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Forms of Air Transport Contracts

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FORMS OF AIR TRANSPORT CONTRACTS

[By the courtesy of representatives of the various airlines and insurers, the following forms of contract have here been assembled. A study of them, and a comparison of the carriers' contracts with the insurance policies, will show the relation between the terms of the Draft Uniform State Act and the terms of the liabilities actually assumed today (and insured against) as to passengers and goods.]

The contracts are presented in four groups: A. Passenger Tickets. B. Baggage Checks. C. Express Contracts. D. Traveler's Accident Insurance Policies. E. Carrier's Liability Insurance Policies.—J. H. W.]

A. Passenger Tickets¹

1. Transcontinental and Western Air Co.

"PASSENGER'S COUPON

Not Good For Passage

Fare \$.....

From

To

Flight.....

Date..... A. M.
P. M. Seat.....

TRANSCONTINENTAL & WESTERN AIR, INC.

AIR PASSAGE CONTRACT

In consideration of the issuance of this ticket the purchaser agrees on the following conditions:

DATE: This ticket is valid only for passage beginning on the date shown on the face of the ticket and for the plane specified.

REVOCABLE: The Company reserves the right to revoke this ticket upon refunding the purchase price.

NOT TRANSFERABLE: This ticket is not transferable.

REFUNDS: The Company will refund the amount paid for this ticket if the flight is cancelled. Refunds will not be granted for other reasons, unless the ticket is surrendered at least three hours before departure of plane.

ASSUMPTION OF RISK: I agree that the Company shall not be liable for any injury or damage unless occasioned by its own neglect of duty in the operation or control of the airplane.

UNCOMPLETED FLIGHT: The passenger may be landed and discharged before the flight is completed and in that event the only liability of the Company shall be to refund the unused mileage.

DELAYS: The Company does not assume responsibility for failure of planes to depart or arrive on scheduled time.

BAGGAGE: Thirty-five pounds of baggage will be carried free on each full fare ticket. The liability of the Company for loss or damage to baggage

1. Only the portions containing terms of contract are here given, omitting the blank headings for destination, date, fare, etc.

or personal property, or for delay in delivery thereof, is limited to \$100 per passenger, unless a higher valuation is declared in advance and an additional charge paid therefor. Any claim for loss or damage to baggage or personal property must be presented in writing to the Company within ten days after the date of this ticket.

AGENCY: In selling a ticket or checking baggage beyond its own lines the Company acts only as agent for connecting lines.

REGULATIONS: The passenger agrees strictly to observe the rules and regulations of the Company and obey the instructions of its agents and employees.

EXCESS BAGGAGE COLLECTION

..... Lbs. \$. To.....
Agent....."

The T. W. A. has also another and more elaborate form:

"TRANSCONTINENTAL & WESTERN AIR, INC.

PASSENGER'S COUPON

Not Good for Passage

From
To
Fare Paid.....

AIR PASSAGE CONTRACT

In consideration of the issuance of this contract ticket the passenger agrees with Transcontinental & Western Air, Inc. (hereinafter called the 'Company'), as follows:

DATE: This ticket is only valid for passage for the dates, flights, and seats specified on the Flight Coupons.

REVOCABLE: This ticket can be revoked by the Company upon the refunding of the purchase price.

NOT TRANSFERABLE: This ticket is not transferable but the Company shall not be liable to the purchaser thereof, in the event of its loss or theft, for honoring the same when presented by any other person.

ASSUMPTION OF RISK: The passenger agrees that the Company shall not be liable for any injury to person or damage to property unless occasioned by its negligence, the passenger assuming all risks of air transportation.

DELAYS: The Company shall not be liable for failure of planes to depart from or arrive at any point on scheduled time.

CANCELLATION AND REFUNDS: The Company may cancel any trip, in which event its only liability shall be to refund the fare paid; or it may cancel any part of a trip or scheduled stop thereon, and may land and discharge the passenger at any time or place it deems advisable, in which event its only liability shall be to refund to the passenger an amount determined by multiplying the Company's tariff rate per mile for the entire trip by the miles included in the unused portion of the ticket. However, where the passenger, at his own instance fails to complete the flight, refund will be made only of the fare paid less the Company's tariff for the trip traveled. Refunds will be granted only upon surrender of all Flight Coupons not completely used. Refunds for flights not cancelled by the Company will not be granted unless the reservation is cancelled by the passenger at least three hours before departure of the plane.

BAGGAGE: Thirty-five pounds of baggage will be carried free on each full fare ticket. The liability of the Company for loss or damage to baggage or personal property, or for delay in the delivery thereof, is limited to its value, which is not more than \$100 per passenger unless a higher valuation is declared in advance and an additional charge is paid therefor. In no event will the Company accept for carriage baggage valued at in excess of

\$2,500, unless special arrangements, satisfactory to the Company, are made in advance of the flight.

AGENTS: No agent or employee has power to alter, modify or waive, in any manner, any of the conditions of this contract.

NOTICE AND SUIT: No action shall be maintained for damage to the passenger's property or injury to his person unless written notice of the claim is delivered to the Company within 30 days after the occurrence of the damage or injury and unless the action is actually commenced within one year after such occurrence.

REGULATIONS: The passenger agrees strictly to observe the rules and regulations of the Company and obey the instructions of its agents and employees.

EXCESS BAGGAGE COLLECTION

.....Lbs.-To.....\$......Agent.....
Lbs.-To.....\$......Agent....."

2. American Air Lines Co.

3. North and South Air Lines.

4. United Air Lines.

The form used by these three lines is identical with the first one of the T. W. A., except that the United allows only 30 pounds of free baggage instead of 35 pounds.

5. Northwest Airlines Co.

The form here is also identical with the first above of the T. W. A., except that in the Assumption of Risk clause, after "injury or damage," it reads, "to person or property unless caused by the Company's negligence."

6. Chicago and Southern Airlines Co.

"CHICAGO & SOUTHERN AIR LINES, INC.

PASSENGER'S RECEIPT

Not Good for Passage

From St. Louis—Lambert Field Airport.

To Chicago—Municipal Airport.

Fare..... Flight..... Date.....

AIR PASSAGE CONTRACT

In consideration of the issuance of this contract ticket, the passenger agrees with Chicago & Southern Air Lines, Inc. (hereinafter called the 'Company') on the following conditions:

DATE: This ticket is valid only for passage beginning on the date shown and the plane and/or flight specified on the flight coupon.

REVOCABLE: The Company reserves the right to revoke this ticket upon refunding the purchase price.

NOT TRANSFERABLE: This ticket is not transferable but the Company shall not be liable to the purchaser hereof, in the event of its loss or theft, for honoring the same when presented by any other person.

ASSUMPTION OF RISK: The passenger voluntarily assumes the risks of air transportation, and agrees that the Company shall not be liable for any injury to his person or for any damage to or loss of his property unless occasioned by its negligence.

DELAYS: The Company shall not be liable for the failure, for any rea-

son whatsoever, of any aircraft to depart from or arrive at any point on scheduled time.

CANCELLATION, INCOMPLETED FLIGHT, AND REFUNDS: The Company may cancel any flight or trip before the same has started, in which event its only liability shall be to refund the amount paid for this ticket; or it may cancel any part of a trip or flight or any scheduled stop thereon after the same has started, and may land and discharge the passenger at any time or place it deems advisable, in any of which events its only liability shall be to refund the unused mileage. However, if the passenger, at his own instance fails to complete the trip or flight, the Company will refund only an amount equal to the fare paid less the Company's tariff for distance, trip or flight traveled. Refunds allowable under the conditions set forth herein will be granted only upon surrender to the Company of all flight coupons not completely used. Refunds for flights not cancelled by the Company will not be granted unless the reservation is cancelled by the passenger at least three hours before departure of the plane for which this ticket is issued and will be made only from the General Offices of the Company (Address Chicago and Southern Air Lines, Inc., Lambert Field, Robertson, Missouri; attention Treasury Department).

BAGGAGE: Thirty-five pounds of baggage will be carried free on each full fare ticket. The liability of the company for loss of or damage to baggage or personal property, or for delay in the delivery thereof, is limited to \$100.00 per passenger unless a higher valuation is declared in advance and additional charge paid therefor. In no event will the Company accept for carriage baggage valued at in excess of \$25,000.00, unless special arrangements, satisfactory to the Company, are made in advance of the trip or flight.

CONNECTING LINES, AGENCY: The Company does not contract to furnish transportation beyond its own lines, and shall not be liable for any damage to person or property occurring beyond its own lines; it being understood that in selling a ticket or checking baggage beyond its own lines, the Company acts only as agent for connecting lines.

AGENTS: No agent or employee has power to alter, modify or waive, in any manner, any conditions of this contract.

NOTICE AND SUIT: No action shall be maintained for damage to the passenger's property or injury to his person unless written notice of the claim is delivered to the Company within thirty days after the occurrence of the damage or injury and unless the action is actually commenced within one year after such occurrence.

REGULATIONS: The passenger agrees strictly to observe the rules and regulations of the Company and obey the instructions of its agents and employees.

Issued in connection with ticket—Form..... No.....

EXCESS BAGGAGE AND VALUATION COLLECTIONS

Excess Pounds	\$.....
Excess Valuation \$.....	\$.....
Agent	\$....."

7. Eastern Airlines.

PASSENGER STUB

Not Good for Passage
EASTERN AIR LINES

Division of NORTH AMERICAN AVIATION, INC.

From..... To..... And Return
Subject to Contract printed below and on reverse side.

CONTRACT

In consideration of the issuance of this contract ticket the Holder agrees with North American Aviation, Inc. (hereinafter termed the Company), as follows:

1. Reservation must be made and space assigned before ticket is good for passage. This ticket is not good for transportation after 90 days from date of issue.

2. This ticket is a personal license revocable at the will of the Company upon refund of the purchase price, without further liability to the Company.

3. The Holder assumes all the risks of air transportation and agrees that the Company shall not be liable for any loss or damage to his property or injury to his person not caused by the Company's negligence.

4. The Company shall not be liable for the failure, for any reason, of any aircraft to depart from or arrive at any point according to any schedule or agreement, and the Company may cancel any trip, or any part or scheduled stop thereof and may land and discharge the Holder whenever and at any point it deems advisable, in which event the only responsibility of the Company shall be to pay the Holder a sum equal to the Company's tariff for the mileage from such point to destination.

5. Thirty-five (35) pounds of baggage will be carried free. The liability of the Company for loss or damage to baggage and personal property is limited to the sum of One Hundred Dollars (\$100.00) per passenger, unless a higher valuation is declared and an additional charge paid therefor.

6. No action shall be maintained for damage to the Holder's property or injury to his person unless written notice of the claim is delivered to the Company within 30 days after the occurrence of the damage or injury and unless the action is actually commenced within one year after such occurrence.

7. The Company does not contract to furnish transportation beyond its own lines and shall not be liable for any damage to person or property occurring beyond its own lines. In selling a ticket or checking baggage beyond its own lines the Company acts only as agent for connecting lines.

8. No agent or employee has power to alter, modify, or waive in any manner any of the conditions of this contract.

9. This ticket is not transferable but the Company shall not be liable to the purchaser hereof, in the event of its loss or theft, for honoring the same when presented by any other person.

B. Baggage Checks

Here are three varieties:

1. Chicago and Southern Airlines.

"BAGGAGE—Thirty-five (35) pounds of baggage will be carried free on any ticket. Excess baggage will be accepted upon special arrangements at the rate per pound of one-half of one per cent of the one-way fare. The liability of the Carrier for loss of or damage to baggage and—or personal property is limited to the amount of Fifty Dollars (\$50.00)."

