

6TH SCH.
—cont.

(iii) in the case of any aircraft, by specifying as the amount up to which the insurer undertakes to indemnify the insured against liability incurred by him by way of damages in respect of loss or damage caused on any one occasion to persons or property on land or water by, or by a person in, or an article or person falling from, that aircraft while in flight, taking off or landing, an amount not less than the total limit of liability appropriate to that aircraft, or

(iv) in the case of any aircraft, by specifying as the amount up to which the insurer undertakes to indemnify the insured against liability incurred by him by way of damages in respect of loss of, or damage to, property on land or water caused on any one occasion by, or by a person in, or an article or person falling from, that aircraft while in flight, taking off or landing, an amount not less than the limit of liability for property claims appropriate to that aircraft, or

(v) by providing that the insurer shall not be liable to pay any claim under the policy if, at the time of the happening of the event which was the cause of the loss or damage giving rise to the claim, a licence to fly was not in force in respect of the aircraft in connection with which the claim is made, or

(b) provides that the insurer shall not be liable to pay any claim in respect of loss or damage which is caused or contributed to by conditions of war, riot or civil commotion.

(3) For the purposes of this paragraph, a provision in a policy which enables one party or either party to determine the insurance shall be deemed to be a provision restricting the insurance by limiting the period thereof, if, but only if, the provision requires the giving to the other party of at least seven clear days' notice in writing of the cancellation of the insurance.

(4) In this paragraph the expression "licence to fly" means a written authority permitting the aircraft to fly, issued in accordance with an Order in Council under section eight of this Act.

2.—(1) If, after a certificate of insurance has been delivered in connection with a policy of insurance, a judgment in respect of any such liability as is required to be covered by a policy under Part IV of this Act (being a liability covered by the terms of the policy) is obtained against a person insured by the policy, then, notwithstanding that the insurer may be entitled to avoid or cancel, or may have avoided or cancelled, the policy, the insurer shall, subject to the provisions of this paragraph, pay to the persons entitled to the benefit of the judgment any sum payable thereunder in respect of the liability, including any amount payable in respect of costs and any amount payable by way of interest on that sum by virtue of any enactment relating to interest on judgments.

In the application of this sub-paragraph to Scotland, the words "by virtue of any enactment relating to interest or judgments" shall be omitted.