



**COLEMONT**  
INSURANCE BROKERS LIMITED

**TO WHOM IT MAY CONCERN**

12th September, 2012

**CERTIFICATE OF INSURANCE**

THIS IS TO CERTIFY THAT, as Insurance Brokers we have effected the following insurance with CERTAIN INSURANCE COMPANIES (the "Insurers") on behalf of **Avcon Jet AG** and/or all Subsidiary and/or Associated and/or Affiliated Companies (the "Insured") covering:

**AIRCRAFT/EQUIPMENT:** Challenger CL600-2B19  
**REGISTRATION NUMBER:** OE-ISA (Serial No. 8043)  
**AIRCRAFT AGREED VALUE:** USD 26,500,000 (the "Agreed Value")  
**EFFECTIVE:** 01<sup>st</sup> October, 2012 to 30<sup>th</sup> September, 2013 both days inclusive Local Standard Time at the address of the Insured.

Against the following risks and up to the limits stated whilst operating within the following Geographical Limitations:-

Worldwide but excluding Algeria, Burundi, Cabinda, Central African Republic, Congo, Democratic Republic of Congo, Eritrea, Ethiopia, Ivory Coast, Liberia, Mauritania, Nigeria, Somalia, The Republic of Sudan, South Sudan, Colombia, Ecuador, Peru, Afghanistan, Jammu & Kashmir, Myanmar, North Korea, Pakistan, Georgia, Nagorno-Karabakh, North Caucasian Federal District, Iran, Iraq, Libya, Syria, Yemen and any country where the operation of the insured Aircraft is in breach of United Nations sanctions.

1. All risks of loss or damage to the aircraft whilst flying, taxiing, ingestion or on the ground for the Agreed Value. Subject to the applicable terms, conditions, limitations, exclusions and deductibles of Policy No. AV1204090.
2. Aircraft spare parts, spare engines, ground equipment, replacement parts and equipment destined to form part of an aircraft or to be used in connection with the servicing, maintenance or repair of aircraft (hereinafter 'spares') being the property of the Insured or the property of others for which the Insured has agreed to be responsible whilst such property is in the care, custody or control of the Insured or whilst at the premises of others or in transit by any means of conveyance (including the Insured's aircraft) and including engine running, against all risks of loss or damage, up to a limit of USD 3,500,000 any one building / location / sending, subject to a deductible of USD 5,000 each and every loss. Subject to the applicable terms, conditions, limitations, exclusions and deductibles of Policy No. AV1204090.
3. Loss or damage to the Aircraft and Spares owned, leased, operated, maintained and/or used by or on behalf of the Insured or for which they are responsible for, for the Agreed Value, (Spares limited to USD 3,500,000 any one building/location/sending) caused by War and Allied Perils (per LSW555D) including extortion and extra expenses and including confiscation by Government of registration. Subject to the applicable terms, conditions, limitations, exclusions and deductibles of Policy No AV1204090.

4. The Insured's Legal Liability arising out of their aviation operations, including Third Party Legal Liability (Bodily Injury, Property Damage), Passenger Legal Liability, Passenger Baggage and Personal Articles, Personal Injury, Cargo and Mail Legal Liability, Medical, Burial, Funeral and Repatriation Expenses (including Crew), arising from the ownership, operation, lease of aircraft and including Premises and Hangarkeepers Legal Liability arising out of premises owned or leased by the Insured (and elsewhere in the course of their duties) and Products Liability (per 48FLY00001). Also to include Passenger and Crew Personal Accident coverage whilst boarding, alighting from or flying in Aircraft and in respect of Aircrew only whilst working in or about the aircraft.

Combined Single Limit (Bodily Injury / Property Damage / Passenger Legal Liability) USD 200,000,000 any one occurrence / each aircraft / unlimited in all but:

- a) War Risks and Allied Perils are covered in accordance with Extended Coverage Endorsement AVN52E, subject to a limit of USD 200,000,000 any one occurrence and in the annual aggregate.
- b) Personal Injury to persons other than passengers limited to USD 25,000,000 any one offence and in the aggregate within overall Combined Single Limit.
- c) Cargo/Mail Liability limited to USD 1,000,000 any one occurrence.
- d) Medical and Related Expenses (Passengers/Crew) USD 150,000 any one person.

Passenger Personal Accident per K(A) NMA2989 (Scale 'E' Benefits 1-7)

Offered Against Full Legal Discharge

Flight Risks Only, Death and Disablement only EUR 250,000 each person.

Crew Personal Accident per K(A) NMA2989 (Scale 'E' Benefits 1-7)

Flight Risks Only, Death and Disablement only EUR 250,000 each person.

