

**SCHEDULE**

**Policy No.** \_\_\_\_\_

**Item 1. Name and Address of the Insured**

PT. \_\_\_\_\_ and/or associated and/or subsidiary and/or affiliated Companies now existing or as may be hereafter constituted, jointly and severally for their respective rights and interests.

Address: \_\_\_\_\_

**Item 2. Period of Insurance**

From \_\_\_\_\_

To \_\_\_\_\_

both days inclusive Standard Time at the address of the Insured.

**Item 3. Hazards Covered**

The coverage provided under the Primary Insurance by Extended Coverage Endorsement (Aviation Liabilities) AVN 52E deleting all sub-paragraphs other than (b) of the War, Hi-jacking and Other Perils Exclusion Clause AVN 48B.

THE LIMITS OF LIABILITY APPLICABLE TO THIS INSURANCE ARE AS STATED IN Item 6. PART THREE.

**Item 4. PART ONE Limits of Liability (Ultimate Net Loss)**

(a) **Primary Limit**

A combined single limit (bodily injury/property damage) of USD *Not Applicable* any one occurrence and in the aggregate in respect of all occurrences in any one annual period of insurance.

(b) **Total Limits of Liability under this Insurance and the Primary Insurance Combined**

A combined single limit (bodily injury/property damage) of

(1) USD *Not Applicable* any one occurrence each aircraft arising out of the use of aircraft;

(2) USD *Not Applicable* any one occurrence and in the aggregate in respect of all occurrences in any one annual period of insurance other than arising out of the use of aircraft.

In the event that the Primary Limit stated in (a) above is reduced or exhausted this Insurance shall apply for the difference between the limit stated in (b) and the reduced limit or as primary insurance if exhausted.

**Item 5. PART TWO Limits of Liability (Ultimate Net Loss)**

(a) **Primary and Underlying Excess Limit**

A combined single limit (bodily injury/property damage) of USD *Not Applicable* any one occurrence each aircraft arising out of the use of aircraft but USD *Not Applicable* any one occurrence and in the aggregate in respect of all occurrences in any one annual period of insurance other than arising out of the use of aircraft.

- (b) **Limits of Liability under this Insurance**  
 A combined single limit (bodily injury/property damage) of  
 USD *Not Applicable* any one occurrence and in the aggregate in respect of all  
 occurrences in any one annual period of insurance.

**Item 6. PART THREE Limits of Liability (Ultimate Net Loss)**

- (a) **Primary Limit**  
 A combined single limit (bodily injury/property damage) of  
 USD \_\_\_\_\_ any one occurrence and in the aggregate in respect of all  
 occurrences in any one annual period of insurance.
- (b) **Limits of Liability under this Insurance**  
 A combined single limit (bodily injury/property damage) of  
 USD \_\_\_\_\_ any one occurrence and in the aggregate in respect of all  
 occurrences in any one annual period of insurance.

**Item 7. Primary Insurance Details and Limit**

Primary Insurer:  
 PT. \_\_\_\_\_

Primary Policy Number:

Primary Limit:  
 As stated in Item 6 (a) above.

**Item 8. Geographical Limits**

Worldwide as per the Primary Insurance.

**Item 9. Premium**

Deposit Premium **USD xxx** adjustable at expiry at USD xxx each aircraft.  
 Subject to a minimum earned premium of USD xxx

**PREMIUM PAYMENT CLAUSE**

- 1) It is understood and agreed that the premium due at the inception of this Insurance shall be payable in the following instalments:

Instalment	% of Deposit	Due Date:
1	16.67%	
2	16.67%	
3	16.67%	
4	16.67%	
5	16.66%	
6	16.66%	

- 2) Notwithstanding any cancellation provision contained within the Insurance, in the event that an instalment of premium is not paid by its due date Insurers shall have the right to terminate the cover afforded by the Insurance to the Insured and any other party(ies) protected thereby, whether by endorsement or otherwise, by the giving of not less than Thirty (30) days notice in writing to the Insured. Notice shall be deemed to commence from the date such notice is given by the Insurers. Nothing herein shall override any notice period greater than 30 days which Insurers may be obliged to give via any contractual provision applicable hereto.

