



AVIATION INSURANCE POLICY



POLICY NO.

2017-4519114

HULL AND LIABILITY INSURANCE

2017-4519114

PERSONAL ACCIDENT INSURANCE



SCHEDULE

PART 1	Policy No.	2017-4519114			Proposal dated	Sep. 28, 2017
	Name of Insured	Seoul Fire Observation Corp.				
	Address	52 Toegye-ro 26Gil, Jung-gu, Seoul, Korea				
	Period of Insurance					
	From	00:00 HRS SEP. 29, 2017	To	24:00 HRS SEP. 28, 2018	both days inclusive	
PART 2	Particulars of Aircraft					
	(1) Make & Type (Insert "Land", "Sea", "Amphibian" or "Rotor Wing" as applicable)	(2) Year of Manu- facture	(3) Regn Marks	(4) Declared Max. No. of Passenger at any one time	(5) Amount Insured (KRW)	(6) Risks covered (Insert "Flight", "Taxing", "Moored" "Ground", "Rotors in Motion", "Rotor not in Motion" as applicable)
	1) AS365N2	1997	HL9447	10	3,019,555,500	rotor in motion
	2) AS365N2	1999	HL9448	10	3,648,190,500	rotor not in motion
	3) BELL 2016L-3	1990	HL9186	5	390,698,000	ingestion
PART 3	Purpose of Use					
	<i>Standard Uses</i> Private and pleasure & Business. Other exclusions as per AVN 1C			<i>Special Uses</i> As attached		<i>Special Rental Uses</i>
PART 4	Pilots Fully licensed pilots as approved by the assured subject to a minimum 3,000 R.W.H.					
PART 5	Geographical Limits Within Republic of Korea					

SCHEDULE - continued

PART 6 Limits and Deductibles : Appropriate boxes to be completed, others to be marked “not applicable”			
(A) Policy Section & Risk	(B) Amount to be deducted		(C) Limit of Indemnity from which must be deducted the amount in column (B)
I Loss of or damage to Aircraft listed in Part 2 above	RIM/Ingestion/RNIM – 5.0 % of Hull agreed Value E.E.L. (including Total Loss / Constructive Total Loss) each Accident		See Part 2 Column 5
II Liability to Third Parties	Bodily Injury	NIL	C.S.L(B.I/P.D) KRW1,000,000,000
	Damage to Property	NIL	
	Damage to Cargo	NIL	Subject to -
	Damage to Baggage	NIL	- Cargo L.L N/A
		each and every loss	- Baggage L.L N/A
			any one accident/occurrence per aircraft
III Liability to Passenger	Bodily Injury	not applicable	Bodily Injury not applicable each person
	Baggage and Personal Articles	not applicable	Baggage and Personal Articles not applicable each person
		each Person	Each Aircraft/Accident
PART 7	Premium	Section I	KRW 256,189,000
		Section II	KRW 5,776,000
		TOTAL	KRW 261,965,000
PART 8	Immediate notice of any claim pursuant to General Condition 4 to be given to : KB Insurance Co., Ltd.		
	<p>USES</p> <ul style="list-style-type: none"> ● Standard Uses : Private and Pleasure & Business. Other exclusions as per AVN 1C Special Uses : Emergency rescue flight, Fire-fighting, Emergency patient evacuation, Transportation for organ and organ transplant patient, Evacuation guidance, Fire-fight training, Fire-fight command / control, Fire-fighter transportation, Searching and rescue operation (including rappelling and hoist operation), VIP transportation and any other duty and/or mission approved and/or instructed by the Seoul City’s Administrator and/or Chief in the Fire Department Headquarters. Excluding aerial application uses other than fire-fighting. 		

Interest

To cover the assured's aircraft against all risks of physical loss or damage whilst rotors in motion/ rotors not in motion/ ingestion, and their legal liability to third parties arising out of the assured's operation of the aircraft, but excluding liability to slung cargo itself and passenger & chemical liability.

Conditions : AVN. 17A / 18A / 38B / 46B / 48B / 2000 / 76

AVN. 17A Additions and Deletions Clause (Hulls only)

AVN. 18A Additions and Deletions Clause (Liabilities only)

AVN. 38B Nuclear Risks Exclusion Clause

AVN. 46B Noise and Pollution and Other Perils Exclusion Clause

AVN. 48B War, Hi-jacking and Other Perils Exclusion Clause

AVN 2000 Date Recognition Exclusion Clause

AVN 76 Supplementary Payments Clause - limited to 10% of aircraft
agreed value any one incident and in the aggregate

Asbestos Exclusion Clause

LMA 3100 Sanction Limitation and Exclusion Clause

Premium Payable in Full at Inception

Deductible

-Rotor in motion / Ingestion / Rotor not in motion : 5.0% of Hull agreed value each and every loss including total loss and constructive total loss

Estimated Utilization hours : 1) AS365N2 : 230 hours

2) AS365N2 : 180 hours

3) BELL 206L-3 : 50 hours

Remark : If canceled by Assured, Return Premium per UK short rate scale.