2. Northwest Airlines.

"Thirty-five pounds of baggage will be transported on airplane of the Company free of charge. Any baggage accepted in excess will be charged for at the rate of one-half of one per cent of the one-way passenger fare per pound subject to a minimum of twenty-five cents. The right is reserved to limit baggage to fifty pounds per person. Arrangement for greater weights must be made in advance. Baggage Liability is limited to wearing apparel not to exceed \$100.00 in value. Declared excess valuation will be charged for at the rate of 10c per \$100.00 excess. Liability will not be accepted for valuations above \$500.00. Date....."

3. Transcontinental and Western Airlines.

"BAGGAGE:—Thirty-five (35) pounds of baggage will be carried free on each full fare ticket. Baggage weighing in excess of thirty-five pounds—up to a maximum of fifteen additional pounds per passenger—will be charged for by the pound. Other baggage may be shipped to destination by air ex-

press or air freight. Baggage exceeding 12x23x36 inches or 16x23x24 inches in size will be accepted only under specified arrangements. Liability is limited to \$100.00."

C. Express Contracts

There appears to be but one distinctively air-express company; the other service is rendered by the air-express division of the Railway Express Agency.

1. General Air Express.¹

GENERAL AIR EXPRESS

American Airlines, Inc.	Varney Air Transport, Inc.
Transcontinental Western Air, Inc.	Bowen Airlines, Inc.
Eastern Airlines, Div. North American Aviation, Inc.	National Airlines System
Pennsylvania Airlines & Transport Co.	Wedell-Williams Air Service Corp.
C.O.D. \$.....	C.O.D. Return Charges.

Special Pick-up and Delivery by Postal Telegraph at No Extra Cost

CHECK ORIGINATING AIRLINE | ☐ Check Here if Originated by Postal Tel.

— American Airlines, Inc.	— Varney Air Transport, Inc.
— Transcontinental Western Air, Inc.	— Bowen Airlines, Inc.
— Eastern Airlines, Div. No. Am. Aviation, Inc.	— National Airlines System
— Pennsylvania Airlines & Trans. Co	— Wedell-Williams Air Serv. Corp

* * * * *

CARGO INSURANCE: This shipment insured to the extent of the declared value in the Federal Insurance Co., under blanket policy No. FT42995 against all risks of physical loss or damage from any external cause whatsoever, except war risks. File all claims with Chubb & Sons, Mgrs., 90 John St., New York, N. Y. Charges Acct. No. Total Collect \$.....

NOTE:—The Company will not pay over \$50.00, in case of damage or loss, for any shipment, unless a greater value is declared and charges for such greater value paid. Shipment described hereon received subject to the Tariff in effect on the date hereof, for transportation upon the terms and conditions printed on the back hereof, to which the shipper agrees, and as evidence thereof signs and accepts this receipt.

Signature for the Shipper.

Shipment Originated by..... Employee's Signature.....

Collect—Hour ReceivedM.

TERMS AND CONDITIONS

1. The provisions of this receipt shall inure to the benefit of and be binding upon the Shipper, Consignee, Owner, the Company and all other persons in possession of this shipment, and shall apply to any reconsignment or return thereof.

2. In consideration of the rate charged for carrying said shipment, which is dependent in part upon the value thereof and based upon an agreed valuation of not exceeding \$50.00 for any shipment unless a greater is declared at the time of shipment, the Shipper agrees that:

(a) The Company shall not be liable in any event for more than \$50.00 on account of such shipment unless a greater value is stated herein.

(b) The value of the shipment is not greater than declared and that the liability of the Company shall in no event exceed such value.

1. The blank headings for destination, address, rate, etc., are here omitted.

(c) The Company shall not be liable, in any event, for damage to or loss of the shipment, for a sum in excess of \$25,000.00 unless special arrangements are made before delivery to the Company.

(d) The Company shall not be liable for a sum in excess of the actual physical damage to the property shipped or loss (exclusive of profits, consequential or special damage or damages or loss due to delay in delivery) sustained by the Shipper, Owner and/or Consignee.

(e) The term "shipment," whenever used herein, shall be construed as meaning all merchandise, goods, articles and/or property in respect of which this contract and receipt shall have been issued; and that, if more than one package is delivered for shipment hereunder, liability for any package or packages damaged or lost shall be limited to that proportion of the actual or declared value of the shipment (whichever is lesser) which the actual value of such damaged or lost package bears to the aggregate value of the shipment.

3. The Company shall not be liable for loss or damage, *unless due to its negligence*, and in no event for loss or damage due to difference in weight or quantity caused by shrinkage, leakage or evaporation, nor for loss of money, bullion, bonds, coupons, jewelry, precious stones, valuable papers or other matter of extraordinary value unless such articles are enumerated in the receipt, nor for delay in transit or delay in delivery at destination.

4. The Company shall not be liable in any event for loss or damage due to acts of God, public enemies, authority of law, quarantine, riots, strikes, hazards or dangers incident to a state of war or rebellion, any deviation from the usual routes flown over by the Company's aircraft when necessary or expedient in the opinion of the Company or its agents; occurrences in warehouses; the act or default of the Shipper, Owner or Consignee; the nature of the property or defect or inherent vice therein, improper or insufficient packing, securing or addressing; delivery under instructions of shipper or consignee at a place where there is no agent of the Company after shipment has been left at such place; latent defects in planes or loss, damage, or delay resulting from any other cause whatever beyond the Company's control.

5. The Company shall not be liable for packages containing fragile or perishable articles unless so marked and unless properly packed to withstand all risks and incidents of air transportation, take offs and landings.

6. The Company's rates include transportation from address of Shipper to address of Consignee only if both are within the established limits of cities listed in the Company's tariff; additional charges shall be paid by the Shipper or Consignee for collection or delivery outside such limits. The Company shall not be liable on account of delivery of any shipment outside such limits, nor on account of reconsignment of any shipment to a point other than one of its scheduled stops. Shipments requiring transshipment must be marked with forwarding directions, and, in the absence of complete forwarding directions the Company may transship as it deems proper at the risk of Shipper, Owner and/or Consignee.

7. The Company may, in its absolute discretion, before shipment, or at any time during the carriage, at any point whatsoever, transport or transship said shipment in whole or in part by any other carrier or conveyance. The liability of the Company shall cease absolutely upon delivery of such shipment or such portion thereof to such carrier or conveyance or to a warehouseman or other bailee, and such shipment or such portion thereof shall thereafter be transported or transshipped at the risk of the Shipper, Consignee and/or Owner, unless the Company is negligent in its selection of or in its method of delivery to such other carrier, conveyance, warehouseman or other bailee.

8. The Company assumes no liability for inability to deliver due to incorrect or imperfect marking or other cause beyond its control. If, after thirty days' notice to the Shipper, the Company is unable to make delivery, or charges for collect shipments remain unpaid, the Company may, at its option, return the property to the Shipper at his risk and at his expense, including incidental charges. The Company shall have a lien on the shipment for all express and other charges of whatever nature. If, on a sale of the shipment the proceeds fail to cover the sums due the Company, the Company shall be entitled to recover the difference from the Shipper, Owner and/or Consignee.

9. The Company will not accept for transportation any shipment consisting in whole or in part of acids, explosives, articles of an inflammable, combustible, hazardous, dangerous or noxious nature, or shipments prohibited by law. Whenever through misrepresentation, inadvertence or otherwise, any such shipment is delivered to the Company for transportation, the Shipper, Owner and Consignee shall be jointly and severally liable for any loss or damage to the Company or others caused by the same. Such shipments may be jettisoned or destroyed at any time by the Company, or its agents without liability. Extra charges and expenses, if any, in connection with the discharge, handling or other disposition of such shipments shall be borne by the Shipper, Owner and/or Consignee.

10. As conditions precedent to recovery, claims must be made in writing to the Company within thirty days after delivery of the shipment, or, in case of failure to make delivery within forty-five days after date of shipment; and suits must be instituted within one year and one day after the date when notice in writing is given by the Company to the claimant that the claim has been disallowed in whole or in part.

11. The provisions herein recited, including those limiting liability for shipments, apply to and include like limitations of liability of Postal Telegraph-Cable Company in the pick-up, delivery and other services rendered by it.

2. Railway Express Agency.

RAILWAY EXPRESS AGENCY, INC.

AIR EXPRESS—UNIFORM EXPRESS RECEIPT—NON-NEGOTIABLE

"AIRYX" is a code word meaning

Ship by Air Express Division, Railway Express Company

* * * * *

NOTE—The Company will not pay over \$50, in case of loss, or 50 cents per pound, actual weight, for any shipment in excess of 100 pounds, unless a greater value is declared and charges for such greater value paid.

Received shipment described hereon, subject to the Classification and Tariffs in effect on the date hereof, value herein declared by Shipper to be that entered in space hereon reading "Declared Value," which the Company agrees to carry upon the Terms and Conditions printed hereon, to which the Shipper agrees and as evidence thereof, accepts this receipt.

ATTENTION OF SHIPPER—The terms and conditions of the air express receipt under which this shipment is accepted are printed on the back hereof.

.....For the Company

Number Pieces..... Hour.....M

UNIFORM EXPRESS RECEIPT—NON-NEGOTIABLE—TERMS AND CONDITIONS

1. The provisions of this receipt shall inure to the benefit of and be binding upon the consignor, the consignee, and all carriers handling this shipment and shall apply to any reconsignment or return thereof.

2. In consideration of the rate charged for carrying said property, which is dependent upon the value thereof and is based upon an agreed valuation of not exceeding fifty dollars for any shipment of 100 pounds or less, and not exceeding fifty cents per pound, actual weight, for any shipment in excess of 100 pounds, unless a greater value is declared at the time of shipment, the shipper agrees that the company shall not be liable in any event for more than fifty dollars for any shipment of 100 pounds or less, or for more than fifty cents per pound, actual weight, for any shipment weighing more than 100 pounds, unless a greater value is stated herein. Unless a greater value is declared and stated herein the shipper agrees that the value of the shipment is as last above set out and that the liability of the company shall in no event exceed such value.

3. Unless caused by its own negligence or that of its agents, the company shall not be liable for—

- a. Difference in weight or quantity caused by shrinkage, leakage, or evaporation.
- b. The death, injury, or escape of live freight.
- c. Loss of money, bullion, bonds, coupons, jewelry, precious stones, valuable papers, or other matter of extraordinary value, unless such articles are enumerated in the receipt.

4. Unless caused in whole or in part by its own negligence or that of its agents, the company shall not be liable for loss, damage, or delay caused by—

- a. The act or default of the shipper or owner.
- b. The nature of the property, or defect or inherent vice therein.
- c. Improper or insufficient packing, securing, or addressing.
- d. The act of God, public enemies, authority of law, quarantine, riots, strikes, *perils of air navigation*, the hazards or dangers incident to a state of war, or occurrence in customs warehouse.
- e. The examination by or partial delivery to the consignee of C. O. D. shipments.
- f. Delivery under instructions of consignor or consignee at stations where there is no agent of the company after such shipments have been left at such stations.

5. Packages containing fragile articles or articles consisting wholly or in part of glass must be so marked and be packed so as to insure safe transportation by express with ordinary care.

