



Loss of Licence Insurance

1. **Introduction**

Please read this Policy and ensure that it meets your requirements. Please advise the Company immediately if any of the information in the Schedule changes.

This Policy is an individual Loss of Flight Instruction Fees and Loss of Licence Policy issued by the Company. In return for payment of the Premium as and when it falls due the Company will pay the benefits if the Insured, being a pilot trainee fails to meet the required medical standards for the granting of a Licence, or the insured being a pilot or air traffic controller Loses his Licence within a period of five years from the date of injury or first manifestation of Illness or Classified Illness and which is a direct consequence of Bodily Injury, Illness or Classified Illness sustained or first manifesting during the Period of Insurance. The payment of Benefits is always subject to the terms and conditions of this Policy.

The contract comprises of this Policy, the Schedule, the application for this Policy and any other information provided in relation to this Policy which is material to the Company's decision to issue this Policy or to grant cover under this Policy to the Insured. Any and all such information must be true and complete otherwise no Benefits will be payable even if a policy has been issued.

Certain words or phrases in this Policy have a specific meaning and these words are shown with capital letters. The definitions of such words or phrases are detailed in Section 7. Where a word has been defined the definition will apply wherever that word appears in this Policy. Wording in the masculine gender will include the feminine, where the context requires it the singular will include the plural.

Provided that this Policy will not be in force until the Schedule has been signed by a person authorised by the Company.

2. **Benefits**

The Insured is insured for those Benefits stated in the Schedule as “Insured”.

- 2.1. If the Insured sustains Bodily Injury or Illness other than Classified Illness during the Period of Insurance which results in the Insured Losing his Licence the Company will pay the sum insured shown in the Schedule.
- 2.2. If the Insured suffers from a Classified Illness during the Period of Insurance which results in the Insured Losing his Licence the Company will pay the sum shown in the Schedule.
- 2.3. If the Insured becomes Disabled as a consequence of Bodily Injury or Illness (but not as a result of Classified Illness) sustained during the Period of Insurance and the Insured remains Disabled for more than the Waiting Period the Company will pay the sum insured shown in the Schedule for each subsequent month or part thereof for which the Insured remains Disabled. The Company will only pay for up to the maximum number of months of benefit shown in the Schedule in respect of any one cause. No payment will be made in respect of the Waiting Period. No benefit will be paid after the death of the Insured.
- 2.4. If the Insured becomes Disabled as a consequence of Classified Illness during the Period of Insurance and the Insured remains Disabled for more than the Waiting Period the company will pay the sum insured shown in the Schedule for each subsequent month or part thereof for which the Insured remains Disabled. The Company will only pay for up to the maximum number of months of benefit shown in the Schedule in respect of any one cause. No payment will be made in respect of the Waiting Period. No benefit will be paid after the death of the Insured.
- 2.5. If the Insured sustains Bodily Injury or Illness during the Period of Insurance for which a diagnosis of a Critical Illness is made by the Company, the Company will pay on third of the sum insured shown in the Schedule for Benefit 2.1. provided that the Insured is alive thirty days following the date of diagnosis.
- 2.6. If a pilot after having been Disabled for a period longer than 12 months regains his health certification but in order to regain his Licence needs, at his expense, to spend time in a Simulator or undertake other retraining the Company will pay the cost up to the maximum sum insured specified in the Schedule for Benefit 2.6.
- 2.7. If the Insured has to attend a Court of Enquiry or other proceedings (legal or otherwise) in connection with an event which may give rise to a claim under this Policy the Company will reimburse any costs or expenses reasonably incurred with its written consent by the Insured but only up to the maximum sum insured specified in the Schedule.