Rate and Premium : As per Schedule

SCHEDULE OF AIRCRAFT

		기 체	제 3자 배상책임	상해보험			합 계
				조종사	승 객	레펠러	
1) AS365N2 (B/Y 1997) HL9447	가입금액	3,019,555,000	1,000,000,000	1,000,000,000	3,500,000,000	500,000,000	10,439,928,500
	요 율	3.680%	-	0.91000%	0.66000%	0.75000%	-
	보험료	111,119,000	1,890,000	9,100,000	23,100,000	3,750,000	148,959,000
2) AS365N2 (B/Y 1999) HL9448	가입금액	3,648,190,000	1,000,000,000	1,000,000,000	3,500,000,000	500,000,000	10,649,120,500
	요 율	3.44000%	-	0.88000%	0.61000%	0.72000%	-
	보험료	125,497,000	1,909,000	8,800,000	21,350,000	3,600,000	161,156,000
3) BELL 2016L-3 (B/Y 1990) HL9186	가입금액	390,698,000	1,000,000,000	1,000,000,000	1,500,000,000		18,905,634,000
	요 율	5.01000%	-	0.81000%	0.65000%		-
	보험료	19,573,000	1,977,000	8,100,000	9,750,000		39,400,000
보험료 총합계		256,189,000	5,776,000	26,000,000	54,200,000		349,515,000

HULL & LIABILITY INSURANCE POLICY

Headings and marginal captions are inserted for the purpose of convenient reference only and are not to be deemed part of this Policy.

Certain words and phrases used in this Policy have special meanings which can be found in Section IV(C) Definitions.

SECTION I LOSS OF OR DAMAGE TO AIRCRAFT

1. Coverage

- (a) The Insurers will at their option pay for, replace or repair, accidental loss of or damage to the Aircraft described in the Schedule arising from the risks covered, including disappearance if the Aircraft is unreported for sixty days after the commencement of Flight, but not exceeding the Amount Insured specified in Part 2(5) of the Schedule and subject to the amounts to be deducted specified in Condition 3(c).

- (b) If the Aircraft is insured hereby for the risks of Flight, the Insurers will, in addition, pay reasonable emergency expenses necessarily incurred by the Insured for the immediate safety of the Aircraft consequent upon damage or forced landing, up to 10 per cent of the Amount Insured specified in Part 2(5) of the Schedule.

2. Exclusions applicable to this Section only

The insurers shall not be liable for

- (a) wear and tear, deterioration, breakdown, defect or failure howsoever caused in any Unit of the Aircraft and the consequences thereof within such Unit;
- (b) damage to any Unit by anything which has a progressive or cumulative effect but damage attributable to a single recorded incident is covered under paragraph 1 (a) above.

HOWEVER accidental loss of or damage to the Aircraft consequent upon 2 (a) or (b) above is covered under paragraph 1(a) above.

Wear and tear
breakdown

3. Conditions applicable to this Section only

- | | |
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| Dismantling
Transport and
Repairs | <p>(i) If the Aircraft is damaged</p> <p>(a) no dismantling or repairs shall be commenced without the consent of the Insurers except whatever is necessary in the interests of safety, or to prevent further damage, or to comply with orders issued by the appropriate authority ;</p> <p>(b) the Insurers will pay only for repairs and transport of labour and materials by the most economical method unless the Insurers agree otherwise with the Insured.</p> |
| Payment or
Replacement | <p>(ii) If the Insurers exercise their option to pay for or replace the Aircraft</p> <p>(a) the Insurers may take the Aircraft (together with all documents of record, registration and title thereto) as salvage;</p> <p>(b) the cover afforded by this Section is terminated in respect of the Aircraft even if the Aircraft is retained by the Insured for valuables consideration or otherwise ;</p> <p>(c) the replacement aircraft shall be of the same make and type and in reasonably like condition unless otherwise agreed with the Insured.</p> |
| Amounts to be
deducted from
claim | <p>(iii) Except where the Insurers exercise their option to pay for or replace the Aircraft, there shall be deducted from the claim under paragraph 1 (a) of this Section : -</p> <p>(a) the amount specified in Part 6 (B) of the Schedule and</p> <p>(b) such proportion of the Overhaul Cost of any Unit repaired or replaced as the used time bears to the Overhaul life of the Unit</p> |
| No
Abandonment | <p>(iv) Unless the Insurers elect to take the Aircraft as salvage the Aircraft shall at all times remain the property of the Insured who shall have no right of abandonment to the Insurers.</p> |
| Other
Insurance | <p>(v) No claim shall be payable under this section if other Insurance which is payable in consequence of loss or damage covered under this Section has been or shall be effected by or on behalf of the Insured without the knowledge or consent of the Insurers.</p> |

See also Section IV

SECTION II LEGAL LIABILITY TO THIRD PARTIES
(OTHER THAN PASSENGERS)

1. Coverage

The Insurers will indemnify the Insured for all sums which the Insured shall become legally liable to pay, and shall pay, as compensatory damages (including costs awarded against the Insured) in respect of accidental bodily injury (fatal or otherwise) and accidental damage to property caused by the Aircraft or by any person or object falling therefrom.

2. Exclusions applicable to this Section only

The Insurers shall not be liable for claims arising from

**Employee and
others**

(i) injury (fatal or otherwise) or loss sustained by any director or employee of the Insured or partner in the Insured's business whilst acting in the course of his employment with or duties for the Insured ;

**Operational
Crew**

(ii) injury (fatal or otherwise) or loss sustained by any member of the flight, cabin or other crew whilst engaged in the operation of the Aircraft ;

Passenger

(iii) injury (fatal or otherwise) or loss sustained by any passenger whilst entering, onboard, or alighting from Aircraft ;

Property

(iv) loss of or damage to any property belonging to or in the care, custody or control of the Insured.

**Noise and
Pollution
Other Perils**

(v) Claims excluded by the attached Noise and Pollution and Other Perils Exclusion Clause.

3. Limits of indemnity applicable to this Section

The liability of the Insurers under this Section shall not exceed the amount stated in Part 6(C) of the Schedule, less any amounts under Part 6(B). The insurers will defray in addition any legal costs and expenses incurred with their written consent in defending any action which may be brought against the Insured in respect of any claim for compensatory damages covered by this Section, but should the amount paid or awarded in settlement of such claim exceed the Limit of Indemnity then the liability of the Insurers in respect of such legal costs and expenses shall be limited to such proportion of the said legal costs and expenses as the Limit of Indemnity bears to the amount paid for compensatory damages.