6. When consigned to a place at which the express company has no office, shipments must be marked with the name of the express station at which delivery will be accepted or be marked with forwarding directions if to go beyond the express company's line by a carrier other than an express company. If not so marked shipments will be refused.

7. As conditions precedent to recovery claims must be made in writing to the originating or delivering carrier within nine months after delivery of the property or, in case of failure to make delivery then within nine months and fifteen days after date of shipment; and suits shall be instituted only within two years and one day after the date when notice in writing is given by the carrier to the claimant that the carrier has disallowed the claim or any part or parts thereof.

8. If any C. O. D. is not paid within thirty days after notice of non-delivery has been mailed to the shippers the company may at its option return the property to the consignor.

9. Free delivery will not be made at points where the company maintains no delivery service, at points where delivery service is maintained free delivery will not be made at addresses beyond the established and published delivery limits.

*Special Additional Provisions as to Shipments Forwarded by Vessel
from the United States to Places in Foreign Countries*

10. If the destination specified in this receipt is in a foreign country, the property covered hereby shall, as to transit over ocean routes and by their foreign connections to such destination, be subject to all the terms and conditions of the receipt or bills of lading of ocean carriers as accepted by the company for the shipment, and of foreign carriers participating in the transportation, and as to such transit is accepted for transportation and delivery subject to the acts, ladings, laws, regulations, and customs of oversea and foreign carriers, custodians, and governments, their employees and agents.

11. The company shall not be liable for any loss, damage, or delay to said shipments over ocean routes and their foreign connections, the destination of which is in a foreign country, occurring outside the boundaries of the United States, which may be occasioned by any such acts, ladings, laws, regulations, or customs. Claims for loss, damage or delay must be made in writing to the carrier at the port of export or to the carrier issuing this receipt within nine months after delivery of the property at said port or in case of failure to make such delivery, then within nine months and fifteen

days after date of shipment, and claims so made against said delivering or issuing carrier shall be deemed to have been made against any carrier which may be liable hereunder. Suits shall be instituted only within two years and one day after the date when notice in writing is given by the carrier to the claimant that the carrier has disallowed the claim or any part or parts thereof. Where claims are not so made, and/or suits are not instituted thereon in accordance with the foregoing provisions, the carrier shall not be liable.

12. It is hereby agreed that the property destined to such foreign countries, and assessable with foreign governmental or customs duties, taxes, or charges, may be stopped in transit at foreign ports, frontiers or depositories, and there held pending examination, assessments, and payments, and such duties and charges, when advanced by the company, shall become a lien on the property.

Special Additional Provisions as to Air Service

13. *The Company will not accept for transportation in Air Service any single shipment the DECLARED value of which is more than \$25,000 nor will it accept in Air Service explosives, articles of an inflammable nature, acids or live freight.*

14. *Fragile articles liable to damage from shock will not be accepted in Air Service.*

D. Traveler's Accident Insurance Policies

[This type of policy is relevant to the general problem as showing what kind of accident insurance the passenger can obtain on his own account, irrespective of the carrier's liability. No attempt is made here to assemble the clauses or riders in ordinary life policies permitting travel by air.¹]

"Coupon No. 1—\$1.00

Makes insurance good for Six Consecutive Hours from date and hour of issue.²

This Insurance Does Not Cover any Person Under 18
Nor Over 69 Years of Age

THE TRAVELERS INSURANCE COMPANY

HARTFORD, CONNECTICUT

This Policy Provides Indemnity for Loss of Life, Limb or Time
by Bodily Injuries to the Extent Herein Provided

In consideration of the premium indicated on the coupon attached, Hereby Insures the person whose name is written upon the stub of this Ticket Policy in the possession of the Company bearing even number and date herewith against loss resulting from bodily injuries effected during the term of this insurance directly and independently of all other causes through external, violent and accidental means, as specified in Parts A and B, subject to the conditions and limitations herein contained.

Part A: *If such injuries are sustained while the Insured is riding as a passenger in or on a public conveyance provided by a common carrier for passenger service and propelled by mechanical power including injuries sustained by the Insured through means as aforesaid while riding as a passenger in a licensed passenger airplane provided by an incorporated passenger carrier and while operated by a licensed pilot on a regular scheduled trip over an established passenger route between definitely established airports within the limits of the United States and Canada in North America south of the sixtieth degree of north latitude and not exceeding ten miles at sea from the*

1. On that subject see the elaborate article by Fred M. Glass, "Aeronautical Risk Exclusion in Life Insurance Contracts" (J. Air Law, 1936, VII, 305).

2. For \$2 the policy would be in force for a 24-hour flight.

coastline of either country and result independently of all other causes within ninety days from the date of the accident (a) in death, the Company will pay \$5,000 in lieu of any other indemnity to the executors, administrators or assigns of the Insured; or (b) in the loss of both hands or both feet by complete severance through or above the wrist or ankle joints, the Company will pay the Insured \$5,000 in lieu of any other indemnity; or (c) in the loss of one hand or one foot by complete severance through or above the wrist or ankle joints, the Company will pay the Insured \$2,500 in lieu of any other indemnity; or (d) if such injuries so sustained do not result in a loss specified in Clause a, b, or c, for the period commencing with the date of accident not exceeding 52 consecutive weeks during which the Insured shall be continuously and wholly disabled by such injuries, independently of all other causes, from performing every duty pertaining to his business or occupation, the Company will pay \$25.00 a week; or for the period not exceeding 26 consecutive weeks commencing with the date of accident or immediately following total loss of time, during which the Insured shall be continuously and wholly disabled by such injury from performing one or more important daily duties pertaining to his occupation, the Company will pay \$15.00 a week. In no case shall indemnity payable for both total and partial loss of time exceed fifty-two consecutive weeks.

Part B: *Three-fifths of the amounts specified will be paid if the injury causing the loss is sustained elsewhere than as specified in Part A, subject otherwise to the conditions and limitations hereinbefore and hereinafter contained."*

[Then follow 26 "Standard Provisions" common to all accident policies.]

E. Carrier's Liability Insurance Policies

[Here are shown two policies issued by one syndicate, covering in separate policies (a) injury to passengers and injury to persons and property on the ground, and (b) injury to baggage; then a policy issued by another syndicate covering injury to passengers and injury to persons and property on the ground. (The latter liability is technically known in the trade as "public liability." The contract covering baggage liability is made a part of a policy insuring the craft itself against natural perils, known technically as an "aircraft hull policy," following maritime analogy.)]

1. Aero Insurance Underwriters' Policy

(1) Passenger Liability and "Public Liability."

No. Aircraft Liability Policy

"This Policy is obtainable in any of the following Companies through

AERO INSURANCE UNDERWRITERS

SUCCESSORS TO

BARBER & BALDWIN, INC.

AVIATION UNDERWRITERS

New York City

Eagle Indemnity Co.	London Guarantee & Accident Co., Ltd.
Globe Indemnity Co.	Phoenix Indemnity Co.
Great American Indemnity Co.	Royal Indemnity Co.
(Hereinafter called the Company)	

Has issued this Policy subject to the Statements made by the Named Assured in Items 4 to 13 inclusive, which Statements are Statements of Fact

known to and warranted by the Named Assured to be true, and this Policy is issued by the Company relying upon the truth thereof.

SECTION I—SCHEDULE OF STATEMENTS

1. Named Assured
2. Address of Assured.....
3. Term of Policy: From.....19... noon To.....19... noon,
Standard Time at place policy is issued.
4. Assured's occupation or business is.....
5. Assured's insurable interest is that of.....
6. The aircraft will only be used for the following uses: Operation of
scheduled and non-scheduled passenger, mail and air express service,
private pleasure flying and other flying necessary in the conduct of the
Assured's business.
7. The aircraft described will usually be kept in.....hangar, located at..
8. The aircraft will be used only within the geographical limits of U. S. A.
and into Canada within 100 miles of the International Border and into
Mexico within 100 miles of the International Border.
9. The aircraft does not contain any novel, experimental or untried features
of design or material, except as follows: No exceptions but improve-
ments and developments in engine and aircraft accessories, instruments,
etc., may be installed with the approval of the Bureau of Air Commerce,
Dept. of Commerce.
10. The last complete overhaul of the aircraft was.....and of engine.....
11. The following is the description of the aircraft covered by this policy:
Landplane, seaplane, Flying Boat, Amphibian.
Make and Type.
D. of C License No.
When Built—Month—Year. Hours Flown.
Seating Capacity Excluding Crew.
Engine—H.P. and Make, Type, Identification No. or Marks, When Con-
structed—Month—Year, Hours Run.
12. Pilot(s)
Name. Age. License—No., Date, Classification.
Solo Hours—Total, Last 90 Days.
13. No company or underwriter has at any time
(a) Ever declined an application for insurance on behalf of Assured, or
(b) Cancelled or refused to renew insurance, or
(c) Ever declined an application in respect of the pilot, except as fol-
lows:.....

SECTION II—SCHEDULE OF COVERAGE

This insurance applies to only such and so many of the Coverages named in the Schedule below as are indicated by specific premium in writing set opposite thereto.

1. *Public Liability Excluding Passengers*—Bodily Injuries, whether re-
sulting fatally or otherwise to persons other than passengers. Liability to
passengers while in, entering, or leaving the aircraft herein described is not
covered under this Section. The Company's liability for all claims out of
Bodily Injuries, in respect of any one accident or disaster, shall not exceed
\$..... subject to a limit of \$..... for all claims arising out of
Bodily Injuries sustained by any one person. Premium Charge \$.....

2. *Passenger Liability*—Bodily Injuries, whether resulting fatally or
otherwise to passengers while in, entering, or leaving the aircraft herein
described. The Company's liability for all claims arising out of Bodily In-
juries, in respect of any one accident or disaster, shall not exceed \$.....
subject to a limit of \$..... for all claims arising out of Bodily Injuries
sustained by any one person. Premium Charge \$.....

3. *Damage to Property of Others*—The Company's liability for damages
in respect of any one accident or disaster involving damage to or destruction
of property, including the resultant loss of use thereof, shall not in any event
exceed \$..... Premium Charge \$..... Total Premium \$.....

This policy shall not be valid unless countersigned by a duly authorized agent of this Company, and approved by an Underwriter of Aero Insurance Underwriters, for the Company.

SECTION III—AGREEMENTS

DOES HEREBY AGREE with the named Assured, subject to the limitations and conditions herein contained, as respects accidents occurring, while this Policy is in force, by reason of the ownership or maintenance of any aircraft described in Statement 13 and the use thereof as stated in Section I hereof:

1. *Bodily Injuries.* To pay, within the limits specified in the Schedule of Coverage, and only if specific premium charges are made and inserted in the Schedule of Coverage, the loss from the liability imposed by law upon the Assured for damages (including consequential damages) on account of bodily injuries, including death resulting at any time therefrom, suffered or alleged to have been suffered by any person or persons, as are provided for in the Schedule of Coverage, as a result of such accidents.

2. *Property Damage.* To pay, within the limit specified in the Schedule of Coverage, and only if specific premium charges are made and inserted in the Schedule of Coverage, the loss from the liability imposed by law upon the Assured for damages on account of damage to or destruction of property, including the resultant loss of use thereof (excluding property of Assured, or in charge of Assured or any of his employees, or carried in or on any such aircraft), resulting from such accidents.

3. *Defense.* To defend, in the name and on behalf of the Assured, any claim or suit against the Assured, even if groundless, to recover damages on account of bodily injuries and/or property damage covered hereby.

