

## EXTENDED COVERAGE ENDORSEMENT (AVIATION LIABILITIES)

1. WHEREAS the Policy of which this Endorsement forms part includes the War, Hi-Jacking and Other Perils Exclusion Clause (Clause AVN 48C), IN CONSIDERATION of an Additional Premium of \_\_\_\_\_, it is hereby understood and agreed that with effect from \_\_\_\_\_, all sub-paragraphs other than \_\_\_\_\_ of Clause AVN 48C forming part of this Policy are deleted SUBJECT to all terms, conditions, limitations, warranties, exclusions and cancellation provisions of the Policy except as specifically varied or provided by the terms of this Endorsement.

2. EXCLUSION applicable only to any cover extended in respect of the deletion of sub-paragraph (a) of Clause AVN 48C.

Cover shall not include liability for damage to any form of property on the ground situated outside Canada and the United States of America unless caused by or arising out of the use of aircraft.

3. LIMITATION OF LIABILITY

The limit of Insurers' liability in respect of the coverage provided by this Endorsement shall be \_\_\_\_\_ or the applicable Policy limit whichever the lesser any one Occurrence and in the annual aggregate (the "sub-limit"). This sub-limit shall apply within the full Policy limit and not in addition thereto.

To the extent coverage is afforded to an Insured under the Policy, this sub-limit shall not apply to such Insured's liability:

- (a) to the passengers (and for their baggage and personal effects) of any aircraft operator to whom the Policy affords cover for liability to its passengers arising out of its operation of aircraft;
- (b) for cargo and mail while it is on board the aircraft of any aircraft operator to whom the Policy affords cover for liability for such cargo and mail arising out of its operation of aircraft.

4. AUTOMATIC TERMINATION

To the extent provided below, cover extended by this Endorsement shall TERMINATE AUTOMATICALLY in the following circumstances:

- (i) **All cover**
  - upon the outbreak of war (whether there be a declaration of war or not) between any two or more of the following States, namely, France, the People's Republic of China, the Russian Federation, the United Kingdom, the United States of America
- (ii) **Any cover extended by the deletion of sub-paragraph (a) of Clause AVN 48C**
  - upon the hostile detonation of any device employing atomic or nuclear fission and/or fusion or other like reaction wheresoever or whensoever such detonation may occur and whether or not any aircraft insured under the Policy may be involved
- (iii) **All cover in respect of any aircraft insured under the Policy that is requisitioned for either title or use**
  - upon such requisition

PROVIDED THAT if any aircraft insured under the Policy is in the air when the cover provided by this endorsement would thereby be terminated under (i), (ii) or (iii) of this paragraph, then the cover provided by this Endorsement (unless otherwise cancelled, terminated or suspended) shall continue in respect of such an Aircraft until completion of its first landing thereafter and any passengers have disembarked.

5. REVIEW AND CANCELLATION

- (a) **Review of Premium and/or Geographical Limits (7 days)**

Insurers may give notice to review premium and/or geographical limits - such notice to become effective on the expiry of seven days from 23.59 hours GMT on the day on which notice is given.

- (b) **Limited Cancellation (48 hours)**  
Following a hostile detonation as specified in 4 (ii) above, Insurers may give notice of cancellation of one or more parts of the cover provided by paragraph 1 of this Endorsement by reference to sub-paragraphs (c), (d), (e), (f) and/ or (g) of Clause AVN 48C - such notice to become effective on the expiry of forty-eight hours from 23.59 hours GMT on the day on which notice is given.
- (c) **Cancellation (7 days)**  
The cover provided by this Endorsement may be cancelled by either Insurers or the Insured giving notice to become effective on the expiry of seven days from 23.59 hours GMT on the day on which such notice is given.
- (d) **Notices**  
All notices referred to herein shall be in writing.

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*(applicable to coverage provided to aircraft operators)*

*In common with all AICG produced AVN Clauses, this Clause is published by AICG, but it is expressly non-binding and AICG makes no recommendation as to its use in particular policies. Insurers are of course free to offer different policy wordings and clauses to their policy holders.*