See also Section IV

SECTION III LEGAL LIABILITY TO PASSENGERS

1. Coverage

The Insurers will indemnify the Insured in respect of all sums which the insured shall become legally liable to pay, and shall pay, as compensatory damages (including costs awarded against the Insured) in respect of

- (a) accidental bodily injury (fatal or otherwise) to passengers whilst entering, on board, or alighting from the aircraft and
- (b) loss of or damage to baggage and personal articles of passengers arising out of an Accident to the Aircraft.

Provided Always that

- (i) before a passenger boards the aircraft the Insured shall take such measures as are necessary to exclude or limit liability for claims under (a) and (b) above to the extent permitted by law ;
- (ii) if the measures referred to in provision (i) above include the issue of a passenger ticket/baggage check, the same shall be delivered correctly completed to the passenger a reasonable time before the passenger boards the Aircraft.

Documentary
Precautions

Effect of
Non-Compliance

In the event of failure to comply with proviso (i) or (ii) the liability of the Insurers under this Section shall not exceed the amount of the legal liability, if any, that would have existed had the proviso been complied with.

2. Exclusions applicable to this section only

The Insurers shall not be liable for injury (fatal or otherwise) or loss sustained by any

Employees and
Others

(i) director or employee of the Insured or partner in the Insured's business whilst acting in the course of his employment with or duties for the Insured ;

Operational
Crew

(ii) member of the flight, cabin or other crew whilst engaged in the operation of the Aircraft.

3. Limits of indemnity applicable to this Section

The liability of the Insurers under this Section shall not exceed the amount stated in Part 6 (C) of the Schedule, less any amounts under Part 6(B). The Insurers will defray in addition any legal costs and expenses incurred with their written consent in defending any action which may be brought against the Insured in respect of any claim for compensatory damages covered by this Section, but should the amount paid or awarded in settlement of such claim exceed the Limit of Indemnity then the liability of the Insurers in respect of such legal costs and expenses shall be limited to such proportion of the said legal costs and expenses as the Limit of Indemnity bears to the amount paid for compensatory damages.

See also Section IV

SECTION IV

(A) GENERAL EXCLUSION APPLICABLE TO ALL SECTIONS

This Policy does not apply : -

Illegal Uses

1. Whilst the Aircraft is being used for any illegal purpose or for any purpose other than those stated in the Schedule and as defined in the Definitions.

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| Geographical Limits | 2. Whilst the Aircraft is outside the geographical limits stated in Part 5 of the Schedule unless due to force majeure. |
| Pilot | 3. Whilst the Aircraft is being piloted by any person other than as stated in Part 4 of the Schedule unless except that the aircraft may be operated on the ground by any person competent for that purpose. |
| Transportation by other Conveyance | 4. Whilst the Aircraft is being transported by any means of conveyance except as the result of an accident giving rise to a claim under Section I of this Policy. |
| Landing and Take-off Areas | 5. Whilst the Aircraft is landing on or taking off or attempting to do so from a place which does not comply with the recommendations laid down by the manufacturer of the Aircraft except as a result of force majeure |
| Contractual Liability | 6. To liability assumed or rights waived by the Insured under any agreement (other than a passenger ticket/baggage check issued under Section III hereof) except to the extent that such liability would have attached to the Insured in the absence of such agreement. |
| Number of Passengers | 7. Whilst the total number of passengers being carried in the Aircraft exceeds the declared maximum number of passengers stated in Part 2(4) of the Schedule. |
| Non-Contribution | 8. To claims which are payable under any other policy or policies except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this insurance not been effected. |
| Nuclear Risks | 9. To claims excluded by the attached Nuclear Risks Exclusion Clause |
| War, Hi-Jacking and Other Perils | 10. To claims caused by <ul style="list-style-type: none"> (a) War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power. (b) Any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force of matter. (c) Strikes, riots, civil commotion or labour disturbances. (d) Any act of one or more persons, whether or not agents of a sovereign Power, for political or terrorist purposes and whether the loss or |

damage resulting therefrom is accidental or international.

- (e) Any malicious act or act of sabotage.
- (f) Confiscation, nationalization, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any Government (whether civil military or de facto) or public or local authority.
- (g) Hi-jacking or any unlawful seizure or wrongful exercise of control of the Aircraft or crew in Flight (including any attempt at such seizure or control) made by any person or persons on board the Aircraft acting without the consent of the Insured.

Furthermore this Policy does not cover claims arising whilst the Aircraft is outside the control of the Insured by reason of any of the above perils.

The Aircraft shall be deemed to have been restored to the control of the Insured on the safe return of the Aircraft to the Insured at an airfield not excluded by the geographical limits of this Policy, and entirely suitable for the operation of the Aircraft (such safe return shall require that Aircraft be parked with engines shut down and under no duress).

(B) CONDITIONS PRECEDENT APPLICABLE TO ALL SECTIONS

It is necessary that the Insured observes and fulfils the following Conditions before the Insurers have any liability to make any payment under this Policy.

- Due diligence**
1. 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.

**Compliance
with Air
Navigation
Orders, etc.**

2. The insured shall comply with all air navigation and air worthiness orders and requirements issued by any competent authority affecting the safe operation of the Aircraft and shall ensure that
 - (a) the Aircraft is airworthy at the commencement of each Flight ;
 - (b) all Log Books and other records in connection with the Aircraft which are required by any official regulations in force from time to time shall be kept up to date and shall be produced to the Insurers or their Agents on request ;
 - (c) the employees and agents of the insured comply with such orders and requirements.