3. **Limitations**

- 3.1. Payment will only be made under either Benefit 2.1. or Benefit 2.2. in respect of any one event. If a payment could be made under either Benefit the higher sum insured will be paid.
- 3.2. Payment will only be made under either Benefit 2.3. or 2.4. in respect of any one event. If a payment could be made under either Benefit the higher sum insured will be paid. If a payment becomes payable under Benefit 2.1 or 2.2 any sum paid under Benefit 2.3, 2.4 or 2.5 will be deducted from such payment.
- 3.3. Benefits 2.3 or 2.4 will not be paid in respect of any period of Disability which is more than 62 months after the date on which Bodily Injury was sustained or Illness or Classified Illness first manifested.
- 3.4. If the Insured unreasonably refuses to undergo any surgical or medical treatment which might reasonably be expected to assist in obtaining restoration of a Licence or the Licensing Issuing Authority, as a matter of practice or in accordance with its regulations, does not issue a permanent denial of the medical certificate, the Company will not make any payment under either Benefit 2.1 or 2.2 until it is satisfied that Loss of Flight Instruction Fees or Loss of Licence has occurred.
- 3.5. The sum insured will be automatically reduced by 10% of the sum insured in force at the anniversary following the Insured's 50th birthday. This reduction will be applied at each subsequent anniversary up to and including the anniversary following the Insured's 54th birthday until a minimum of SEK 500,000 remains.
- 3.6. The Benefits payable for Illness and Classified Illness are reduced to 25% of the sum insured from the anniversary following the Insured's 55th birthday.

4. **Exclusions**

- 4.1. Unless liability has been admitted by the Company, Benefits 2.1. or 2.2 will not be paid if the Insured dies either before Benefits have been paid by the Company or until 180 days have passed since the Insured first became Disabled.
- 4.2. No Benefits will be paid if the Bodily Injury Illness or Classified Illness is the direct or indirect consequence of:-
- 4.2.1. War involving any one of the following countries, United Kingdom, United States of America, France, Peoples Republic of China or The Russian Federation;
- 4.2.2. A criminal act for which the Insured was found guilty and which could have carried a custodial sentence (whether imposed or not);
- 4.2.3. Active duty with any Armed Force on any kind of combat assignment;
- 4.2.4. Intentional self-injury or attempted suicide;
- 4.2.5. Venereal Disease or its consequence;
- 4.2.6. Acquired Immune Deficiency Syndrome, AIDS related complex or any related condition or any condition resulting from the presence of the Human Immuno Deficiency Virus (unless such condition was contracted as a direct consequence of medical treatment for an unrelated illness or medical condition - such illness or medical condition not being drug or alcohol abuse or a venereal disease);
- 4.2.7. Any Illness or Classified Illness which first manifested before the Commencement Date.
- 4.3. The Company will not pay for any costs reimbursable under Benefit 2.6 unless
- The costs are reasonable and necessary to regain the relevant category of licence held by the Insured immediately prior to the Disability; and
 - The Company has agreed the programme and its costs in writing in advance.
- If the Insured would gain additional certification as a consequence of the programme, the Company may require the Insured to contribute to the costs of the programme.
- 4.4. The Company will not pay for any Loss of Flight Instruction Fees arising from any non-medical cause.

5. **Conditions**

- 5.1. Provided that the Company offers renewal, the Company will not require further medical evidence at any such renewal unless the Insured requests an increase in Sum Insured. If the Company requires any additional limitations these limitations will only apply to the amount of the increased Sum Insured. In no circumstances will the Company impose any limitations on an increase in Sum Insured granted under the inflation protection provisions of this Policy (Condition 5.2.).
- 5.2. The Company will automatically increase the Sum Insured at each anniversary date by 3% up until the anniversary date following the Insured's forty-ninth birthday.
- 5.3. Cover under this Policy automatically and immediately ceases on the first to occur of the following:-
 - 5.3.1. The Insured ceases to be employed in his Occupation.
 - 5.3.2. The Insured dies
 - 5.3.3. Benefits are paid under either Benefit 2.1. or 2.2.
 - 5.3.4. The Insured attains the maximum age stipulated by the Licence Issuing Authority.

Clause 5.3.1 will not apply to any Insured who, following completion of training, is seeking employment as a pilot provided that such period does not exceed 12 months from the completion of such training (unless otherwise agreed by the Company in writing). For Licensed Pilots 5.3.1 will not apply for the first 12 month of unemployment following Redundancy, or for the first 6 month of unemployment in any other circumstances.
- 5.4. Cover under this Policy will normally cease at the anniversary date following the Insured's sixtieth birthday.
- 5.5. The Company may cancel this Policy with immediate effect upon serving notice to the Insured if any Premium or any instalment of Premium is unpaid for 30 days or more from its due date.
- 5.6. The Company will not pay any claim under this Policy and may seek to recover any monies paid if any fraud concealment or misrepresentation is made in relation to a claim. The Company may elect to declare this Policy void or to cancel this Policy in such circumstances.

