense if, in **our** and **our** medical advisers opinion, such treatment and/or investigations would probably result in the restoration of **your licence(s)/certificate(s)**.

Should **you** wish to dispute **our** decision or **our** medical advisers or qualified medical practitioners opinion, the matter will be referred for arbitration to the Dean of the Faculty of Occupational Medicine of the Royal College of Physicians in London, England. The Dean will appoint one person to act as referee from a panel of qualified medical practitioners experienced in the examination of flying personnel and in the relevant branch of medicine, such panel to be agreed between **us** and **you**.

The decision of the Dean and the Referee shall be final and binding on all parties.

The costs of examination and arbitration will be borne by **us**.

Complaints procedure

We pride ourselves on providing a first class, reliable and efficient service to all of our customers. Complaints are a key to monitoring our service and wherever possible, **we** seek to take action to prevent recurrence of a problem.

We define a complaint as any expression of dissatisfaction, whether verbal or written, and whether justified or not, about a service or activity provided by **us**.

Please contact **us** or **your** insurance broker in the first instance. Please be ready to quote the details of **your** insurance (your surname and initials, **policy** number, address, employer, etc.). A verbal complaint should subsequently be confirmed in writing with a record of posting.

Individual loss of licence insurance Policy wording

If **you** are not satisfied with the way a complaint has been dealt with **you** may write to the complaints department at Lloyd's, which will review **your** case without prejudice to **your** rights in law. The address is:

Policyholder and Market Assistance
Lloyd's Market Services
One Lime Street
London EC3M 7HA
Tel no: +44 (0)20 7327 5693
Fax no: +44 (0)20 7327 5225
Email: complaints@lloyds.com

A complaint form can be downloaded from Lloyd's website at www.lloyds.com

Data Protection Act

By accepting this insurance, **you** consent to **us** using the information **we** may hold about **you** for the purposes of providing insurance and handling claims, if any, and to process sensitive personal data about **you** where this is necessary (for example health information or criminal convictions). This may mean **we** have to give some details to third parties involved in providing insurance cover. These may include insurance carriers, third-party claims adjusters, fraud detection and prevention services, reinsurance companies and insurance regulatory authorities. Where such sensitive personal information relates to anyone other than **you**, **you** must obtain the explicit consent of the person to whom the information relates both to the disclosure of such information to **us** and its use by **us** as set out above. The information provided will be treated in confidence and in compliance with the Data Protection Act 1998. **You** have the right to apply for a copy of **your** information (for which **we** may charge a small fee) and to have any inaccuracies corrected.

For training and quality control purposes, telephone calls may be monitored or recorded.