

Passenger Settlement Endorsement

Various provisions of this endorsement extend or restrict coverage. Read **your** entire policy to determine **your** rights and obligations and what is and is not covered. This endorsement changes the provisions of **your** policy under the following coverage parts:

Part Three. LIABILITY TO OTHERS

This endorsement applies to all **aircraft** under **your** policy which have coverage for **passenger bodily injury**.

If **your** policy provides coverage for **passenger bodily injury** liability under **Part Three. LIABILITY TO OTHERS**, this endorsement extends that coverage to include an option for voluntary settlement with respect to a **passenger** who sustains certain **bodily injury** as described in this endorsement even if **you** are not legally required to pay for the **bodily injury** provided such voluntary settlement is made within one (1) year from the date of the **occurrence** giving rise to such **bodily injury**.

1. Our Offer to Pay for Bodily Injury

If an **occurrence** results in **bodily injury** to a **passenger**, **we** will offer to pay a sum requested by **you** in settlement of claims for such **bodily injury** as follows:

- a. If the **occurrence** results in the death of a **passenger**, the loss of any two members, or the irrecoverable paralysis of two or more limbs (diplegia), **we** will offer to pay up to the "Settlement Limit for Each Person."
- b. If the **occurrence** results in loss of any one member by a **passenger**, **we** will offer to pay up to one-half (1/2) of the "Settlement Limit for Each Person."

As used in this endorsement, the term "Settlement Limit for Each Person" means 75% of **your** limit of coverage for **passenger bodily injury** stated in Item 6 of the Coverage Identification Page as applicable to the **aircraft**, or \$150,000, whichever amount is less.

As used in this endorsement, the term "member" means a leg, arm, hand, foot, eye, hearing or speech. "Loss" as used herein with reference to a hand or foot means complete severance through or above the wrist or ankle joint; as used with reference to an eye means the irrecoverable loss of the entire sight in the eye; as used with reference to speech and hearing means entire and irrecoverable loss of speech or hearing.

As used in this endorsement, the term "death" includes the disappearance of a **passenger** where the body cannot be found within a reasonable period of time, or a maximum period of six (6) months, unless **we** have reasonable grounds to believe that the **passenger's** death did not occur or did not result from an **occurrence** after examining all available evidence.

You agree to provide any reasonably obtainable information requested by **us** relating to **passenger bodily injury** as the result of an **occurrence**.

2. What We Will Not Cover

In addition to **bodily injury** otherwise excluded from coverage under **Part Three. LIABILITY TO OTHERS**, Paragraph 4. "What Is Not Covered," this endorsement does not apply to **bodily injury** to a **passenger**:

- a. caused by suicide, attempted suicide, intentional self-injury, a criminal act, or an act while in a state of insanity or intoxication; or

The following information is required only when the effective date of this endorsement is subsequent to the Policy effective date.

This endorsement is Endorsement No.
This endorsement is effective on
Attached to and forming a part of Policy No.
Issued to (First Named Insured):
Additional Premium:

- b. caused by disease or natural causes, or medical or surgical treatment (except where such treatment becomes necessary because of **bodily injury** caused by an **occurrence** within the scope of this endorsement).

3. Maximum Offer

The maximum amount **we** will offer to pay with respect to any one injured **passenger** in any one **occurrence** will not exceed the "Settlement Limit for Each Person." The maximum total amount **we** will offer to pay with respect to all injured **passengers** in any one **occurrence** will not exceed the "Each Occurrence" limit for your **passenger bodily injury** coverage shown in Item 6 of **your** Coverage Identification Page.

4. Release Required for Payment

We will not make a payment to or with respect to any injured **passenger** unless all persons having a cause of action for the **passenger's** bodily injury execute a full and final release of all claims for damages covered under Coverage D or DL, except for claims that **you** or **your** worker's compensation insurer would be liable for under any worker's compensation act law or plan. If any such person refuses to execute and deliver a full and final release within thirty (30) days of a settlement offer, or commences a suit to recover damages for **bodily injury** sustained by a **passenger**, **we** may withdraw the settlement offer and **our** obligation to offer such settlement under the terms of this endorsement will no longer apply.

5. Payment Reduces Remaining Settlement Limit

Any payment **we** make under this endorsement to or with respect to an injured **passenger** reduces the remaining Settlement Limit with respect to such **passenger** by the amount paid.

6. Payment Reduces **Your** Coverage for Liability to Others

The coverage provided by this endorsement is a part of and is not in addition to the limit of coverage otherwise provided under **Part Three LIABILITY TO OTHERS** of **your** policy for **passenger bodily injury**. The limit of coverage available to **you** under **Part Three LIABILITY TO OTHERS** of **your** policy for **passenger bodily injury** will be reduced by the amount of any payment **we** make pursuant to this endorsement.

***** END *****