- 5.7. The Insured may not receive Loss of Licence or Loss of Flight Instruction Fee Benefits under this Policy if the Insured is also insured under any other lump sum Loss of Licence or Flight Instruction Fees policy unless its a part of a mandatory pension plan or the Company has accepted this in writing.
- 5.8. This Policy is governed by and is to be construed in accordance with the Law of Sweden.
- 5.9. Notices are served when they are received by the Company.
- 5.10. Once the Insured has passed the necessary standards required for a Licence, the Company will automatically determine a claim based on Loss of Licence and not Loss of Flight Instruction Fees.

6. **Claim Conditions**

- 6.1. The Insured must notify the Company in writing of an event which may give rise to a claim within 30 days or as soon as reasonably possible.
- 6.2. The Sum Insured payable will be that prevailing on the date that the Insured sustained Bodily Injury or the Illness or Classified Illness first manifested.
- 6.3. The Company may at its absolute discretion:
 - 6.3.1. Elect to pay for medical investigations and treatment which may assist in obtaining the restoration of the Licence;
 - 6.3.2. At its expense appeal against the Loss of Flight Instruction Fees or Loss of Licence in the name of the Insured.
- 6.4. The Insured must provide all reasonable assistance and information in relation to a claim including presentation to the Licence Issuing Authority or to assist the Company in determining its liability to pay Benefits. If such assistance or information is not provided, no Benefits will be paid and payments under Benefits 2.3 and 2.4 may be suspended.
- 6.5. The Company will not be liable to pay Benefits for any Loss of Licence or Loss of Flight Instruction Fees which occurs solely as a result of a change in the medical standards issued by the Licence Issuing Authority.
- 6.6. The Insured will immediately notify the Company of the calling of a Board of Enquiry or other proceedings which may affect a claim.
- 6.7. If the Company and Insured are unable to agree about the Company's decision as to whether:-
 - 6.7.1. Loss of Licence or Loss of Flight Instruction Fees as defined has occurred, or
 - 6.7.2. Whether medical treatment proposed to be undergone is relevant and will assist in the restoration of the licence or not.

Then such disagreement will be decided by a panel of referees provided that both parties agree to the referral. Each referee must be a Medical Practitioner experienced in the examination of airline personnel. The parties may agree to accept the decision of one referee or may elect to appoint a referee each. If the latter, the referees will elect a third referee and a majority decision will bind the Insured and the Company.

The expenses of the referees will be payable by the Company if the Company is held liable for the claim. If the decision upholds the Company's decision the Insured will pay half of the total expenses.

The Company will not be liable to pay Benefits 2.1. or 2.2. while such treatment or investigations are continuing. On completion of any treatment the Insured must obtain a further examination and decision of the Licence Issuing Authority before Benefits 2.1. or 2.2. will become payable.

- 6.8 If the Insured Person has given this Policy as mortgage to a bank and required any sum payable under this Policy to be paid directly to the relevant bank, the payment by the Company into the account stated by the bank and noted in the Company's records, will be a full discharge of the Company's obligations under this Policy.

7. **Definitions**

Benefits	The Benefits defined in Section 2 and which are shown as insured in the schedule.
Bodily Injury	Accidental injury to the Insured sustained during the Period of Insurance which is not the consequence of sickness disease or any degenerative condition or gradually operating cause. Bodily Injury includes the consequences of exposure to the elements and the indirect consequences of accidental injury.
Classified Illness	<p>An illness which first manifests during the Period of Insurance and which is by its nature or origin</p> <ul style="list-style-type: none">a) either directly or indirectly consequent upon or contributed to by drugs or alcohol (unless prescribed by a Medical Practitioner in the treatment of an Illness), orb) A psychological or psychiatric condition for which no diagnosis has been made by a Medical Practitioner and which is specified in DSM IV, orc) Is incapable of diagnosis with available objective evidence or has not been diagnosed despite such evidence being available.
Company	The Company stated in the Schedule.
Commencement Date	The date shown in the Schedule.
Critical Illness	<p>Any of the following diagnoses:</p> <p><i>Paralysis</i></p> <p>Total and permanent paralysis as a result of sickness or accident. Evidence of total permanent failure of spinal cord conductivity due to transection must be provided, and the temporal and causal connection with the damaging occurrence must be obvious.</p> <p><i>Loss of Limbs</i></p> <p>Complete and permanent loss of function of both legs, or both arms, or one arm and one leg through accident or disease.</p>

Blindness

Total, clinically certified, irreversible loss of sight in both eyes as a result of acute sickness or accident. The blindness must be certified by an ophthalmologist's report.