4. *Expense.* To pay: (a) for the immediate surgical aid made necessary by such accidents; (b) all expenses incurred by the Company for investigation, negotiation, and defense of claims and suits; (c) all premiums on attachment and/or appeal bonds, and all costs taxed against the Assured, in suits for damages on account of bodily injuries and/or property damage covered hereby; (d) all interest accruing on the full amount of any judgment in such suit, until the Company shall have delivered its check, to the judgment creditor or to his attorney of record, in payment of its liability under said Agreements.

5. *Insolvency or Bankruptcy of Assured.* The insolvency or bankruptcy of Assured shall not release the Company from any payment otherwise due hereunder, and if, because of such insolvency or bankruptcy, an execution on a judgment against Assured is returned unsatisfied, the judgment creditor shall have a right of action against the Company to recover the amount of said judgment to the same extent that Assured would have had if he had paid the judgment.

6. *Death of Named Assured.* Should the named Assured die while this Policy is in force, it shall thereupon cover his legal representatives, provided notice is given the Company in writing within thirty days of such death.

7. *Exclusions.* This Policy does not cover any liability: (a) Imposed upon or assumed by the Assured under any Workmen's Compensation Act, Plan or Law, or under any agreement, oral or written; (b) In respect of injuries sustained by employees of the Assured in the course of their employment or pupils of the Assured in the course of their instruction while carried upon or operating or caring for aircraft herein described, or while engaged in the usual course of the trade, business, profession or occupation of the Assured.

Unless otherwise provided by agreement in writing added hereto this Policy does not cover any liability in respect of injuries or damage caused in whole or in part by the ownership, maintenance or use of any aircraft insured hereunder during or in consequence of:

(i) War, invasion, insurrection, riot, civil war or commotion, military, naval or usurped power, or by order of any civil authority; or

(ii) Running the engine(s) of the aircraft in the hangar or place of housing; or

(iii) Any Regulation of the Federal Bureau of Air Commerce re-

lating to the operation of aircraft being violated or the aircraft being used for any unlawful purpose provided that such violation or use is with the knowledge or consent of the Assured; or

(iv) The use of the aircraft for purposes other than those specified in the Schedule of Statements or while the aircraft is being flown (other than taxiing by licensed employee mechanics) by any person other than the pilot(s) named or described in said Schedule or a pilot specifically approved by the Company by endorsement attached to this Policy; or while the license of any said pilot or mechanic operating the aircraft has been revoked suspended, changed, or has expired and not been renewed at the time of loss; or

(v) Water-lighting aircraft flying in shore beyond five miles of water suitable for a landing or flying off-shore more than five miles from land, or land-lighting aircraft flying off shore more than five miles from land; or

(vi) The aircraft described herein being rented or leased.

(vii) The aircraft described herein being operated in any race or speed contest, or in an attempt at record breaking, or during or in consequence of acrobatic flying, i. e., any intentional maneuver not necessary for safe navigation; or

(viii) The aircraft, while carrying a passenger(s) and covered under Section 2 (Passenger Liability) of the Schedule of Coverage, being in flight between one hour after sunset and one hour before sunrise, unless during such flight the aircraft is equipped with such night flying equipment as is prescribed by the Federal Bureau of Air Commerce to be carried by aircraft when carrying passengers for hire at night and unless such flights are between lighted airports and within fifty miles of a lighted airway.

(ix) The transportation in the aircraft of material designed for explosive purposes.

8. *Additional Assured.* The term "named Assured" shall mean only the Assured specified in Statement 1, but the term "Assured" shall include the named Assured and any other person while riding in, or an approved pilot while operating, such aircraft and any other person legally responsible for its operation, provided: (a) it is being used with the permission of the named Assured; (b) such other person is not covered by any valid and collectible insurance against a loss covered hereby; (c) the term "Assured" shall not be held to include any aircraft manufacturer or aircraft engine manufacturer, or any aircraft repair or service station, or aircraft sales agency, or hangar keeper, or airport operator, flying school, or flying club, nor any employe of the Assured with respect to any claim or action against said employe by another employe of the same Assured on account of an accident arising out of the operation or use of such aircraft; (d) If the business of the named Assured (insured as such) is that of an aircraft manufacturer or aircraft engine manufacturer or aircraft repair or service station or aircraft sales agency or hangar keeper or airport operator or flying school or flying club, then the term "Assured" shall only include officers, executives and employees of the named Assured or any agent or employe thereof.

SECTION IV—CONDITIONS

A. *Notices.* The Assured shall forward to the Company or its authorized agent: (1) written notice of every accident as soon as practicable; (2) prompt notice of every claim; (3) every summons and other process in suits as soon as served upon him. Notice given by or on behalf of the Assured to any authorized agent of the Company within the State in which this Policy covers, with particulars sufficient to identify the Assured, shall be deemed to be notice to the Company. The Assured shall cooperate with the Company, except in a pecuniary way, in the defense of claims and suits and in prosecuting appeals.

B. *Settlements.* The Company shall have the right to settle any claim or suit at its own cost, and the Assured shall not voluntarily assume any liability nor incur any expense (other than for said immediate surgical aid)

nor settle any such claim or suit, except at his own cost, without the written consent of the Company.

C. *Cancellation.* This Policy or any one or more of the coverages provided in the Schedule of Coverage or by endorsement hereto shall be cancelled at any time at request of the named Assured, in which case the Company shall refund the excess of paid premium above the customary short rate premium for the expired term, subject to the prior surrender of this Policy by the named Assured if all the coverages provided have been cancelled. This Policy or any one or more of the coverages provided herein or by endorsement hereto may be cancelled at any time by this Company by giving to the named Assured a five (5) days' written notice of cancellation with or without tender of the excess of paid premium above the pro rata premium for the expired term, which excess if not tendered shall be refunded on demand. Notice of cancellation mailed to the address of the named Assured stated in the Policy shall be a sufficient notice. Where a special provision for cancellation and notice of such cancellation is required by statutory enactment, the requirements of the provision required by such statute shall be substituted in lieu of the foregoing provision.

D. *Other Insurance.* If the Assured carry, in another company, insurance against a loss covered hereby, the Company shall not be liable for a larger proportion of the entire loss than the amount hereby insured bears to the total amount of valid and collectible insurance applicable thereto. If such other insurance is carried in the Company, the Company shall in no event be liable under more than one policy for a single accident, but the Assured shall have the right and opportunity to elect which policy shall cover.

E. *Definitions.* The term "disaster," wherever it appears in this Policy, or in any endorsement attached thereto, shall be held to mean a series of accidents arising from one and the same cause. The term "Passenger" wherever it appears in this Policy or in any endorsement attached hereto, shall be held to mean only a person or persons carried in any aircraft herein described, other than the pilot(s), co-pilot(s), or member of the crew of the said aircraft or pupils of the Assured in the course of their instruction.

F. *Alterations.* No assignment of this Policy, and no waiver or change in any of its terms or conditions, shall be valid unless expressed in writing and signed by some official thereunto authorized by the Company, nor shall notice to, or knowledge of, any agent or any other person be held to effect a waiver or change in any part thereof.

G. *Subrogation.* The rights of the Assured against other parties as respects any payment under this Policy shall, to the extent of such payment, be subrogated to the Company, and the Assured shall execute all papers required to secure to the Company such rights.

H. *Consideration.* This Policy is issued in consideration of the payment of the premium and of the Statements in the Schedule of Statements endorsed hereon and hereby made a part hereof, which Statements the named Assured, by the acceptance of this Policy, warrants to be true.

I. *Statutory Provisions.* Any applicable specific statutory provision of any State shall be deemed incorporated into this Policy and shall supersede any Agreement or Condition of this Policy inconsistent therewith.

IN WITNESS WHEREOF, the Company has executed and attested these presents; but this Policy shall not be valid unless countersigned by a duly authorized agent of the Company, and approved by an Underwriter of Aero Insurance Underwriters, for the Company."

[RIDER TO No. (1)]

"GREAT AMERICAN INDEMNITY COMPANY

"Assured—CHICAGO AND SOUTHERN AIR LINES, INC.

This endorsement, attached to and made of part of Aircraft Hull or Aircraft Liability Policy No. issued by Great American Indemnity Company shall take effect on the.....day of....., 19....

Nothing herein contained shall be held to vary, waive, alter or extend

any of the terms, conditions and/or warranties of the above mentioned policy, other than as hereinunder stated.

This endorsement shall not be valid unless approved by an underwriter of AERO INSURANCE UNDERWRITERS, for the Company.

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

1. Mechanics Authorized to Start and Run Engines:

Any licensed or unlicensed mechanics in the regular employ of the Assured also aircraft motor service engineers and Department of Commerce inspectors and others authorized by the Operations Manager or those designated by him to act in his absence are hereby authorized to start and run engines installed in the aircraft insured hereunder while the aircraft are stationary, for the purpose of testing and running the engines or engine instruments without prejudice to this insurance.

2. Mechanics Authorized to Taxi Aircraft:

Any licensed or unlicensed mechanics in the regular employ of the Assured who have had previous experience in taxiing aircraft of similar type and are competent in the opinion of the Assured's Local Operations Manager to taxi such aircraft and have been authorized by him to operate aircraft for necessary taxiing from hangar or hangars to the starting line or vice versa, also aircraft motor service engineers and Department of Commerce inspectors and others authorized by the Operations Manager or those designated by him to act in his absence are permitted to so taxi the aircraft insured hereunder without prejudice to this insurance.

3. Welding on Insured Aircraft in Hangar:

The coverage provided by the within policy shall not be invalidated by reason of welding being done on the insured aircraft while such aircraft are contained in their hangar or place of housing.

4. Coverage Applying to Additional Aircraft:

The coverage provided by the within policy shall apply to any fully licensed aircraft purchased by the Assured, such coverage to attach automatically as of the date and time delivery of such aircraft is accepted by the Assured subject to the Assured dispatching immediate notice by mail of such attachment of risk to Aero Insurance Underwriters, 156 William Street, New York City, and furnishing full particulars regarding such aircraft to Aero Insurance Underwriters within a reasonable length of time after the insurance applying to the aircraft shall have attached. IT IS FURTHER UNDERSTOOD AND AGREED that the limits of indemnity applicable to such aircraft shall be the same as those applying to aircraft already insured under the within policy with a maximum Passenger Liability limit of \$. any one aircraft.

5. Pilots Permitted to Pilot the Insured Aircraft:

The insured aircraft may be flown by any Pilot holding a Transport Pilot's license in good standing who has had not less than 500 hours flying experience and who has been approved for flying the said aircraft by the Assured's Operations Manager, subject to such pilot holding a rating permitting him to fly passengers for hire in the type of aircraft he is to fly under this Policy and subject to such Pilot having a S.A.T. Rating in good standing if he is to fly the insured aircraft on scheduled airline flights. Co-pilots are permitted to fly the insured aircraft so long as a transport licensed pilot with a S.A.T. Rating in good standing is in charge of the aircraft.

6. Extension of Passenger Liability Coverage:

(a) In the event of a cancelled or interrupted flight or of a forced landing of any aircraft insured hereunder and the procurement by the Assured of transportation for passengers who may have been travelling or were about to travel in the said aircraft from or to the scene of the cancelled or interrupted flight or forced landing, Section 2 (Passenger Liability) of the Schedule of Coverage of the within policy shall be extended to apply in respect to the said passengers during such transportation.

