

FUELLING GROUNDING LIABILITY EXTENSION

This Policy is extended to pay on behalf of the Insured all sums which the Insured shall become legally liable to pay as damages for the loss of use of aircraft caused by a Grounding following an Occurrence insured under Section 2 of this Policy.

The following definition is added:

The term "Grounding" means the complete and continuous withdrawal from all flight operations at or about the same time of one or more aircraft due to the mandatory order of any airworthiness authority because of an existing, alleged or suspected like defect, fault or condition affecting the safe operation of two or more aircraft and which results from an Occurrence. Any liability of the Insured arising from such Grounding shall attach to the Period of Insurance in which the Occurrence took place.

A Grounding shall be deemed to commence from the date on which the first such order becomes effective and to continue until the date on which the last such order relating to the same existing, alleged or suspected like defect, fault or condition is withdrawn or becomes ineffective.

The definition of "Occurrence" for the purpose of this extension is deleted and replaced with the following:

The term "Occurrence" means an accident or a continued or repeated exposure to conditions (other than a Grounding) occurring during the Period of Insurance which results in Bodily Injury and/or Property Damage neither expected nor intended from the standpoint of the Insured.

All liability arising out of such exposure to substantially the same general conditions shall be deemed to arise from one Occurrence.

The insurance afforded by this extension will not apply to loss of use of any aircraft:

- (a) occurring during maintenance, routine overhaul or alteration, or whilst being modified for purposes other than those relating to Grounding;
- (b) occurring during the period that the Insured does not use reasonable diligence to find and eliminate the cause of the loss of use;
- (c) caused by the culpable failure of the Insured to perform any obligation with respect to making available or delivering goods or products to the operator of such aircraft;
- (d) owned by, used by or in the possession of the armed services of any government;
- (e) in the care, custody or control of the Insured other than aircraft temporarily returned to the Insured for modification relating to Grounding;
- (f) after it is designated by the manufacturer or required by the direction of any airworthiness authority to be removed from all flight operations due to its certificate of airworthiness being withdrawn by reason of the aircraft's safe operational life having been reached or exceeded.

The insurance afforded by this extension shall be subject to a limit of liability of any one Grounding and in the aggregate, which shall be included within, and not in addition to, the limit of liability in respect of Section 2 of this Policy.

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