Passenger seating 13 plus 3 crew.

Any of the Aggregate Limits shown herein may be reduced or exhausted by virtue of claims made in respect of any of the Insured's aircraft/activities/operations insured under their Aviation Liability Insurances.

Subject to the applicable terms, conditions, limitations, exclusions and deductibles of Policy No. AV1204090.

**USES:** As per policy conditions.

**PILOTS:** As per policy conditions.

It is further certified that the Insurers are aware of the Lease Agreement between the Contract Party(ies) in respect of Challenger CL600-2B19 Aircraft Registration Mark OE-ISA and have agreed to indemnify the Insured on the basis of Airline Finance/Lease Contract Endorsement AVN67B as follows:

It is noted that the Contract Party(ies) have an interest in respect of the Equipment under the Contract(s). Accordingly, with respect to losses occurring during the period from the Effective Date until the expiry of the Insurance or until the expiry or agreed termination of the Contract(s) are terminated by any action of the Insured or the Contract Party(ies), whichever shall first occur, in respect of the said interest of the contract Party(ies) and in consideration of the Additional Premium it is confirmed that the Insurance afforded by the Policy is in full force and effect and it is further agreed that the following provisions are specifically endorsed to the Policy:-

1. Under the Hull and Hull War Insurances

- 1.1 In respect of any claim on the Equipment that becomes payable on the basis of a Total Loss, settlement (net of any relevant Policy Deductible) shall be made to or to the order of contract parties. In respect of any other claim, settlement (net of any relevant Policy deductible) shall be made with such party(ies) as may be necessary to repair the Equipment unless otherwise agreed after consultation between the Insurers and the Insured and, where necessary under the terms of the Contract, the Contract Party(ies). Such payments shall only be made provided they are in compliance with all applicable laws and regulations.
- 1.2 Insurers shall be entitled to the benefit of salvage in respect of any property for which a claims settlement has been made.

2. Under the Legal Liability Insurance

- 2.1 Subject to the provisions of this Endorsement, the Insurance shall operate in all respects as if a separate Policy had been issued covering each party Insured hereunder, but this provision shall not operate to include any claim howsoever arising in respect of loss or damage to the Equipment insured under the Hull or Spares Insurance of the Insured. Notwithstanding the foregoing the total liability of Insurers in respect of any and all Insureds shall not exceed the limits of liability stated in the Policy.
- 2.2 The Insurance provided hereunder shall be primary and without right of contribution from any other insurance which may be available to the Contract Party(ies).
- 2.3 This Endorsement does not provide coverage for the Contract Party(ies) with respect to claims arising out of their legal liability as manufacturer, repairer, or servicing agent of the Equipment.

3. Under All Insurances

- 3.1 The Contract Party(ies) are included as Additional Insured(s).
- 3.2 The cover afforded to each Contract Party by the Policy in accordance with this Endorsement shall not be invalidated by any act or omission (including misrepresentation and non-disclosure) of any other person or party which results in a breach of any term, condition or warranty of the Policy PROVIDED THAT the Contract Party so protected has not caused, contributed to or knowingly condoned the said act or omission.
- 3.3 The provisions of this Endorsement apply to the Contract Party(ies) solely in their capacity as financier(s)/lessor(s) in the identified Contract(s) and not in any other capacity. Knowledge that any Contract Party may have or acquire or actions that it may take or fail to take in that other capacity (pursuant to any other Contract or otherwise) shall not be considered as invalidating the cover afforded by the Endorsement.
- 3.4 The Contract Party(ies) shall have no responsibility for premium and insurers shall waive any right of set-off or counterclaim against the Contract Party(ies) except in respect of outstanding premium in respect of the Equipment.

- 3.5 Upon payment of any loss or claim to or on behalf of any Contract Party(ies), insurers shall to the extent and in respect of such payment be thereupon subrogated to all legal and equitable rights of the Contract Party(ies) indemnified hereby (but not against any Contract Party). Insurers shall not exercise such rights without the consent of those indemnified, such consent not be unreasonably withheld. At the expense of Insurers such Contract Party(ies) shall do all things reasonably necessary to assist the Insurers to exercise said rights.
- 3.6 Except in respect of any provision for Cancellation or Automatic Termination specified in the Policy or any endorsement thereof, cover provided by this Endorsement may only be cancelled or materially altered in a manner adverse to the Contract Party(ies) by the giving of not less than thirty (30) days (seven (7) days or such lesser periods as may be customarily available with respect to War Risks) notice in writing to the appointed Broker. Notice shall be deemed to commence from the date such notice is given by the Insurers. Such notice will NOT, however, be given at normal expiry date of the Policy or any Endorsement.