(b) Section 2 (Passenger Liability) of the Schedule of Coverage of the within Policy is extended to include the interests of any operator of a passenger air line with which the Assured may have an inter-line agreement,

and/or the interests of any and all railroads, steamship lines or ticket agencies which act as agents for the Assured in selling passenger transportation over the air line of the Assured and interconnecting air lines.

(c) The term 'Passenger' wherever it appears in this policy or in any endorsement attached hereto, shall be held to include pilots, co-pilots and/or members of the crew of an aircraft insured hereunder when such pilots, co-pilots and/or members of the crew are not in the employ of the Assured, and also any employees of the Assured including pilots, co-pilots and/or members of the crew of an aircraft insured hereunder, if at the time of an accident involving bodily injuries or death to such employee, such bodily injuries and/or death did not arise out of or in the course of the employment of such employees with the Assured.

7. Extending Passenger Liability to Cover Night Flying:

The words 'and unless such flights are between lighted airports and within fifty miles of a lighted airway' are hereby deleted and in place thereof are substituted the following words:

'and unless the Assured routes all flights of aircraft insured under the within Policy occurring subsequent to one hour after sunset and prior to one hour before sunrise over regularly lighted airways and/or regularly lighted airports. It Is FURTHER UNDERSTOOD AND AGREED that if by reason of inclement weather developing during the course of a scheduled flight originally routed via a lighted Airway to a lighted Airport it becomes necessary to alter the route of the said flight over an unlighted Airway to an unlighted Airport in order to effect a safe landing, such deviation from the lighted route to the unlighted Airport shall not invalidate the coverage provided by this Policy.'

8. Transportation of Explosives:

With respect to subsection (ix) of Condition No. 7 of the General Conditions of this Policy, the coverage provided hereunder shall not be invalidated by reason of the transportation of explosives consisting of signaling devices, side arms and sporting rifles and necessary ammunition therefor nor explosives forwarded by mail with the approval of the Post Office Department and Bureau of Air Commerce. It Is FURTHER UNDERSTOOD AND AGREED that the coverage provided hereunder shall not be invalidated because of materials designed for explosive purposes being transported in the insured aircraft without the knowledge and consent of the Assured.

9. Limits of Liability Applying to Each Aircraft:

The limits of liability as stated in the Schedule of Coverage of the within policy are effective in respect to each aircraft insured thereunder."

(2) Property Liability.

No.....

AIRCRAFT HULL POLICY

This Policy is obtainable in any of the following Companies through

AERO INSURANCE UNDERWRITERS

Successors To

BARBER & BALDWIN, Inc.

Aviation Underwriters

New York City

American Alliance Insurance Co.	Federal Union Insurance Co.
American & Foreign Insurance Co.	Great American Insurance Co.
Amer. Natl. Fire Ins. Co.	Homeland Insurance Co.
British & Foreign Marine Ins. Co., Ltd.	Imperial Assurance Co.
Capital Fire Insurance Co.	Liverpool & London & Globe Insurance Co., Ltd.
Columbia Insur. Company	London & Scottish Assur. Corp.
Commonwealth Insurance Co.	Massachusetts Fire & Marine Ins. Co.
County Fire Insurance Company	Mercantile Insurance Co.
Detroit Fire & Marine Insurance Co.	

Newark Fire Insurance Company	Queen Insurance Co.
North British & Mercantile Insurance Co., Ltd.	Rochester American Ins. Co.
North Carolina Home Insur. Co.	Royal Insurance Co., Ltd.
Northern Assurance Co., Ltd.	Star Insurance Co.
Pennsylvania Fire Insurance Co.	Union Mar. & Genl. Ins. Co., Ltd.
Phoenix Assurance Co., Ltd.	United Firemen's Insur. Co.

SCHEDULE OF COVERAGE

This Policy is issued by the Company subject to the Statement made by the Assured in Items 5 to 14 inclusive which statements are statements of fact known to and warranted by the Assured to be true.

1. Name of Assured.....
2. Address of Assured.....
3. Term of Policy: From.....19.. noon To.....19.. noon,
Standard Time at place policy is issued.

This insurance is against only such and so many of the Perils named in the Schedule below as are indicated by specific premium in writing set opposite thereto. The limit of this Company's liability against each of such Perils shall be as stated in the General Conditions of this policy, not exceeding, however, the Amount of Insurance stated in said Schedule, subject to the deduction of the amount specified (if any) from each claim.

4.	PERILS	Amount of Insurance	Amount Deductible	Net Rates	Premiums
1.	Fire, under all circumstances, excluding Fire following Crash, as defined in Definition A, and Transportation, as defined in Definition C.	\$			\$
2.	Fire, while not in flight, as defined in Definition B, and Transportation, as defined in Definition C.	\$			\$
3.	Crash, as defined in Definition D.	\$	\$		\$
4.	Tornado, Cyclone and Windstorm, as defined in Definition E.	\$	\$		\$
5.	Land Damage, as defined in Definition F.	\$	\$		\$
6.	Mooring, as defined in Definition G.	\$	\$		\$
7.	Theft, Robbery and Pilferage, as defined in Definition H.	\$	\$25.00		\$
			Total Premium	\$.....	

SCHEDULE OF STATEMENTS

5. Assured's occupation or business is.....
6. Assured's insurable interest is that of.....
7. The aircraft will only be used for the following uses: Operation of scheduled and non-scheduled passenger mail and air express service, private pleasure flying and other flying necessary in the conduct of the Assured's business.
8. The aircraft described will usually be kept in.....hangar, located at.....
9. The aircraft will be used only within the geographical limits of U. S. A. and into Canada within 100 miles of the International Border and into Mexico within 100 miles of the International Border.

10. The aircraft does not contain any novel, experimental or untried features of design or material, except as follows: No exceptions but improvements and developments in engine and aircraft accessories, instruments, etc., may be installed with the approval of the Bureau of Air Commerce, Department of Commerce.
11. The last complete overhaul of the aircraft was.....and of engine.....
12. The following is the description of the aircraft covered by this policy:
 Landplane..... Seaplane..... Flying Boat..... Amphibian.....
 Make and Type..... D. of C. License No.....
 When Built—Mo..... Year..... Hours Flown.....
 Seating Capacity Excluding Crew..... Date Purchased.....
 Price Paid \$..... Purchased New or Used.....
 Present Estimated Value With Engines \$.....
 ENGINE(S)
 H. P. and Make..... Type..... Engine Number.....
 When Built—Mo..... Year..... Total Hours Run.....
 Hours Run Since Overhaul..... Date Purchased.....
 Price Paid \$..... Purchased New or Used.....
 Present Estimated Value \$.....
13. PILOT(S)
 Name..... Age.....
 License No..... Date..... Classification.....
 Solo Hours—Total..... Last 90 Days.....
14. No company or underwriters has at any time
 (a) Ever declined an application for insurance on behalf of Assured, or
 (b) Cancelled or refused to renew insurance, or
 (c) Ever declined an application in respect of the pilot, except as follows:

This Policy shall not be valid unless countersigned by a duly authorized agent of the Company, and approved by an Underwriter of Aero Insurance Underwriters for the Company.

(herein called this Company)

In Consideration of the Premium stipulated in the Schedules of Coverage and Statements hereto attached and hereby made a part of this Contract does Insure the Assured named herein, for the term herein specified, to an amount not exceeding the limits of liability herein specified, against direct loss or damage from the perils specifically insured against herein to the aircraft herein described including the engines, navigational instruments and equipment usually and ordinarily attached thereto or carried thereon in its usual and customary use.

DEFINITION OF PERILS

A Fire, under all circumstances excluding Fire following Crash:

Fire, lightning, self-ignition or explosion under all circumstances excluding fire or explosion the result of Crash as herein defined.

B Fire, while not in flight:

Fire, lightning, self-ignition, or explosion while the aircraft is in flight.

C Transportation:

The stranding, sinking, burning, collision or derailment of any conveyance in or upon which the aircraft, when properly dismantled and prepared for shipment, is being transported on land or water, within the geographical limits specified in this policy, including general average and salvage charges for which the Assured is legally liable.

D Crash:

Damage to the aircraft during flight due to collision with the ground, water or other object including damage by fire or explosion caused by such collision and including damage due to stranding or sinking or water damage arising from flight. If the aircraft takes off and is missing and not reported for sixty days it shall be deemed to have been lost due to a peril covered by this coverage.

E Tornado, Cyclone and Windstorm:

Damage to the aircraft by Tornado, Cyclone or Windstorm except while the aircraft is in flight or is taxiing subsequent to flight until it reaches a terminal or parking place.

F Land Damage:

Damage to the aircraft while on land, but not in flight or taxiing subsequent to flight until it reaches a terminal or parking place, caused by hail or by being struck by or colliding with another aircraft, vehicle or object (excluding any aircraft vehicle or moving object owned or operated by the Assured or any of his employees) but excluding damage caused by any other peril described in this policy.

G Mooring:

Damage to water-alighting aircraft while not in flight or being taxied subsequent to flight until it reaches a terminal or mooring place, caused by windstorm, hail, stranding or sinking or by being struck by or colliding with another aircraft, vehicle or object (excluding any aircraft, vehicle or moving object owned or operated by the Assured or any of his employees).

H Theft, Robbery and Pilferage:

Theft, Robbery and Pilferage, including damage done to aircraft by thieves, except by any person or persons in the Assured's household or in the Assured's service or employment, whether the theft, robbery or pilferage occurs during the hours of such service or employment or not, and excepting by any person, or agent thereof, or by the agent of any firm or corporation to which person, firm or corporation the Assured, or any one acting under express or implied authority of the Assured, voluntarily parts with title and/or custody and/or possession whether or not induced so to do by any fraudulent scheme, trick, device or false pretense.

Explanatory Definitions:

For the purpose of this policy the following terms shall be held to mean:

"Flight"—The period from the time the aircraft moves forward in taking off or attempting to take off for the actual air transit, while in the air and until the aircraft completes its run after contact with the earth or water.

"Taxiing"—While the aircraft is moving under its own power, but not in flight or attempting to take off for air transit.

WARRANTED BY THE ASSURED

The Assured warrants that facts stated in the attached Schedule of Statements are known to the Assured and are true, and that the property insured will be put to the uses set out in said Schedule, and no other, and that such property will be usually kept in the place described in said Schedule, and that all Conditions and Agreements contained in said Schedule will be kept and performed; and this Policy is issued relying upon the truth of each and all Statements of Facts, and upon the performance of all Warranties, Conditions and Agreements required to be kept or performed.

CO-INSURANCE CLAUSE

In the event of loss, this Company shall be liable for no greater proportion thereof than the amount hereby insured bears to the actual cash value of the property described herein at the time the insurance is effected, nor for more than the proportion which this policy bears to the total insurance thereon.

If this policy be divided into two or more items, the foregoing shall apply to each item separately.

GENERAL CONDITIONS

1. *Notice of Alteration in Risk.* Notice shall be given to this Company of any material alteration or circumstance that may take place in the nature of the risk, and, until it has been so advised and shall have expressly agreed in writing to accept liability for such a alteration or circumstance, the Company shall not be liable in respect of any loss or damage due altogether or in part to any such alteration or circumstance.