Deafness

Total, clinically certified, irreversible loss of hearing in both ears as a result of acute sickness or accident. The deafness must be certified by a Medical Practitioner.

Alzheimer's Disease

Deterioration or loss of intellectual capacity or abnormal behaviour as evidenced by the clinical state and accepted standardised questionnaires or tests, arising from Alzheimer's disease or irreversible organic disorders, excluding neurosis and psychiatric illness, resulting in significant reduction in mental and social functioning requiring the continuous supervision of the Insured Person. The diagnosis must be clinically confirmed by an appropriate consultant and be supported by the Company's Chief Medical Officer.

Parkinson's Disease

Slowly progressive degenerative disease of the central nervous system as a result of loss of pigment containing neurones of the brain (substantia nigra).

Unequivocal diagnosis of Parkinson's Disease must be provided by a consultant neurologist where the condition

- cannot be controlled with medication; and
- shows signs of progressive impairment; and
- activities of daily living assessment confirms the inability of the Insured Person to perform, without assistance, three or more of the following:

bathing, dressing, using the lavatory, eating, ability to move in or out of bed or a chair.

Only idiopathic Parkinson's Disease is covered. Drug-induced or toxic causes of Parkinsonism are excluded.

Disabled	Such state of health that prevents and continues to prevent the Insured from reaching the required Licence Standards for the Licence held by the Insured.
DSM IV	Diagnostic and Statistical Manual of all psychiatric and psychological conditions and any subsequent document introduced at a later date.
Expiry	The first to occur of the date shown in the Schedule or

Date	the date that the Insured ceases to be insured under this Policy (either by agreement or automatically in accordance with Condition 5.3).
Illness	Any illness not included under Bodily Injury which first manifests during the Period of Insurance. Illness includes premature senile degenerative change but excludes Classified Illness.
Insured	The Insured stated in the Schedule.
Licence or Certificate	All Licences and Certificates held by the Insured in accordance with the Insured's Occupation.

Loss of Flight Instruction Fees

The Insured having paid fees for the specific purpose of obtaining a Licence or Certificate and as a consequence solely and directly of Bodily Injury, Illness or Classified Illness is permanently unable to attain the minimum medical standards required by the Licence Issuing Authority or if the Licensing Issuing Authority, as a matter of practice or in accordance with its regulations, does not issue a permanent refusal of the medical certificate, attainment of the minimum standard is unlikely to occur on medical grounds for the foreseeable future in the opinion of the Company. For this purpose the foreseeable future will be deemed to be a period of not less than 5 years from the date the Insured Person first became Disabled.

Loss of Licence	Deprivation of a Licence by the Licence Issuing Authority as a consequence solely and directly of Bodily Injury, Illness or Classified Illness which is permanent or if the Licensing Issuing Authority, as a matter of practice or in accordance with its regulations, does not issue a permanent denial of the medical certificate, restoration of the Licence is unlikely to occur on medical grounds for the foreseeable future in the opinion of the Company. For this purpose the foreseeable future will be deemed to be a period of not less than 5 years from the date the Insured Person first became Disabled.
Medical Practitioner	A registered member of the medical profession who is qualified to treat the cause of Disability and who is not a relative or friend of the Insured for the purposes of certifying such Disability.
Occupation	The Occupation of the Insured as declared to the Company.
Premium	The Premium stated in the Schedule and any other Premiums agreed between the Insured and the Company from time to time. If a group scheme discount has been applied and you leave that group, the premium will be amended at the next anniversary date of the Policy.
Period of Insurance	The Period commencing with the Commencement Date and ending with the Expiry Date and any other Period which the Company agrees to accept.
This Policy	The Policy, the Schedule and any Endorsements or Memoranda attaching to the Policy.
Waiting Period	The Waiting Period stated in the Schedule. All periods of absence resulting from the same medical condition will be aggregated for the purposes of assessing whether the Waiting Period has been exceeded.