

**POLICY NO.: 18-090-005-1004746**

WE, THE COMPANY, HEREBY AGREE, IN CONSIDERATION OF PAYMENT TO US BY OR ON BEHALF OF THE ASSURED OF THE PREMIUM SPECIFIED IN THE ENDORSEMENT, TO INSURE AGAINST LOSS, DAMAGE, LIABILITY OR EXPENSE IN THE MANNER AS SHOWN IN THE SCHEDULE.

TYPE : Aviation Hull and Liability Insurance.

INSURED : **SKY TREK HOT AIR BALLOON** and/or **AMIR SHEMER** and/or **DROR GINAT** for their respective rights and interests, as original.

PERIOD : From: 5<sup>th</sup> April, 2018  
To: 4<sup>th</sup> April, 2019

Both days Local Standard Time at the Insured's address stated above as original.

INTEREST : To indemnify the insured as follows:

Section 1: Hull

Accidental loss of or damage to the Balloons as per the Schedule attached.

Section 2: Liabilities

The Insured's Legal Liability for Third Party Liability (Bodily Injury/Property Damage), including Bodily Injury to Passengers, in respect of all aircrafts owned, operated or used by the Insured, as detailed in the Schedule of Aircraft including Legal Liability and Premises, Hangar keepers and Product Legal Liability

In respect of hot air balloons, cover is limited to accidents occurring when balloons are in flight with an extension to inflating operations (the start-up of the fan) and deflating operations.

Section 3:

War, Terrorism and Allied Perils Only.

Sky Trek Hot Air Balloons - Aviation Hull + Liability Policy 5.4.18.doc

LIMITS OF  
LIABILITY :

Section 1: Hull

Agreed values as per Schedule, subject to a maximum value of USD 21,300.00 (or currency equivalent) any one aircraft.

Section 2: Liabilities

Third Party Liability: USD 4,000,000 any one accident  
Occupant Liability: USD 250,000 any one occupant  
Premises , Hangarkeeper  
And Product Legal  
Liability: USD 1,000,000 any one occurrence

Section 3:

The limit shown in Section 2 above applies, except that within such limit Third Party Liability is limited to USD 4,000,000 any one accident and in the annual aggregate except with respect to passengers to whom the full policy limit shall apply.

TERRITORIAL LIMITS:

Anywhere in Israel.

DEDUCTIBLES :

Section 1: Hull

USD 800.00 each and every loss

Section 2: Liabilities

USD 800.00 each and every loss.

Premises Liability

USD15,000,00 in respect of property damage and  
USD 25,000,00 in respect of damage to aircraft

Section 3:

USD 800.00 each and every loss.

In the event of an Accident arising hereon 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.

- CONDITIONS : - London Aircraft Insurance Policy AVN1C 21.12.98  
- LSW 2488 Asbestos Exclusion Clause.  
- AVN48B War Hi-jacking and Other Perils Exclusion Clause - (Aviation).  
- AVN46B Noise and Pollution and Other Perils Exclusion Clause  
- AVN38B Nuclear Risks Exclusion Clause.  
- AVN72 Contracts (Rights of Third Parties) Act 1999 Exclusion Clause.  
- AVN52E Extended Coverage Endorsement.  
- AVN2000A Date Recognition Exclusion Clause.  
- AVN2001A Date Recognition Limited Coverage Clause.  
- AVN 111 Sanctions & Embargo Clause
- EXCLUSIONS : - Carriage of External Loads (banners and/or flight bag(s) and/or safety equipment are not defined as external loads).  
- Flights for the specific purpose of breaking records.  
- Intentional flights over the sea. Sea is defined as the area beyond where Land Mass to Land Mass exceeds 5 miles.
- CHOICE OF LAW & JURISDICTION : Law  
In the event of any dispute or disagreement this contract shall be construed by both the Insured and the Insurers subject to Israeli Law.
- Jurisdiction  
Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within Israel and to comply with all requirements to give such court jurisdiction.
- All matters arising hereunder shall be determined in accordance with the law and practice of such court.
- PREMIUM : As per attached Debit Note
- PAYMENT TERMS : One installment, payable 30 days from inception.

**INFORMATION :**

The following Information was provided to insurer(s) to support the assessment of the risk at the time of underwriting.

Pilots experience/Hours Flown / Loss Record:

Shai Sakal 1,000 flight hours  
Dror Ginat 1,000 flight hours  
Amir Shemer 1,000 flight hours

**SCHEDULE:**

<b>Make &amp; Model</b>	<b>Registration</b>	<b>Agreed Value</b>	<b>Passengers</b>	<b>MAUW</b>
Ultramagic N250	4X-BNW	USD 18,100	12	2,408 kg
Aerostar International Inc S-60A	4X-BLJ	N/A	4	1,800 kg
Ultramagic N300	4X-BNP	USD 21,300	16	2,924 kg
Cameron Z-250	4X-BNZ	USD 18,100	12	

**The Phoenix Insurance Company Ltd.  
Marine & Aviation Department**