**Claims
Procedure**

3. Immediate notice of any event likely to give rise to a claim under this Policy shall be given as stated in Part 8 of the Schedule. In all cases the Insured shall
 - (a) furnish full particulars in writing of such event and forward immediately notice of any claim with any letters or documents relating thereto ;
 - (b) give notice of any impending prosecution
 - (c) render such further information and assistance as the Insurers may reasonably require ;
 - (d) not act in any way to the detriment or prejudice of the interest of the Insurers.

The Insured shall not make any admission of liability or payment or offer or promise of payment without the written consent of the Insurers.

**(C) GENERAL CONDITIONS APPLICABLE TO ALL
SECTIONS**

Claims Control

1. The Insurers shall be entitled (if they so elect) at any time and for so long as they desire to take absolute control of all negotiations and proceedings and in the name of the Insured to settle, defend or pursue any claim.

Subrogation

2. Upon an indemnity being given or a payment being made by the Insurers under this Policy, they shall be subrogated to the rights and remedies of the Insured who shall co-operate with and do all things necessary to assist the Insurers to exercise such rights and remedies.

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|------------------------------------|---|
| Variation in Risk | 3. Should there be any change in the circumstances or nature of the risks which are the basis of this contract the Insured shall give immediate notice thereof to the Insurers and no claim arising subsequent to such change shall be recoverable hereunder unless such change has been accepted by the Insurers. |
| Cancellation | 4. This Policy may be cancelled by either the Insurers or the Insured giving 10 days notice in writing of such cancellation. If cancelled by the Insurers they will return a pro rata portion of the premium in respect of the unexpired period of the Policy. If cancelled by the Insured a return of premium shall be at the discretion of the Insurers. There will be no return of premium in respect of any Aircraft on which a loss is paid or is payable under this Policy. |
| Assignment | 5. This Policy shall not be assigned in whole or in part except with the consent of the Insurers verified by the endorsement hereon. |
| Not Marine Insurance | 6. This Policy is not and the parties hereto expressly agree that it shall not be construed as a policy of marine insurance |
| Arbitration | 7. This Policy shall be construed on accordance with English Law and any dispute or difference between the Insured and the Insurers shall be submitted to arbitration in London in accordance with the Statutory provision for arbitration for the time being in force. |
| Two or More Aircraft | 8. When two or more Aircraft are insured hereunder the terms of this Policy apply separately to each. |
| Limit of Indemnity | 9. Notwithstanding the inclusion herein of more than one Insured, whether by endorsement or otherwise, the total liability of the Insurers in respect of any or all Insureds shall not exceed the Limit(s) of Indemnity stated in this Policy. |
| False and Fraudulent Claims | 10. If the Insured shall make any claim knowing the same to be false or fraudulent as regards amount or otherwise this Policy shall become void and all claims hereunder shall be forfeited. |

(D) DEFINITIONS

1. "ACCIDENT" means any one accident or series of accidents arising out of one event.
2. "UNIT" means a part or an assembly of parts (including any sub-

assemblies) of the Aircraft which has been assigned an Overhaul Life as a part or an assembly. Nevertheless, an engine complete with all parts normally attached when removed for the purpose of overhaul or replacement, shall together constitute a single Unit.

3. "OVERHAUL LIFE" means the amount of use, or operational and/or calendar time which, according to the Airworthiness Authority, determines when overhaul or replacement of a Unit is required.

4. "OVERHAUL COST" means the costs of labour and materials which are or would be incurred in overhaul or replacement (whichever is necessary) at the end of the Overhaul Life of the damaged or a similar Unit.

5. "PRIVATE PLEASURE" means use for private and pleasure purposes but NOT use for any business or profession nor for hire or reward.

6. "BUSINESS" means the uses stated in Private Pleasure and use for business or professional purposes but NOT use for hire or reward.

7. "COMMERCIAL" means the uses stated in Private Pleasure and Business and use for the carriage by the Insured of passengers, baggage accompanying passengers and cargo for hire or reward.

8. "RENTAL" means rental, lease, charter or hire by the Insured to any person, company or organization for Private Pleasure and Business uses only, where the operation of the Aircraft is not under the control of the Insured. Rental for any other purpose is NOT insured under this Policy unless specifically declared to Insurers and the detail of such use(s) stated in PART3 of the Schedule under SPECIAL RENTAL USES.

9. Definitions 5,6,7 and 8 constitute Standard Uses and do not include instruction, aerobatics, hunting, patrol, fire-fighting, the intentional dropping, spraying or release of anything, any form of experimental or competitive flying, and any other use involving abnormal hazard, but when cover is provided details of such use(s) are stated in Part 3 of the Schedule under SPECIAL USES.

10. "FLIGHT" means from the time the Aircraft moves forward in taking off or attempting to take off, whilst in the air, and until the Aircraft completes its landing run. A rotary-wing aircraft shall be deemed to be in Flight when the rotors are in motion as a result of engine power, the momentum generated therefrom, or autorotation.

11. "TAXIING" means movement of the Aircraft under its own power other than in Flight as defined above. Taxiing shall not be deemed to cease merely by reason of temporary halting of the Aircraft.

12. "MOORED" means, in the case of aircraft designed to land on water, whilst the Aircraft is afloat and is not in Flight or Taxiing as defined above, and includes the risks of launching and hauling up.

13. "GROUND" means whilst the Aircraft is not in Flight or Taxiing or Moored as defined above.