**AVN 6A (amended)**

**Item 10. Law and Jurisdiction**

This Insurance shall be governed by and construed in accordance with the law of the Insured's country of domicile and each party agrees to submit to the exclusive jurisdiction of the courts of the Insured's country of domicile in any dispute arising hereunder.

**Item 11. Schedule of Aircraft**

TYPE OF AIRCRAFT	SERIAL NUMBER	REGS.NO.

**Item 12. Address for Notices**

All notices pursuant to the terms and conditions of this Insurance shall be given to:

PT. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Telephone No.: \_\_\_\_\_

Facsimile No.: \_\_\_\_\_

Jakarta, \_\_\_\_\_

PT. \_\_\_\_\_

\_\_\_\_\_  
 Authorised Signatory

WHEREAS the Insured has in force an Aviation Liability Insurance (hereinafter referred to as the "Primary Insurance") containing the Extended Coverage Endorsement (Aviation Liabilities) as stated in Item 3. of the Wording Schedule.

AND WHEREAS paragraph 3. of said Extended Coverage Endorsement contains a sub-limit as stated in Item 4.(a) or Item 6.(a) of the Wording Schedule (the "Primary Limit").

NOW this Insurance is to pay

1. on behalf of the Insured, under PART ONE, all sums, in excess of the Primary Limit stated in Item 4.(a) of the Wording Schedule, which the Insured shall become legally liable to pay as damages for bodily injury or property damage caused by an occurrence during the Period of Insurance arising out of the Hazards Covered stated in Item 3. of the Wording Schedule.
2. on behalf of the Insured, under PART TWO, all sums, in excess of the Primary and Underlying Excess Limit stated in Item 5.(a) of the Wording Schedule, which the Insured shall become legally liable to pay as damages for bodily injury or property damage caused by an occurrence during the Period of Insurance arising out of the Hazards Covered stated in Item 3. of the Wording Schedule.
3. on behalf of the Insured, under PART THREE, all sums, in excess of the Primary Limit stated in Item 6.(a) of the Wording Schedule, which the Insured shall become legally liable to pay as damages for bodily injury or property damage caused by an occurrence during the Period of Insurance arising out of the Hazards Covered stated in Item 3. of the Wording Schedule.

PROVIDED ALWAYS THAT:

1. Under PART ONE:

Liability attaches to the Insurers only after the Primary Insurers have paid or have been held liable to pay the full amount of their respective Ultimate Net Loss as set forth in Item 4.(a) of the Wording Schedule. The limit of the Insurers' liability shall be such amount of Ultimate Net Loss as will provide the Insured with total limits under the Primary Insurance and this Insurance combined as set forth in Item 4.(b) of the Wording Schedule.

2. Under PART TWO:

Liability attaches to the Insurers only after the Primary and/or Underlying Excess Insurers have paid or have been held liable to pay the full amount of their respective Ultimate Net Loss as set forth in Item 5.(a) of the Wording Schedule. The limit of the Insurers' liability shall be such amount of Ultimate Net Loss as set forth in Item 5.(b) of the Wording Schedule excess of the limit set forth in Item 5.(a) of the Wording Schedule.

3. Under PART THREE:

Liability attaches to the Insurers only after the Primary Insurers have paid or have been held liable to pay the full amount of their respective Ultimate Net Loss as set forth in Item 6.(a) of the Wording Schedule. The limit of the Insurers' liability shall be such amount of Ultimate Net Loss as set forth in Item 6.(b) of the Wording Schedule excess of the limit set forth in Item 6.(a) of the Wording Schedule.

4. Notwithstanding the inclusion hereon 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 Insurers' limit of liability as stated in paragraph 1, 2, or 3 above.

### Exclusions

1. The Insurers shall not be liable to make any payment under this Insurance as a result of the inability, refusal or failure to pay of the Primary and/or Underlying Excess Insurers for any reason whatsoever, including without limitation, any financial impairment, insolvency or liquidation.
2. This Insurance does not apply to claims excluded by
  - (a) the NUCLEAR RISKS EXCLUSION CLAUSE AVN 38B;
  - (b) the NOISE AND POLLUTION AND OTHER PERILS EXCLUSION CLAUSE AVN 46B applicable as per Primary Insurance;
  - (c) the DATE RECOGNITION EXCLUSION CLAUSE AVN 2000A with writebacks as per the Date Recognition Limited Coverage Clause AVN 2001A/AVN 2002A or as provided for in the Primary Insurance;
  - (d) the CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 EXCLUSION CLAUSE AVN 72;
  - (e) the ASBESTOS EXCLUSION CLAUSE 2488 AGM00003attached to this Insurance.