2. *Exclusions.* Unless otherwise provided by agreement in writing added hereto, this Company shall not be liable for loss or damage:

- (a) To robes, wearing apparel or personal effects; or extra engines and/or equipment not on the aircraft, unless specifically named hereon in writing; or
- (b) Caused directly or indirectly by invasion, insurrection, strike, riot, civil war or commotion, military, naval or usurped power, or by order of any civil authority or caused intentionally by the Assured or his agent; or
- (c) Resulting from running the engine(s) of the aircraft in the hangar or place of housing; or while the aircraft is being fueled in any hangar or housing, or as a result of the fueling of any aircraft in any hangar or housing leased or controlled by the Assured.
- (d) Occurring while any regulation of the Federal Bureau of Air Commerce relating to the operation of aircraft is not complied with or while the aircraft is being used for any unlawful purpose if such violation or use is with the knowledge or consent of the Assured; or
- (e) Occurring during the use of the aircraft for purposes other than those specified in the attached Schedule of Statements or while the aircraft is being flown or driven (other than taxiing by licensed employee mechanics) by any person other than the pilot(s) named or described in said Schedule or a pilot specifically approved by the Company by endorsement attached to this Policy; or while the license of any said pilot or mechanic has been revoked, suspended, changed, or has expired and not been renewed at the time of loss; or
- (f) While the aircraft is left unattended in the open, unless the result of misadventure or unavoidable cause (reasonable and customary parking is permitted); or
- (g) While the aircraft is being rented or leased.

Nor, if the aircraft is insured against Peril No. 3 (Crash):

- (i) While a water-alighting aircraft is flying in shore more than five miles from water suitable for a landing or while flying off shore more than five miles from land, or while a land-alighting aircraft is flying off shore more than five miles from land; or
- (ii) While the aircraft is operated in any race or speed contest, or attempt at record breaking, or during or in consequence of acrobatic flying, i. e., any intentional maneuver not necessary for safe navigation; or
- (iii) While the aircraft is flying between one hour after sunset and one hour before sunrise unless during such flight the aircraft is equipped with such night flying equipment as is prescribed by the Federal Bureau of Air Commerce to be carried by aircraft when carrying passengers for hire at night, and unless such flight is made only between lighted airports and within fifty miles of a lighted airway.
- (iv) While material designed for explosive purposes is being transported in the aircraft.

3. *Limitation of Liability and Method of Determining Same.* This Company's liability for loss or damage to the aircraft described herein shall not in any event exceed the actual cash value thereof at the time any loss or damage occurs nor what it would then cost to repair or replace the aircraft or parts thereof with other of like kind and quality, nor shall it exceed

- (a) In the case of total loss, the amount of insurance on any aircraft the subject of a claim less depreciation at the rate of 25% per annum, or pro rata thereof from the date on which the insurance of the aircraft attached; or
- (b) In the case of partial loss, when repairs are made by the Assured, the actual cost of any parts necessary to effect repairs or replacements plus the actual cost to the Assured of labor plus 50%, without any further allowance for overhead or overtime. If the repairs are

made by other than the Assured the liability of this Company shall not exceed the actual cost as evidenced by bills rendered to the Assured less any discounts granted to the Assured. The liability of this Company for the cost of transporting new or damaged parts or transporting the damaged aircraft to the place of repair shall be limited to the least expensive method of reasonable transportation. In no event shall the liability of this Company for partial loss exceed the amount for which this Company would be liable if the aircraft were a total loss.

From each and every loss so determined shall be deducted the amount specified in this Policy as the deductible applicable to such loss.

4. *Automatic Reinstatement.* Upon the occurrence of any loss hereunder the amount of insurance on the aircraft the subject of the loss shall be reduced by the amount of such loss until repairs have been completed when, upon payment of additional pro rata premium, the amount of insurance shall again attach as originally written.

5. *Appraisal.* In case the Assured and this Company shall fail to agree as to the amount of loss or damage, each shall, on the written demand of either, select a competent and disinterested appraiser. The appraisers shall first select a competent and disinterested umpire; and failing for fifteen days to agree upon such umpire then, on request of the Assured or this Company, such umpire shall be selected by a judge of a court of record in the state in which the property insured is located. The appraisers shall then appraise the loss and damage stating separately sound value and loss or damage to each item; and failing to agree, shall submit their differences only, to the umpire. An award in writing, so itemized, of any two when filed with this Company shall determine the amount of sound value and loss or damage. Each appraiser shall be paid by the party selecting him and the expenses of appraisal and umpire shall be paid by the parties equally.

6. *Company's Options. Abandonment.* It shall be optional with this Company to take all or any part of the property at the agreed or appraised value, and also to repair, rebuild or replace the property lost or damaged with other of like kind and quality within a reasonable time on giving notice of its intention so to do, within 30 days after the receipt of the proof of loss herein required; but there can be no abandonment to this Company of any property. Where theft is insured against, this Company shall have the right to return a stolen aircraft or its equipment with compensation for physical damage, at any time before actual payment hereunder.

7. *Other Insurance.* If the Assured carries other Insurance against loss covered by this Policy, the Company shall not be liable for a larger proportion of the entire loss than the amount hereby insured bears to the total amount of the Assured's valid and collectible Insurance.

8. *Cancellation of Policy.* This policy shall be cancelled at any time at the request of the Assured, in which case this Company shall, upon demand and surrender of this policy, refund the excess of paid premium above the customary short rates for the expired time. This policy may be cancelled at any time by this Company by giving to the Assured a five days' written notice of cancellation with or without tender of the excess of paid premium above the pro rata premium for the expired time, which excess, if not tendered, shall be refunded on demand. Notice of cancellation shall state that said excess premium (if not tendered) will be refunded on demand. This Company shall not be liable for any return premium in respect to an aircraft on which a loss, adjustable hereunder on a total loss basis, has occurred.

9. *Loss for Which Bailee For Hire Is Liable.* This Company shall not be liable for loss or damage to the aircraft described herein while in the possession of a carrier and/or bailee for hire under a contract, stipulation or assignment whereby the benefit of this insurance is sought to be made available to such carrier and/or bailee. Where loss or damage occurs for which a carrier and/or bailee may be liable and which would otherwise be covered

hereunder, this Company will advance to the Assured by way of loan the money equivalent of such loss or damage, which loan shall in no circumstances affect the question of this Company's liability hereunder and shall be repaid to the extent of the net amount collected by or for account of the Assured from the carrier and/or bailee after deducting cost and expense of collection.

10. *Misrepresentation and Fraud.* This entire Policy shall be void if the Assured has concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof; or in case of any fraud, attempted fraud, or false swearing by the Assured touching any matter relating to this insurance or the subject thereof, whether before or after a loss.

11. *Lien or Encumbrance.* Unless otherwise provided by agreement in writing added hereto, this Company shall not be liable for loss or damage to any property insured hereunder while subject to any lien, mortgage or other encumbrance.

12. *Title and Ownership.* This entire policy shall be void, unless otherwise provided by agreement in writing added hereto, if the interest of the Assured in the subject of this insurance be or become other than unconditional and sole lawful ownership.

13. *Protection of Salvage.* In the event of any loss or damage, whether insured against hereunder or not, the Assured shall protect the property from other or further loss or damage, and any such other or further loss or damage due directly or indirectly to the Assured's failure to protect shall not be recoverable under this Policy. Any such act of the Assured or this Company or its agents in recovering, saving and preserving the property described herein, shall be considered as done for the benefit of all concerned and without prejudice to the rights of either party, and where the loss or damage suffered constitutes a claim under this Policy, then all reasonable expenses thus incurred shall also constitute a claim under this Policy, provided, however, that this Company shall not be responsible for the payment of reward offered for the recovery of the insured property unless authorized by this Company.

14. *Notice of Loss.* In the event of loss or damage covered hereby, notice thereof shall be given to this Company by telegram as soon as possible after it has come to the knowledge of the Assured. Such telegram shall identify the aircraft in question by its license number, name or mark, and shall briefly state the estimated extent of the loss or damage, and the Assured shall forward within forty-eight hours thereafter full particulars in writing of the loss or damage. Where such a limitation for the giving of notice of loss is prohibited by the laws of the State wherein this policy is issued, then in that event such notice shall be given by the Assured within the shortest period permitted and in the manner required under the laws of such State. In the event of Theft, Robbery or Pilferage, the Assured shall also give immediate notice thereof to the Police.

15. *Assistance and Cooperation of the Assured.* In the event of loss or damage and whenever requested by this Company the Assured shall assist in the recovery of property insured hereunder either by means of replevin proceedings or otherwise, in effecting settlement, securing evidence, obtaining the attendance of witnesses and prosecuting suits to such an extent and in such a manner as is deemed desirable by this Company, and this Company shall reimburse the Assured for any expense incurred at its request.

16. *Proof of Loss.* Within sixty (60) days after loss or damage, unless such time is extended in writing by this Company, the Assured shall render a statement to this Company signed and sworn to by the Assured, stating the place, time and cause of the loss or damage, the interest of the Assured and of all others in the property, the sound value thereof and the amount of loss or damage thereto, all encumbrances thereon, and all other insurance, whether valid and/or collectible or not, covering said property; and the Assured, as often as required, shall exhibit to any person designated by this Company all that remains of the property insured and submit to examinations under oath by any person named by this Company, and subscribe the same; and as often as required, shall produce for examination all books of account, bills,

invoices, and other vouchers, or certified copies thereof if originals be lost, at such reasonable place as may be designated by this Company or its representative, and shall permit extracts and copies thereof to be made.

Claims to be Supported by Log-Books. All claims must be supported by log-books, one each for pilot, airplane and engine, kept in order as required by the Federal Bureau of Air Commerce.

17. *Payment of Loss.* This Company shall not be held to have waived any provision or condition of this Policy or any forfeiture thereof by any requirement, act, or proceeding on its part relating to the appraisal, or to any examination herein provided for; and the loss shall in no event become payable until sixty (60) days after the notice, ascertainment, estimate and verified proof of loss herein required have been received by this Company, and if appraisal is demanded, then, not until sixty (60) days after an award has been made by the appraisers. The amount payable shall be subject to deduction of all unpaid insurance premiums due from the Assured to this Company.

18. *Subrogation.* This Company may require from the Assured an assignment of all right of recovery against any party for loss or damage to the extent that payment therefor is made by this Company.

19. *Suit Against Company.* No suit or action on this Policy or for the recovery of any claim hereunder shall be sustainable in any court of law or equity unless the Assured shall have fully complied with all the foregoing requirements, nor unless commenced within twelve (12) months next after the happening of the loss; provided that where such limitation of time is prohibited by the laws of the State wherein this Policy is issued, then and in that event no suit or action under this Policy shall be sustainable unless commenced within the shortest limitation permitted under the laws of such State.

Any and all provisions of this Policy which are in conflict with the statutes of the State wherein this Policy is issued are understood, declared, and acknowledged by this Company to be amended to conform to such statutes.

This policy is made and accepted subject to the provisions, exclusions, conditions and warranties set forth herein or endorsed hereon, and upon acceptance of this policy the Assured agrees that its terms embody all agreements then existing between himself and this Company or any of its agents relating to the insurance described herein, and no officer, agent or other representative of this Company shall have power to waive any of the terms of this policy unless such waiver be written upon or attached hereto; nor shall any privilege or permission affecting the insurance under this policy exist or be claimed by the Assured unless so written or attached.

No person shall be deemed an agent of this Company unless specifically authorized in writing by the Company.

PROVISIONS REQUIRED BY LAW TO BE STATED IN THIS POLICY—This policy is in a stock corporation.

IN WITNESS WHEREOF, this Company has executed and attested these presents; but this policy shall not be valid unless it is countersigned by a duly authorized agent of this Company, and approved by an Underwriter of Aero Insurance Underwriters for this Company.