AVN 1C 21.12.98

ADDITIONS AND DELETIONS (Applicable to Hulls only)

1. The insurance afforded by this Policy is automatically extended to include at pro rata additional premium further Aircraft added during the currency of this Policy provided such Aircraft are owned or operated by the Assured and are of the same type and value as Aircraft already covered hereunder.
2. The inclusion of additional Aircraft of other types or different values shall be subject to special agreement and rating by Underwriters prior to attachment.
3. Aircraft which have been sold or disposed shall be deleted from this Policy and the Assured shall be entitled to pro rata return of premium provided no claim has arisen and become payable under this Policy in respect of such Aircraft, and that this Policy is not cancelled by virtue of such deletion.

ALWAYS PROVIDED THAT:-

- (i) Notwithstanding the foregoing provisions for additions and deletions the premium in respect of each separate period of Flight Risk Insurance on any Aircraft covered during the currency of this Policy shall in no case be less than fifteen days' pro rata premium.
- (ii) In the event of a claim arising in respect of any Aircraft added hereto being settled on a total loss basis full twelve months' premium shall be paid hereunder in respect of such Aircraft.
- (iii) Notice of the addition or deletion of any Aircraft under the provisions of Paragraphs 1 and 3 respectively shall be given to the Underwriters or their representatives in writing within ten days of attachment or deletion.

12/2/75

AVN 17A

ADDITIONS AND DELETIONS (Applicable to Liabilities only)

1. The insurance afforded by this Policy is automatically extended to include at pro rata additional premium further Aircraft added during the currency of this Policy provided such Aircraft are owned or operated by the Assured and are of the same type as Aircraft already covered hereunder and of no greater seating capacity.
2. The inclusion of additional Aircraft of other types or greater seating capacity shall be subject to special agreement and rating by Underwriters prior to attachment.
3. Aircraft which have been sold or disposed of shall be deleted from this Policy and the Assured shall be entitled to pro rata return of premium.
4. Notwithstanding the foregoing provisions for additions and deletions the premium in respect of each separate period of Flight Risk Insurance on any Aircraft covered during the currency of this Policy shall in no case be less than fifteen days' pro rata premium.
5. Notice of the addition or deletion of any Aircraft under the provisions of Paragraphs 1 and 3 respectively shall be given to the Underwriters or their representatives in writing within ten days of attachment or deletion.

12/2/75

AVN 18A

NUCLEAR RISKS EXCLUSION CLAUSE

- (1) This policy does not cover ;
 - (i) loss of or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
 - (ii) any legal liability or whatsoever nature directly or indirectly caused by or contributed to by or arising from ;
 - (a) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof ;
 - (b) the radioactive properties of, or a combination of radioactive properties with toxic, explosive or other hazardous properties of, any other radioactive material in the course of carriage as cargo, including storage or handling incidental thereto ;
 - (c) ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.
- (2) It is understood and agreed that such radioactive material or other radioactive source in paragraph (1)(b) and (c) above shall not include ;
 - (i) depleted uranium and natural uranium in any form ;
 - (ii) radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial, educational or industrial purpose.
- (3) this policy, however, does not cover loss of or destruction of or damage to any property or any consequential loss or any legal liability of whatsoever nature with respect to which ;
 - (i) the insured under this policy is also an insured or an additional insured under any other insurance policy, including any nuclear energy liability policy ; or
 - (ii) any person or organization is required to maintain financial protection pursuant to legislation in any country ; or
 - (iii) the insured under this policy is, or had this policy not been issued would be, entitled to indemnification from any government or agency thereof
- 4) loss, destruction, damage, expense or legal liability in respect of the nuclear risks not excluded by reason of paragraph (2) shall (subject to all other terms, conditions, limitations, warranties and exclusions of this policy) be covered, provided that ;
 - (i) in the case of any claim in respect of radioactive material in the course of carriage as cargo, including storage or handling incidental thereto, such carriage shall in all respects have complied with the full international civil aviation organization “technical instructions for the safe transport of dangerous goods by air”, unless the carriage shall have been subject to any more restrictive legislation, when it shall in all respects have complied with such legislation ;

- (ii) this policy shall only apply to an incident happening during the period of this policy and where any claim by the insured against the insurers or by any claimant against the insured arising out of such incident shall have been made within three years after the date thereof ;
- (iii) in the case of any claim for the loss of or destruction of or damage to or loss of use of an aircraft caused by or contamination shall have exceeded the maximum permissible level set out in the following scale ;

<u>Emitter</u> <u>(IAEA Health and Safety Regulations)</u>	<u>Maximum permissible level of non-fixed</u> <u>radioactive Surface contamination</u> (Averaged over 300 cm ²)
Beta, gamma and low toxicity) alpha emitters	Not exceeding 4 Bequerels / cm ² (10-4 microcuries / cm ²)
All other emitters	Not exceeding 0.4 Bequerels / cm ² (10-5 microcuries/cm ²)

- (iv) the cover afforded hereby may be cancelled at any time by the insurers giving seven days' notice of cancellation

22/7/96.

AVN 38B.

NOISE AND POLLUTION AND OTHER PERILS EXCLUSION CLAUSE

1. This Policy does not cover claims directly or indirectly occasioned by, happening through or in consequence of:-
 - (a) noise (whether audible to the human ear or not), vibration, sonic boom and any phenomena associated therewith,
 - (b) pollution and contamination of any kind whatsoever,
 - (c) electrical and electromagnetic interference,
 - (d) interference with the use of property;unless caused by or resulting in a crash, fire, explosion or collision or a recorded in-flight emergency causing abnormal aircraft operation.
2. With respect to any provision in the Policy concerning any duty of Underwriters to investigate or defend claims, such provision shall not apply and Underwriters shall not be required to defend
 - (a) claims excluded by Paragraph 1 or
 - (b) a claim or claims covered by the Policy when combined with any claims excluded by Paragraph 1(referred to below as "Combined Claims").
3. In respect of any Combined Claims, Underwriters shall(subject to proof of loss and the limits of the Policy) reimburse the Insured for that portion of the following items which may be allocated to the claims covered by the Policy:
 - (i) damages awarded against the Insured and
 - (ii) defense fees and expenses incurred by the Insured
4. Nothing herein shall override any radioactive contamination or other exclusion clause attached to or forming part of this Policy.