### Definitions

1. The term "Ultimate Net Loss" means the amount payable in settlement of the liability of the Insured after making deductions for all recoveries and other valid and collectible insurances, excepting however the Primary and/or Underlying Excess Insurances, and shall exclude all Costs.
2. The term "Costs" means interest accruing after entry of judgement, investigation, adjustment and legal expenses (excluding, however, all office expenses of the Insured, all expenses for salaried employees of the Insured and general retainer fees for counsel normally paid by the Insured).

### Conditions

#### 1. Automatic Termination and Review and Cancellation

This Insurance is subject to, and shall be deemed to incorporate the same Automatic Termination and Review and Cancellation provisions as are set out in the Extended Coverage Endorsement (Aviation Liabilities) as stated in Item 3. of the Wording Schedule, except that the cancellation notice period in paragraph 5.(c) of that Endorsement (Aviation Liabilities) is amended, for the purpose of this Insurance, to thirty (30) days.

#### 2. Incurring of Costs

In the event of claim or claims arising which appear likely to exceed the Primary and/or Underlying Excess Limit, no Costs shall be incurred by the Insured without the consent of the Insurers.

#### 3. Apportionment of Costs

Costs incurred by or on behalf of the Insured with the consent of the Insurers, and for which the Insured is not covered by the Primary and/or Underlying Excess Insurers, shall be apportioned as follows:-

- (a) Should any claim or claims become adjustable prior to the commencement of trial for not more than the Primary and/or Underlying Excess Limit, then no Costs shall be payable by the Insurers.
- (b) Should, however, the amount for which the said claim or claims may be so adjustable exceed the Primary and/or Underlying Excess Limit, then the Insurers, if they consent to the proceedings continuing, shall contribute to the Costs incurred by or on behalf of the Insured in the ratio that their proportion of the Ultimate Net Loss as finally adjusted bears to the whole amount of such Ultimate Net Loss.
- (c) In the event that the Insured elects not to appeal a judgement in excess of the Primary and/or Underlying Excess Limit the Insurers may elect to conduct such appeal at their own cost and expense and shall be liable for the taxable court costs and interest incidental thereto, but in no event shall the total liability of the Insurers exceed their limits of liability as provided for herein, plus the expenses of such appeal.

#### **4. Application of Recoveries**

All recoveries or payments recovered or received subsequent to a loss settlement under this Insurance shall be applied as if recovered or received prior to such settlement and all necessary adjustments shall then be made between the Insured and the Insurers, provided always that nothing in this Insurance shall be construed to mean that losses under this Insurance are not payable until the Insured's Ultimate Net Loss has been finally ascertained.

#### **5. Attachment of Liability**

Liability to pay under this Insurance shall not attach unless and until the Primary and/or Underlying Excess Insurers shall have admitted liability for the Primary and/or Underlying Excess Limit or unless and until the Insured has by final judgement been adjudged to pay an amount which exceeds such Primary and/or Underlying Excess Limit and then only after the Primary Insurers have paid or been held liable to pay the full amount of the Primary and/or Underlying Excess Limit.

#### **6. Maintenance of Primary and Underlying Excess Insurances**

It is a condition of this Insurance that the Primary and/or Underlying Excess Insurances shall be maintained in full effect during the currency of this Insurance except for any reduction or exhaustion of the aggregate limits contained therein solely by payment of claims in respect of occurrences during the Period of Insurance. However, failure to maintain the Primary and/or Underlying Insurances in full effect shall not invalidate cover under this Insurance but in the event of such failure Insurers shall only be liable to the same extent as they would have been had the Primary and/or Underlying Excess Insurances been maintained in full effect.

In the event the occurrence limit under the Primary Insurance is fully exhausted through payment of claims and where as a result of settling the Insured's liability to their passengers (and for their baggage and personal effects) and/or for cargo and mail while it is on board the aircraft arising out of the Insured's operation of aircraft, there is less than or none of the primary limit as stated herein available for settlement of the Insured's third party claims, then this Insurance will respond to the Insured's legal liability to Third Parties up to the limit of liability as provided by this Insurance and subject to any aggregate limit stated herein not being exceeded.