[RIDER TO No. (2)]

"GREAT AMERICAN INSURANCE COMPANY

"Assured—CHICAGO AND SOUTHERN AIR LINES, INC.

This endorsement, attached to and made a part of Aircraft Hull or Aircraft Liability Policy, No. GA-30603, issued by Great American Insurance Company, shall take effect on the.....day of.....19.....

Nothing herein contained shall be held to vary, waive, alter or extend any of the terms, conditions and/or warranties of the above mentioned policy, other than as hereinunder stated.

This endorsement shall not be valid unless approved by an underwriter of AERO INSURANCE. UNDERWRITERS, for the Company.

Notwithstanding anything to the contrary herein contained it is hereby understood and agreed that:

1. In consideration of an Additional Premium to be determined as hereinafter provided, the coverage provided by this Policy shall, upon application for insurance by passengers on airlines operated by the Insured and acceptance of such applications by the Insured or the Insured's Agent, apply on personal effects such as are usually carried by tourists and travelers, and belonging to or in charge of such passengers. This insurance shall cover against all risks of loss or damage except as may be hereinafter excluded and shall cover property of every description of the foregoing nature, but in no event shall coverage hereunder attach with respect to accounts, bills, currency, deeds, evidences of debt, letters of credit, passports, documents, money, notes, securities and/or railroad or other tickets nor any property specifically or otherwise insured. No coverage shall attach hereunder unless the Insured or a duly authorized agent of the Insured shall have specifically agreed to have effected insurance under this policy for the account of a passenger nor unless a written record of such transaction shall have been made by the Insured or the Insured's agent at the time of such transaction. Any certification of insurance form used by the Insured or the Insured's Agent in evidencing to any passenger coverage granted under this policy shall be subject to the approval of Aero Insurance Underwriters.
2. This policy shall also extend to indemnify the Insured named in this policy for liability imposed on them by law as a common carrier and/or bailee with respect to property of the nature described under Clause 1 of this Endorsement carried by passengers of the Insured and transported in the Insured's aircraft or other conveyance provided by the Insured. Coverage hereunder shall apply with respect to the liability of the Insured as hereinbefore specified regardless of whether such liability be imposed on the Insured by law or whether it be assumed by the Insured under ticket or receipt issued to the Passengers of the Insured but in the latter event, the Insured agrees to submit to and have approved by Aero Insurance Underwriters, the form of ticket or receipt issued by such passengers.
3. This coverage shall apply from the time the insured property is accepted by the Insured for transportation and shall apply while the said insured property is in transit by airplane, motor vehicles and/or other conveyances operated and/or hired by the Insured, including by passengers employed by the Insured and including any risk incidental to such transit on and/or in terminals, depots, hangars, airports, stations, platforms, and/or consolidation and distribution terminals. This insurance shall extend to cover as above defined whenever within the judgment of the Insured it is necessary to forward property insured hereunder in the custody of railroads, railway express companies, motor carriers and/or public truckmen and privilege is hereby given the Insured to accept from such carriers bills of lading and/or receipts of whatsoever nature and conditions and irrespective of any limitations of liability therein.
4. The liability of the Company with respect to the property insured hereunder shall cease immediately on delivery of the insured property to the passenger upon the completion of a trip via the Insured's airline or other conveyance at the expense of the Insured and/or the acceptance of the said property by the said passenger.
5. Coverage provided by this Policy shall not cover any loss or damage due to or caused by infidelity of the Insured's employees nor shall it cover any damage wilfully done to the insured property by an employee of the Insured. In no event shall this policy cover loss or damage caused by gradual deterioration, moth, vermin and/or inherent vice.
6. Coverage hereunder shall apply only for such amount of loss as may be in excess of the first \$100.00 of loss each and every loss, each passenger's

property. The liability of the Company with respect to the coverage provided by this Policy under this endorsement shall not exceed \$25,000.00.

7. The Insured undertakes to arrange that the maximum liability assumed by it under the contracts of transportation entered into by the Insured and each passenger shall not exceed \$100.00 in respect to the baggage of each passenger.

8. The Insured undertakes to report to Aero Insurance Underwriters, or to an agent of the Company, on or before the 25th day of each month, the number of passengers in respect to whose personal effects the insurance as provided by Paragraph No. 1 hereof shall have attached during the preceding calendar month. The said reports shall set forth the amount and dates of liability thus assumed and the Insured agrees to pay, monthly, premium at the time reports are rendered at the rate of 10c per \$100.00 on the monthly total of the above stated insurance.

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

1. *Amount of Insurance Each Aircraft:*

The amount insured with respect to each aircraft insured hereunder is the amount set forth as the present estimated value including engine of each such aircraft under Statement No. 12 of the Schedule of Statements of the within Policy.

2. *Crash Deductible:*

The Company shall not be liable under Peril 3 (Crash) of the Schedule of Coverage for any part of the first 5% of the amount of insurance applying to each insured aircraft under the said Crash coverage in respect of each and every such loss.

3. *Crash Damage Coverage to Include Taxiing:*

The coverage provided by Peril 5 (Land Damage) of the Schedule of Coverage of this Policy shall not apply to the insured aircraft while such aircraft are taxiing, it being understood and agreed that the Crash coverage provided under Peril 3 (Crash) of the Schedule of Coverage of this Policy shall apply to the said aircraft while they are taxiing as specified in this Policy or any Endorsements a part thereof.

4. *Mechanics Authorized to Start and Run Engines:* [Same as Par. 1 in No. 1].

5. *Mechanics Authorized to Taxi Aircraft:* [Same as Par. 2 in No. 1].

6. *Welding on Insured Aircraft in Hangar:* [Same as Par. 3 in No. 1].

7. *Coverage Applying to Additional Aircraft:* [Same as Par. 4 in No. 1, but with \$20,000 maximum].

8. *Pilots Permitted to Pilot the Insured Aircraft:* [Same as Par. 5 in No. 1].

9. *Forced Flights Over Great Lakes or Gulf of Mexico:*

Notwithstanding subsection (i) of Condition 2 of the General Conditions of this Policy it is hereby understood and agreed that should the insured aircraft be forced over the Great Lakes or the Gulf of Mexico due to adverse winds, errors in navigation or other conditions beyond the Pilot's control, the coverage provided by the within Policy shall not be invalidated.

10. *Night Flying:* [Same as Par. 7 in No. 1].

11. *Transportation of Explosives:* [Same as Par. 8 in No. 1].

12. *Amendment of Depreciation Rate:*

The following words 'rate of 25% per annum, or' contained in subsection (a) of Condition No. 3 of the General Conditions of this Policy are hereby amended to read 'rate of 10% per annum, or.'

2. Associated Aviation Underwriters' Policy

AIRCRAFT POLICY

No. AVL

CHUBB & SON

MARINE OFFICE OF AMERICA

ASSOCIATED AVIATION UNDERWRITERS

90 John Street, New York, N. Y.

UNITED STATES GUARANTEE COMPANY	GLENS FALLS INDEMNITY COMPANY
Insuring 25% of the amounts covered	Insuring 25% of the amounts covered
by this Policy and receiving 25% of	by this Policy and receiving 25% of
the premium paid.	the premium paid.
MERCHANTS INDEMNITY CORPORATION	FIDELITY AND CASUALTY COMPANY
of New York	of New York
Insuring 25% of the amounts covered	Insuring 25% of the amounts covered
by this Policy and receiving 25% of	by this Policy and receiving 25% of
the premium paid.	the premium paid.

Each of the above Insurance Companies, hereinafter referred to as the "Assurer(s)," in the proportions respectively stated above.

In consideration of the premiums hereinafter set forth, and the stipulations named herein, and the statements contained in the "Schedule of Warranties" attached hereto and made part hereof hereby agree(s) to indemnify

(Hereinafter referred to as the "Assured")

only against loss by reason of the liability imposed by law upon the Assured for Bodily Injuries (or Death resulting therefrom) and/or Damage to or Destruction of Property (including loss of use thereof) but only as stated in the "Schedule of Coverage" below, accidentally suffered or alleged to have been suffered by any person or persons, resulting from the ownership, maintenance or use of any Aircraft described in Statement 2 of the "Schedule of Warranties" attached to and made part of this policy.

During the period of time commencing the.....day of.....19...., at Noon, and ending the.....day of.....19...., at Noon, Standard Time at the place of issuance of this policy, unless this insurance be sooner terminated or made void in accordance with the terms and conditions hereof.

Only while within the Geographical Limits of.....
Subject to all the terms, limits, conditions and warranties set forth herein.

SCHEDULE OF COVERAGE

Section A. *Public Liability*—Bodily Injuries (or Death resulting therefrom) to persons other than passengers in the Aircraft described in Statement 2 of the "Schedule of Warranties" hereto attached and made part hereof. The liability of the Assurer(s) hereunder for damages in respect of any one accident or disaster involving bodily injuries (or Death resulting therefrom) shall not exceed \$..... subject to a limit of \$..... for any one person, and shall not exceed \$..... in all during the term of this insurance. Premium Charge \$.....

Section B. *Passenger Liability*—Bodily Injuries (or Death resulting therefrom) to passengers in the Aircraft described in Statement 2 of the "Schedule of Warranties" hereto attached and made part hereof. The liability of the Assurer(s) hereunder for damages in respect of any one accident or disaster involving bodily injuries (or Death resulting therefrom) shall not exceed \$..... subject to a limit of \$..... for any one person, and shall not exceed \$..... in all during the term of this insurance. Premium Charge \$.....

Section C. *Property Damage*—Damage to or destruction of property of every description (including loss of use thereof); excluding property belonging to and/or in the custody of the Assured, property belonging to and/or in the control of the Assured's Employees and/or Passengers and/or Students, property rented and/or leased and for which the Assured is legally responsible, and property carried in or upon any Aircraft belonging to and/or in the

custody of the Assured. The liability of the Assurer(s) hereunder for damages in respect of any one accident or disaster involving damage to or destruction of property shall be limited to the actual value of the property damaged or the actual cost of its suitable repair, including loss of use thereof, but shall not, in any event, exceed \$....., and shall not exceed \$..... in all during the term of this insurance. Premium Charge \$.....
Total Premium \$.....

(Insurance under any of the above sections provided only if a specific premium charge is made and entered herein—any section or sections for which no specific premium charge is made and entered herein is or are invalid and of no force or effect.)

Disaster—The term "Disaster" wherever it appears in this policy, or in any endorsement attached hereto, shall be held to mean a series of accidents arising from one and the same cause.

Passenger—The term "Passenger" wherever it appears in this policy, or in any endorsement attached hereto, shall be held to mean only person or persons other than the pilot, co-pilot(s) and/or employee(s) of the assured, carried in any aircraft described in Statement 2 of the Schedule of Warranties attached to and made part of this policy.

AND THE ASSURER(S) FURTHER AGREE(S)

Defense—To defend in the name and on behalf of the Assured, all claims or suits for injuries and/or damages, as provided for in the "Schedule of Coverage" above, for which the Assured is or is alleged to be liable.

Costs—To pay its (their) respective proportion(s) of all costs and expenses incurred with the written consent of the Assurer(s).

To pay its (their) respective proportion(s) of all court costs taxed against the Assured in any such suit, including the premiums on attachments and/or appeal bonds required in any such proceedings.

To pay its (their) respective proportion(s) of all interest accruing upon any such judgment in any such suit up to date of the payment or tender to the judgment creditor, or his attorney of record, of the amount for which the Assurer(s) is (are) liable.