12/1/72

AVN 46B

AVN 76 SUPPLEMENTARY PAYMENTS CLAUSE

It is understood and agreed that this Policy is extended to cover as more fully set forth under those paragraph(s) identified below. It is expressly understood that no cover is provided under those paragraphs of this Clause, which have not been identified below.

The Insurers agree to indemnify the Insured for

- a. any reasonable expenses incurred for the purpose of search and rescue operations for an Aircraft insured hereunder determined to be missing and unreported after the computed maximum endurance of the flight has been exceeded;
- b. any reasonable expenses incurred for the purpose of runway foaming to prevent or mitigate possible loss or damage because of malfunction or suspected malfunction of an Aircraft insured hereunder;
- c. any reasonable expenses incurred for the purpose of attempted or actual raising, removal, disposal or destruction of the wreck of an Aircraft insured hereunder and the contents thereof;
- d. any reasonable expenses which the Insured may be called upon to pay in respect of any public inquiry or inquiry by the Civil Aviation Authority or any other relevant authority into an Accident involving an Aircraft insured hereunder.

Coverage is provided under paragraphs _____ above.

Provided always that Insurers' liability shall not exceed _____ in the aggregate over all paragraphs insured.

AVN 76

WAR, HI-JACKING AND OTHER PERILS EXCLUSION CLAUSE (AVIATION)

This Policy does not cover claims caused by

- (a) War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power.
- (b) Any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- (c) Strikes, riots, civil commotions or labour disturbances.
- (d) Any act of one or more persons, whether or not agents of a sovereign Power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional.
- (e) Any malicious act or act of sabotage.
- (f) Confiscation, nationalization, seizure, restraint, deletion, appropriation, requisition for title or use by or under the order of any Government(whether civil military or de facto) or public or local authority.
- (g) Hi-jacking or any unlawful seizure or wrongful exercise of control of the Aircraft or crew in flight(including any attempt at such seizure or control) made by any person or persons on board the Aircraft acting without the consent of the Insured.

Furthermore this Policy does not cover claims arising whilst the Aircraft is outside the control of the Insured by reason of any of the above perils. The Aircraft shall be deemed to have been restored to the control of the Insured on the safe return of the Aircraft to the Insured at an airfield not excluded by the geographical limits of this Policy, and entirely suitable for the operation of the Aircraft (such safe return shall require that the Aircraft be parked with engines shut down and under no duress).

26/8/71

AVN 48B

DATE RECOGNITION EXCLUSION CLAUSE

This Policy does not cover any claim, damage, injury, loss, expense or liability (whether in contract, tort, negligence, product liability, misrepresentation, fraud or otherwise) of any nature whatsoever arising from or occasioned by or in consequence of (whether directly or indirectly and whether wholly or partly) :

- (a) The failure or inability of any computer hardware, software, integrated circuit, chip or information technology equipment or system (whether in the possession of the Insured or of any third party) accurately or completely to process, exchange or transfer year, date or time data or information in connection with;
 - ✓ The change of year from 1999 to 2000 ; and/or
 - ✓ The change of date from 21 August 1999 to 22 August 1999 ; and/or
 - ✓ Any other change of year, date or time ;

Whether on or before or after such change of year, date or time;

- (b) Any implemented or attempted change or modification of any computer hardware, software, integrated circuit, chip or information technology equipment or system (whether in the possession of the Insured or of any third party) in anticipation of or in response to any such change of year, date or time, or any advice given or services performed in connection with any such change or modification;
- (c) Any non-use or unavailability for use of any property or equipment of any kind whatsoever resulting from any act, failure to act or decision of the insured or of any third party related to any such change of year, date or time ;

And any provision in this policy concerning any duty of insurers to investigate or defend claims shall not apply to any claims so excluded.

4/22/98

AVN 2000

CO – INSURANCE CLAUSE

Attaching to Policy No. 2017-4519114

It is hereby understood and agreed that this policy is issued, as requested by the Assured, by KB Insurance Co., Ltd. in its own name, but only on behalf of the following Co-Insurers who, each themselves and not one for the other, are severally and independently liable for their respective subscription hereto as specified below :

It is also agreed that KB Insurance Co., Ltd. shall assume no liability whatsoever with respect to other Co-Insurers' subscription due to the mere fact that it is signatory to this policy or otherwise named herein. Should KB Insurance Co., Ltd. be one of the Co-insurers above, its liability shall be limited to the extent subscribed and in no event will its liability exceed each subscription.

It is also agreed that KB Insurance Co., Ltd. shall attend to all matters connected with this Co-Insurance including settlement of claims and any agreement or decision which may be made between the Assured and KB Insurance Co., Ltd. and shall be final and binding upon all other Co-Insurers. Any Notices which may be given by the Assured to KB Insurance Co., Ltd. in writing or otherwise shall be deemed as given to all other Co-Insurers as well.