To the extent of the coverage provided by this Insurance, this Insurance is subject to the same warranties, terms, conditions, definitions and exclusions (except as regards the premium, the obligation to investigate and defend, the renewal agreement, if any, the amount and limits of liability other than the deductible or self-insurance provision where applicable, AND EXCEPT AS OTHERWISE PROVIDED HEREIN) as are contained in or may be added to the Primary Insurance prior to the happening of an occurrence for which claim is made hereunder.

To the extent that the Primary Insurance incorporates the provisions of contracts and agreements entered into by the Insured this Insurance shall likewise apply.

#### **7. Notification of Claims**

In the event of an occurrence likely to give rise to a claim hereunder notice shall be given by the Insured to the Insurers via the address set forth in Item 12. of the Wording Schedule as soon as reasonably possible.

#### **8. Fraudulent Claims**

An Insured shall not in the presentation and furtherance of any claim:

- (a) deliberately or recklessly conceal from Insurers any information which he knows or ought to know might be material to their consideration of any claim;
- (b) provide to Insurers information, which he knows to be false, with respect either to any event relied upon as a cause of loss or as to the amount claimed; nor
- (c) otherwise use fraudulent means or devices, including suppressing a known defence to Insurers' liability.

In any such event the Insurers shall have the option to refuse to pay the whole or any part of the claim to such Insured.

In the circumstances set out in sub-paragraph (b) above, Insurers shall also have the option to:

- (i) terminate the cover provided by all sections of the Insurance to such Insured with effect from the date of the event relied upon for the claim;
- (ii) recover any sums paid to such Insured in respect of losses occurring on or after the date of the event relied upon for the claim; and
- (iii) retain any and all premium paid by such Insured.

If any provision of this clause is in conflict with the law governing the Insurance it shall be of no effect to the extent of such conflict.

#### **9. Law and Jurisdiction**

In the event of any dispute arising hereunder this Insurance is subject to the law and jurisdiction as stated in the Wording Schedule.

#### **10. Variation in Risk**

Should there be any change in the operation of the Insured which might reasonably be regarded by the Insurers as increasing their risk in degree or frequency, immediate notice thereof shall be given to the Insurers.

Notification of all additions of aircraft as required to be given under the Primary Insurance shall also be given to the Insurers hereon when the premium hereunder is charged per aircraft, however notification of the addition of cargo aircraft under the Primary Insurance shall be given to the Insurers as soon as practicable but in no event later than fourteen (14) days after attachment.

**Attachment No.1****NUCLEAR RISKS EXCLUSION CLAUSE**

- (1) This Insurance 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 of 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) ionising 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 Insurance, 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 Insurance is also an insured or an additional insured under any other insurance, including any nuclear energy liability insurance or
  - (ii) any person or organization is required to maintain financial protection pursuant to legislation in any country; or
  - (iii) the Insured under this Insurance is, or had this Insurance 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 Insurance) 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 Insurance shall only apply to an incident happening during the period of this Insurance 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 contributed to by radioactive contamination, the level of such contamination shall have exceeded the maximum permissible level set out in the following scale:

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

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

**AVN 38B** (22.7.96)

**Attachment No.2****NOISE AND POLLUTION AND OTHER PERILS EXCLUSION CLAUSE**

1. This Insurance 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 Insurance concerning any duty of Insurers to investigate or defend claims, such provision shall not apply and Insurers shall not be required to defend
  - (a) claims excluded by Paragraph 1 or
  - (b) a claim or claims covered by the Insurance when combined with any claims excluded by Paragraph 1 (referred to below as "Combined Claims").
3. In respect of any Combined Claims, Insurers shall (subject to proof of loss and the limits of the Insurance) reimburse the Insured for that portion of the following items which may be allocated to the claims covered by the Insurance:
  - (i) damages awarded against the Insured and
  - (ii) defence 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 Insurance.

**AVN 46B** (1.10.96)

**Attachment No.3****DATE RECOGNITION EXCLUSION CLAUSE**

This Insurance does not cover any claim, damage, injury, loss, cost, 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 any 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 Insurance concerning any duty of Insurers to investigate or defend claims shall not apply to any claims so excluded.