To repay to the Assured its (their) respective proportion(s) of the expenses incurred in providing such immediate surgical relief as is imperative at the time of the accident.

THIS INSURANCE IS SUBJECT TO THE FOLLOWING CONDITIONS:

1. *Exclusions*. This policy does not cover any liability: (A) Imposed upon or assumed by the Assured under any Workmen's Compensation Act, Plan or Law, or under any contract or agreement of whatever nature.

(B) In respect of injuries (or death resulting therefrom) sustained by executives, employees or students of the Assured while carried upon or operating or caring for Aircraft described in Statement 2 of the "Schedule of Warranties" hereto attached and made part hereof, or while engaged in the usual course of the trade, business, profession or occupation of the Assured.

(C) In respect of injuries (or death resulting therefrom), and/or damage caused in whole or in part during or in consequence of:

(I) War, Invasion, Insurrection, Hostilities, Strike, Riot, Civil War or Commotion, Military or Naval or Usurped Power or Marital Law, or by order of any Government or Civil Authority.

(II) Running the Engine(s) of the Aircraft hereby insured in any hangar or place of housing.

(III) Flights prior to the Aircraft having made a complete circuit in the air and a successful alighting without accident, after original construction or reconstruction, or after any material change in the construction, material, or parts thereof or in the make and/or type of engine or engines used therein.

(IV) Flight or attempt thereat while any Municipal, Government or State Regulation for Civil Aviation is not complied with, or while being used for any unlawful purpose(s).

(V) The use of the Aircraft for any purpose(s) other than those specified in the "Schedule of Warranties" attached to and made part of this Policy, or while being operated by any person or persons other than the pilot or pilots named herein.

(VI) Descent upon water in the case of a land alighting Aircraft or amphibian (with the wheels down) or descent upon ice, or land or colliding with ice, land, or objects upon land or shore in the case of a flying boat, seaplane or amphibian (with the wheels up), unless such descent be the result of misadventure or unavoidable cause.

(VII) The Aircraft being operated in or in connection with any race, speed or endurance test, or pace making; or during or in consequence of upside-down flying, looping-the-loop, spinning, rolling, or other aerial acrobatics, hedge-hopping, object-hopping, and/or contour chasing; or while engaged in instructional flights; or while flying between one hour after sunset and one hour before sunrise; or while flying beyond one (1) mile inland in the case of flying boats and seaplanes—five (5) miles off shore in the case of flying boats, seaplanes and amphibians—one (1) mile off shore in the case of any other aircraft—measured from high water mark.

2. *Limits.* If more than one person and/or corporation is covered by this policy, that fact shall not increase the total liability of the Assurer(s) hereunder, but such total liability as to all shall not exceed, in any event, the specified limits.

3. *Prompt Notice of Claims.* Upon the occurrence of any accident, notice shall be given to these Assurer(s) through the Associated Aviation Underwriters at 90 John St., New York, N. Y., by telegram, as soon as possible after it has come to the knowledge of the Assured, and the Assured shall supplement such telegram with immediate written notice with the fullest information obtainable and a like notice with full particulars of any claim made on account of such accident. If thereafter any suit is brought upon such claim, every summons or other process served therein shall be immediately forwarded to the Assurer(s).

Provided further, that if this policy is issued in a State the laws of which so require, but not otherwise, the following provisions shall be deemed incorporated herein; Notice given by or on behalf of the Assured to any authorized agent of the Assurer(s) within this State, with particulars sufficient to identify the Assured, shall be deemed to be notice to the Assurer(s); and failure by the Assured to give notice as hereinabove provided and within the time specified herein shall not invalidate any claim made by the Assured, if it shall be shown not to have been reasonably possible to give such notice within said prescribed time, and that notice was given as soon as was reasonably possible.

4. *Settlement of Claims.* The Assured shall not make any admission of liability, either before or after an accident, nor shall the Assured, except at his or their own cost, incur any expense, make any payment, or settle any claim, nor shall the Assured interfere in any negotiations for settlement or in any legal proceeding in respect of any injury and/or damage for which the Assurer(s) shall be liable under this policy, without, in each case, the written authority of the Assurer(s); except only that the Assured may provide at the time of the accident and at the cost of the Assurer(s) such immediate surgical relief to the injured person or persons as is imperative. The Assurer(s) shall have the right to settle any claim or suit at their own cost at any time.

5. *Assistance and Co-operation of the Assured.* Whenever required by the Assurer(s), the Assured shall aid in securing information and evidence and the attendance of witnesses, and shall co-operate with the Assurer(s) (except in a pecuniary way) in all matters which the Assurer(s) may deem necessary in the defense of any claim or suit or in the prosecution of any appeal.

6. *Subrogation.* It is agreed that upon the payment of any loss, damage or expense by the Assurer(s) they shall be subrogated to the rights of the

Assured in respect thereto and the Assured's right of recovery against any party for such loss or damage is hereby assigned to the Assurer(s) to the extent that payment therefor is made by the Assurer(s).

7. *Suit Against Assurer(s).* No action shall lie against the Assurer(s) to recover for any loss under this policy, until the amount of the damage for which the Assured is liable is determined, either by a final judgment against the Assured or by agreement between the Assured and the Plaintiff with the written consent of the Assurer(s), nor in any event unless such action is brought against the Assurer(s) within two (2) years after final judgment is entered in said litigation;; provided, however, that where such limitation of time is prohibited by the laws of the State wherein this policy is issued, then and in that event no suit or action under this policy shall be sustainable unless commenced within the shortest limitation permitted under the laws of such State.

8. *Other Insurance.* If the Assured carries other insurance against loss covered by this policy, the Assurer(s) shall not be liable for a larger proportion of the entire loss than the amount hereby insured bears to the total amount of the Assured's valid and collectible insurance.

9. *Assignment of Interest.* Any assignment or change of interest hereunder, whether voluntary or involuntary, shall render this policy void unless consented to by endorsement hereon signed by the Managers and/or Agents of the Assurer(s).

10. *Inspection.* Any duly authorized representative or representatives of the Assurer(s) shall be permitted to examine the within described Aircraft and all appurtenances thereof and all log-books appertaining thereto at any and all times during the currency of this policy or thereafter.

11. *Insolvency.* The bankruptcy or insolvency of the Named Assured shall not relieve the Assurer(s) from the payment of such indemnity hereunder as would have been payable but for such bankruptcy or insolvency. If because of such bankruptcy or insolvency an execution on a judgment for damages against the Named Assured is returned unsatisfied in an action brought by the injured, or his or her personal representative where death results from the accident, an action may be maintained by the injured person or his or her personal representative, against the Assurer(s), subject to the terms of this policy, for the amount of such judgment not exceeding the amount of this policy.

12. *Cancellation of Policy.* This policy shall be cancelled at any time at the request of the Assured, in which case the Assurer(s) hereunder shall, upon the surrender of this policy and demand, refund the excess of paid premium above the customary short rate premium for the expired term. This policy may be cancelled at any time by the Assurer(s) by giving to the Assured five (5) days written notice of cancellation with or without tender of the excess of paid premium above the pro-rata premium for the expired term, which excess, if not tendered, shall be refunded on the surrender of this policy and demand. Notice of cancellation shall state that said excess premium, if not tendered, will be refunded on the surrender of this policy and demand. Notice of cancellation mailed to the address of the Assured stated in this policy shall be a sufficient notice.

Where a special provision for cancellation and notice of such cancellation is required by statutory enactment in the State where this policy is issued, such provisions of the law shall be deemed incorporated herein as conditions of this Cancellation Clause.

13. *Notice of Alteration in Risk.* The Assured, by the acceptance of this policy, warrants and agrees to notify these Associated Aviation Underwriters at 90 John Street, New York, N. Y., of any change or alteration in the conditions or circumstances that may take place in the nature of this risk, and until the Assurer(s) have been so advised and shall have expressly agreed in writing to accept liability for such change or alteration, they shall not be liable in respect of any loss or damage due in whole or in part to any such change or alteration.

14. *Warranties by the Assured.* The statements contained in the "Schedule of Warranties" attached to and made part of this policy are warranted by the Assured to be true and accurate, and this policy is issued by the Assurer(s) relying upon the truth and accuracy thereof.

15. *Agent of the Assurer(s).* No person shall be deemed an Agent of the Assurer(s) unless specifically authorized in writing by the Assurer(s).

This Policy is made and accepted subject to the foregoing stipulations and conditions, and the warranties contained therein and in the "Schedule of Warranties" attached to and made part of this Policy, together with such other provisions, agreements or conditions as may be endorsed hereon or added hereto; and no Officer, Agent or other representative of the Assurer(s) shall have power to waive or be deemed to have waived any provision or condition of this policy unless such waiver, if any, shall be written upon or attached hereto, nor shall any privilege or permission affecting the insurance under this policy exist or be claimed by the Assured unless so written or attached.

IN WITNESS WHEREOF, the Assurer(s) have caused these presents to be executed in their behalf by their duly authorized Managers and/or Agents. No endorsement hereto shall be valid unless signed by the Managers and/or Agents of the respective Assurer(s).

SCHEDULE OF WARRANTIES BY THE ASSURED

It is hereby understood and agreed that, relying upon the truth of the warranties hereinafter set forth, Insurance is hereby effected under and subject to the terms and conditions of the Policy No. AVL.....to which this is attached and made part of, in the name of.....herein referred to as the Assured, whose address is (Street) (City) (State).

1. The Assured's Occupation or Business is.....
2. Description of Aircraft and Engines Insured:
* * * * *
3. Information About Pilots.
* * * * *
4. The licenses of the pilots listed herein do not contain any waiver for physical defects, except.....(Pilot).....
.....(Physical Defects).....
5. To the Assured's knowledge no injury or death to person(s) or damage to property by Aircraft in excess of \$500 occurred during the past 2 years while piloted by, in charge of, or operated by any of the pilots listed herein, except.....(Pilot)..... (State Circumstances).....
6. The name of the Assured's Operations Manager, if any, is.....
His experience is.....
7. The name and location of the Home Airport is:
.....(Name)..... (Location).....
8. The Aircraft when not in flight will be kept in hangars at all times, except for reasonable parking between flights at the home or other recognized airports. Unless the result of misadventure or unavoidable cause, the Aircraft will not be left unattended in the open over night except where hangar space is not available, and then it will be guarded or securely fastened by tie-ropes. Under no circumstances, however, will the Aircraft be left unattended with the engine and/or engines running.
9. The Aircraft is (are) equipped with Fire Extinguishers, in good working order, of the following description.....
10. The uses to which the Aircraft will be put are in detail as follows:.....
11. The Aircraft will be used only within the Geographical Limits of.....
12. The Aircraft will be engaged in scheduled operation between.....
13. The Aircraft have been tested in flight without resultant damage, except

14. The Aircraft do not contain any novel, experimental or untried features of design or material, except.....
 15. Repairs and/or alterations in construction have been done to the Aircraft, as follows:
 16. The Aircraft will not carry passengers, except (State whether for hire, reward or otherwise).
 17. No claims have ever been made by person or persons for injuries or death or for property damaged in connection with Aircraft owned or operated by the Assured or otherwise, except.....
 18. No Insurance Company or Underwriter has at any time:—
 - (a) Ever declined an application for insurance on behalf of the Assured; or
 - (b) Cancelled or refused to renew insurance; or
 - (c) Ever declined an application for insurance because of any of the pilots listed herein, to the Assured's knowledge, except.....
- Attached to and forming part of Policy No. AVL....issued to.....