CO-INSURERS AND SHARE

<u>NAME OF INSURER</u>	<u>SHARE</u>
KB INSURANCE CO., LTD.	Participation 40 %
MG NON-LIFE INSURANCE CO., LTD.	Participation 30 %
NONGHYUP PROPERTY & CASUALTY INSURANCE CO., LTD.	Participation 30 %

Notwithstanding that each of the members independently assumes liability for his subscription as aforementioned, it is understood and agreed that, in the event of any claim payable abroad, the same shall be settled in full by the leader's Agent, on behalf of all the members as if this insurance is accepted solely by the leader.

rhtoSCHEDULE**This insurance is subject to English law and practice**

Policy No.	2017-4519114	
Name of Insured	Seoul Fire Observation Corp.	
Address	52 Toegye-ro 26Gil, Jung-gu, Seoul, Korea	
The Period of Insurance is from	00:00 HRS SEP. 29, 2017 to 24:00 HRS SEP. 28, 2018	
	Both days inclusive and for such further period or periods as may be mutually agreed upon	
The Geographical limits of this Insurance are	Within Republic of Korea	
Premium		
1. Sum Insured	: Pilot	⇒ Capital Sum Insured KRW 500,000,000 per seat.
	: Passenger	⇒ Capital Sum Insured KRW 500,000,000 per seat.
	: Rappeller	⇒ Capital Sum Insured KRW 500,000,000 per seat.
2. Premium Rate	: AS PER SCHEDULE	
3. Premium	: PILOT – KRW 26,000,000	PASSENGER – KRW 54,200,000
	RAPPELLER – KRW 7,350,000	TOTAL : KRW 87,550,000
1. Interest		
	To cover Personal Accident risks in respect of crew and passengers(including doctors and medical team person) of the aircraft :	
	- whilst being in or on or boarding the aircraft for the purpose of flying therein or alighting therefrom following a flight, and	
	- the rappeller during rappelling and hoist operation whilst in the operation of fire fighting and emergency rescue/ rescue training using AS365 N2 helicopter, subject to the list of rappellers being submitted to the insurer prior to inception.	
2. Condition		
	● Compensation Scale E excluding weekly indemnities (Item 8&9)	
	● Exclusion 4 of NMA 2318 deleted	
	● Any person riding on in connection with the Assured's business other than pilot/rappeller shall be deemed as passenger.	
	● Premium payable in full at inception	
	● LMA3100 Sanction Limitation and Exclusion Clause	

SCHEDULE OF INSURED PERSONS

기종	조종사 (좌석수)	승객 (좌석수)	라펠러 (좌석수)	가입금액 (좌석당)
AS365N2	2	7	1	5 억원
AS365N2	2	7	1	5 억원
BELL 206L-3	2	3	-	5 억원

SCHEDULE OF AIRCRAFT

		기 체	제 3자 배상책임	상해보험			합 계
				조종사	승 객	레펠러	
1) AS365N2 (B/Y 1997) HL9447	가입금액	3,019,555,000	1,000,000,000	1,000,000,000	3,500,000,000	500,000,000	10,439,928,500
	요 율	3.680%	-	0.91000%	0.66000%	0.75000%	-
	보험료	111,119,000	1,890,000	9,100,000	23,100,000	3,750,000	148,959,000
2) AS365N2 (B/Y 1999) HL9448	가입금액	3,648,190,000	1,000,000,000	1,000,000,000	3,500,000,000	500,000,000	10,649,120,500
	요 율	3.44000%	-	0.88000%	0.61000%	0.72000%	-
	보험료	125,497,000	1,909,000	8,800,000	21,350,000	3,600,000	161,156,000
3) BELL 2016L-3 (B/Y 1990) HL9186	가입금액	390,698,000	1,000,000,000	1,000,000,000	1,500,000,000		18,905,634,000
	요 율	5.01000%	-	0.81000%	0.65000%		-
	보험료	19,573,000	1,977,000	8,100,000	9,750,000		39,400,000
보험료 총합계		256,189,000	5,776,000	26,000,000	54,200,000		349,515,000

SCHEDULE OF COMPENSATION

This Insurance covers in respect only of the following benefits as have an amount (or a percentage of the Capital Sum Insured) inserted against them

where benefits are not insured the words "NOT INCLUDED" are shown

1.	Death -----	100%
2.	Total and irrecoverable loss of sight of both eyes -----	100%
3.	Total and irrecoverable loss of sight of one eye -----	100%
4.	Loss of two limbs -----	100%
5.	Loss of one limb -----	100%
6.	Total and Irrecoverable loss of sight one eye and loss of one limb -----	100%
7.	Permanent Total Disablement (other than total loss of sight of one or both eyes or loss of limb) -----	100%
8.	Temporary Total Disablement -----	per week
	during such disablement but not beyond	104 weeks
	from the date on which the Insured Person became disabled.	
9.	Temporary Partial Disablement -----	per week
	during such disablement but not beyond	104 weeks
	from the date on which the Insured Person became disabled.	

MEDICAL EXPENSES :

Medical expenses incurred in respect of Item 8 or 9 will be paid in addition by the Company up to but not exceeding 15 per cent of any claim admitted under such item.

However, if in respect of such Medical Expenses the Assured shall recover any payment under any other insurance, the Company hereon shall only be liable for the difference between such recovery and the total cost of Medical Expenses incurred, not exceeding 15 per cent of the claim admitted under Item 8 or 9 hereof

Provided Always That :

1. a) compensation shall not be payable under more than one of the items of the Schedule of compensation in respect of the consequences of one Accident to any one Insured person, except for any compensation payable hereunder in respect of temporary partial disablement preceding or following temporary total disablement, and
- b) No weekly compensation shall become payable until the total amount thereof has

been ascertained and agreed. If, nevertheless, payment be made for weekly compensation, the amount so paid shall be deducted from any lump sum becoming claimable in respect of the same Accident.