**AVN 2000A (14.3.01)**

**Attachment No.4****CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 EXCLUSION CLAUSE**

The rights of a person who is not a party to this insurance or reinsurance to enforce a term of this insurance or reinsurance and/or not to have this insurance or reinsurance rescinded, varied or altered without his consent by virtue of the provisions of the Contracts (Rights of Third Parties) Act 1999 are excluded from this insurance or reinsurance.

**AVN 72** (9.2.00)

**Attachment No.5****ASBESTOS EXCLUSION CLAUSE**

This Insurance does not cover any claims of any kind whatsoever directly or indirectly relating to, arising out of or in consequence of:

- (1) the actual, alleged or threatened presence of asbestos in any form whatsoever, or any material or product containing, or alleged to contain, asbestos; or
- (2) any obligation, request, demand, order, or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, neutralize, protect against or in any other way respond to the actual, alleged or threatened presence of asbestos or any material or product containing, or alleged to contain, asbestos.

However, this exclusion shall not apply to any claim caused by or resulting in a crash fire explosion or collision or a recorded in-flight emergency causing abnormal aircraft operation.

Notwithstanding any other provisions of this Insurance, Insurers will have no duty to investigate, defend or pay defence costs in respect of any claim excluded in whole or in part under paragraphs (1) or (2) hereof.

All other terms and conditions of the Insurance remain unchanged.

**2488 AGM00003**

## Attachment No.6

### DISPUTE

In the event of any dispute arising between the Insurer and the Insured as consequence of the interpretation of liability or amount of indemnity of this Policy, the dispute shall be settled amicably within 60 (sixty) calendar days from the dispute arose. The dispute arises since the Insured or the Insurer has expressed in writing his disagreement on the subject matter of the dispute.

If the dispute could not be settled amicably, the Insurer shall give the option to the Insured to select either one of the following dispute clauses as stated below:

#### A. Indonesian Insurance Mediation Board

It is hereby declared and agreed that the Insured and the Insurer shall settle the dispute through Indonesian Insurance Mediation Board (BMAI) subject to the terms and conditions applied by BMAI.

#### B. Arbitration

It is hereby declared and agreed that the Insured and the Insurer shall settle the dispute through Arbitration Ad Hoc as follows :

1. The Arbitration Ad Hoc consists of 3 (three) Arbitrators. The Insured and the Insurer shall each appoint one Arbitrator within 30 (thirty) calendar days from the date of the receipt of the written notification, then the two Arbitrators shall choose and appoint the third Arbitrator within 14 (fourteen) calendar days from the date of appointment of the second Arbitrator. The third Arbitrator shall act as Umpire of the Arbitration Ad Hoc.
2. Should there be any failure as to the appointment of the third Arbitrator, the Insured and or the Insurer could request the Chairman of the court (Ketua Pengadilan Negeri) where the defendant domiciles to appoint the Umpire.
3. The examination of the dispute shall be settled within 180 (one hundred and eighty) calendar days from the date of the formation of the Arbitration Ad Hoc. The period of examination of the case could be extended. Upon the agreement of both parties and if it is deemed necessary by the Arbitration Ad Hoc, the period of examination of the dispute could be extended.
4. The Arbitration award is final and enforceable at law and binding the Insured and the Insurer. Should the Insured and or the Insurer fail to comply with the arbitration award, then the award shall be executed under the order of the Chairman of the court (Ketua Pengadilan Negeri) where the defendant domiciles at the request of the other party in dispute.
5. Other matters which are not provided under this clause shall be subject to the provisions of laws on arbitration, which currently be the Act of the Republic of Indonesia Nr. 30 year 1999 dated August 12, 1999 regarding Arbitration and Alternative Dispute Resolution.

#### C. Court

It is hereby declared and agreed that the Insured and the Insurer shall settle the dispute through the Court (Pengadilan Negeri) within the territory of the Republic of Indonesia.

**CURRENCY**

In case of premium and or claim under this Policy is denominated in foreign currency but the payment will be settled in Rupiah currency, such payment shall be executed based on the selling rate of Bank Indonesia at the time of payment.

**WAIVER CLAUSE**

It is hereby declared that in the event of the Insured or the Insurer terminates this Insurance, then both parties agree to waive articles 1266 and 1267 of the Indonesian Civil Code and such termination shall be made without requiring any consent of the court (Pengadilan Negeri) within the territory of the Republic of Indonesia.