EXCEPT AS SPECIFICALLY VARIED OR PROVIDED BY THE TERMS OF THIS ENDORSEMENT:-

1. THE CONTRACT PARTY(IES) ARE COVERED BY THE POLICY SUBJECT TO ALL TERMS, CONDITIONS, LIMITATIONS, WARRANTIES, EXCLUSIONS AND CANCELLATION PROVISIONS THEREOF.
2. THE POLICY SHALL NOT BE VARIED BY ANY PROVISIONS CONTAINED IN THE CONTRACT(S) WHICH PURPORT TO SERVE AS AN ENDORSEMENT OR AMENDMENT TO THE POLICY.

**SCHEDULE IDENTIFYING TERMS USED IN THIS ENDORSEMENT**

**1. Equipment**

Challenger CL600-2B19 Aircraft Registration Mark OE-ISA, Agreed Value USD 26,500,000.

**2. Policy Deductible applicable to physical damage to the Equipment.**

Aircraft – Not applicable to Total Loss/Constructive Total Loss/Arranged Total Loss

NIL (flight/taxiing/ingestion/ground).

In the event of an accident involving the application of more than one deductible then the highest applicable deductible shall be applied as an aggregate deductible for all losses arising out of that accident.

**3. Contract Party(ies):**

- a) Credit Suisse, Paradeplatz 8, 8001 Zurich ("Credit Suisse") (sole loss payee)
- b) Andumstone Ltd., Commonwealth Trust Limited, Drake Chambers, Tortola, British Virgin Islands ("Andumstone Ltd.")

And, in addition, in respect of Legal Liability Insurances:

Their Successors, Assigns, Shareholders, Directors, Officers, Agents, Employees and Indemnities of the Contract Party(ies).

**4. Contract(s):**

- Lease Agreement dated 27th October 2006 advised to Underwriters between Contract Parties in respect of the Lease of the Challenger CL600-2B19 Registration Mark OE-ISA stated above, as amended by an amendment and assignment agreement dated 30th September 2009.
- Aircraft Management and Operation Agreement between the Insured and Andumstone Ltd. dated 01st October 2009.
- Coordination Agreement between Insured, Andumstone Ltd. and Credit Suisse dated 30th September 2009.
- General Assignment – Lessee between Andumstone Ltd. and Credit Suisse dated 27th October 2006.
- General Assignment - Operator dated 30th September 2009 between the Insured and Credit Suisse
- Amendment and Assignment Agreement dated 30th September 2009 between inter alia Andumstone Ltd. and Credit Suisse.

**5. Effective Date:**

01<sup>st</sup> October, 2012

**6. Additional Premium**

United States Dollars One Hundred receipt of which is hereby acknowledged.

**7. Appointed Broker**

Colemont Insurance Brokers Ltd.

Subject to AVN67B (including War)

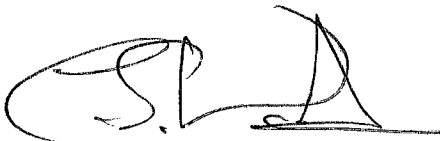
This endorsement does not:

- (a) incorporate the contract into the policy.
- (b) Provide coverage to the Contract Parties in the event of repossession of the Equipment.

**SPECIAL NOTES :**

- 1) The Contract Parties stated above are named within the insurance policies as additional insureds for their respective rights and interests as they may appear within the Contract(s).
- 2) Under the Hull All Risk, Spares All Risks and Hull War Risks, a 50/50 Provisional Claims Settlement Clause (currently AVS.103) has been accepted by Insurers subscribing to each of the insurances.

IN WITNESS WHEREOF this Certificate has been signed by



AUTHORISED SIGNATORY  
Colemont Insurance Brokers



AUTHORISED SIGNATORY  
Colemont Insurance Brokers

### **(RE)INSURERS LIABILITY CLAUSE**

#### **(Re)insurer's liability several not joint**

The liability of a (re)insurer under this contract is several and not joint with other (re)insurers party to this contract. A (re)insurer is liable only for the proportion of liability it has underwritten. A (re)insurer is not jointly liable for the proportion of liability underwritten by any other (re)insurer. Nor is a (re)insurer otherwise responsible for any liability of any other (re)insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by a (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning "signing" below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a (re)insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other (re)insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

#### **Proportion of liability**

Unless there is "signing" (see below), the proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its "written line".

Where this contract permits, written lines, or certain written lines, may be adjusted ("signed"). In that case a schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a "signed line". The signed lines shown in the schedule will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

21/6/07

LMA3333