2. The total sum payable under this Insurance in respect of any one or more Accident to any one Insured Person shall not exceed in all the largest sum insured under any one of the items contained in the Schedule of Compensation or added to this Insurance by endorsement, except that the Company will in addition payment Medical Expenses.
3. If Item 1 of the Schedule of Compensation is not covered, then no claim shall be payable, other than for weekly compensation and Medical Expenses, in respect of any Accident which would have given rise to a claim under Item 1 had that item been covered.
4. If Item 1 of the Schedule of Compensation is covered and an Accident causes the death of the insured person within twelve months following the date of the Accident and prior to the definite settlement of the compensation for disablement provided for under items 2 to 7 of the Schedule of Compensation, there shall be paid only the compensation provided for in the case of death.
5. Compensation shall only be payable under items of the Schedule of compensation if :
 - a) Under Item 1, death occurs within twelve months of the date of the Accident,
 - b) Under Item 2 to 6, Loss occurs within twelve months of the date of the Accident,
 - c) Under Item 7, the Insured Person becomes totally disabled within twelve months of the date of the Accident, and such disablement lasts for twelve months.

DEFINITIONS

In this Insurance :

1. “**BODILY INJURY**” means identifiable physical injury which :
 - a) is caused by an Accident, and
 - b) solely and independently of any other cause, except illness directly resulting from, or medical or surgical treatment rendered necessary by such injury, occasions the death or disablement of the Insured Person within twelve months from the date of the Accident.
2. “**ACCIDENT**” means a sudden, unexpected, unusual, specific event which occurs at an identifiable time and place, but shall also include exposure resulting from a mishap to a conveyance in which the Insured person is travelling.
3. “**TEMPORARY TOTAL DISABLEMENT**” means disablement which entirely prevents the insured Person from attending to a substantial part of his business or occupation of any and every kind.
4. “**TEMPORARY PARTIAL DISABLEMENT**” means disablement which prevents the Insured Person from attending to a substantial part of his business or occupation.
5. “**PERMANENT TOTAL DISABLEMENT**” means disablement which entirely prevents the insured Person from attending to any business or occupation of any and every kind and which lasts twelve months and at the expiry of that period is beyond hope of improvement.
6. “**LOSS OF LIMB**” means loss by physical separation of a hand at or above the wrist or of a foot at or above the ankle and includes total and irrecoverable loss of use of hand, arm or leg.
7. “**MEDICAL EXPENSES**” means expenses necessarily incurred by the Insured Person for medical, hospital, surgical, manipulative, massage, therapeutic, X-ray or nursing treatment, including the cost of medical supplies and ambulance hire.
8. “**AIR TRAVEL**” means being in or on or boarding an aircraft for purpose of flying therein or alighting therefrom following a flight.
9. Words in the masculine gender shall include the feminine.

EXCLUSIONS

This Insurance does not cover death or disablement directly or indirectly arising out of or consequent upon contributed to by :

1. war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, or military or usurped power ;
2. radioactive contamination ;
3. the Insured Person engaging in or taking part in
 - a) naval, military or air force service or operation ;
 - b) winter sports (other than skating or curling)
 - i) at any winter sports resort, or
 - ii) anywhere outside Great Britain, Northern Ireland, The Isle of man, the Channel Islands or the Republic of Ireland ;
 - c) skin diving involving the aid of breathing apparatus, rock climbing or mountaineering normally involving the use of ropes or guides, potholing, hang gliding, parachuting, hunting on horseback, or driving or riding in any kind of race ;
 - d) driving or riding on motor cycles or motor scooters other than mopeds ;
4. the insured Person engaging in Air Travel except as a passenger in a properly licensed multi-engined aircraft being operated by a licensed commercial air carrier or owned and operated by a commercial concern ;
5. suicide or attempting suicide or intentional self-injury or the Insured Person being in a state of insanity ;
6. Acquired Immune Deficiency Syndrome (AIDS) or AIDS Related Complex (ARC) howsoever this syndrome has been acquired or may be named;
7. deliberate exposure to exceptional danger (except in an attempt to save human life), or the Insured person's own criminal act, or Insured person being under the influence of alcohol or drugs.

CONDITIONS

1. If an Insured Person shall regularly engage in any occupation, sport, pastime or activity in which materially greater risk may be incurred than disclosed in connection with this insurance without the Assured first notifying the Company and obtaining their written agreement to the amendment of this insurance (subject to the payment of such additional premium as the Company may reasonably require as the consideration for such agreement), then no claim shall be payable in respect of any Accident arising therefrom.
2. If the consequences of an Accident shall be aggravated by any condition or physical disability of the Insured Person which existed before the Accident occurred, the amount of any compensation payable under this Insurance in respect of the consequences of the Accident shall be the amount which it is reasonably considered would have been payable if such consequences had not been so aggravated.
3. Notice must be given to the Company as soon as reasonably practicable of any Accident which causes or may cause disablement within the meaning of this insurance, and the Insured person must as early as possible place himself under the care of a duly qualified medical practitioner.

It is a condition precedent to Company's liability to pay compensation to the Assured or his representatives, that all medical records, notes, and correspondence referring to the subject of a claim or a related pre-existing condition shall be made available on request to any medical adviser appointed by or on behalf of Company and that such medical adviser or advisers shall, for the purpose of reviewing the claim be allowed so often as may be deemed necessary to make examination of the person of an Insured Person.

4. Any fraud, mis-statement or concealment by an Insured Person if unknown to the Assured either in the proposal on which this Insurance is based or in relation to any other matter affecting this Insurance or in connection with the making of any claim hereunder shall render this Insurance null and void in so far as it relates to the Insured person in question but any such fraud, mis-statement or concealment by or known to the Assured shall render the whole Insurance null and void and all claim hereunder shall be forfeit

CO – INSURANCE CLAUSE

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