



September 27, 2012

MEMORANDUM FOR THE SECRETARY OF TRANSPORTATION

SUBJECT: Provision of Aviation Insurance Coverage for Commercial Air Carrier Service in Domestic and International Operations

By the authority vested in me as President by the Constitution and the laws of the United States, including 49 U.S.C. 44301-44310, I hereby:

1. Determine that the continuation of U.S. air transportation is necessary in the interest of air commerce, national security, and the foreign policy of the United States.
2. Approve provision by the Secretary of Transportation of insurance or reinsurance to U.S.-certificated air carriers against loss or damage arising out of any risk from the operation of an aircraft, in the manner and to the extent provided in chapter 443 of title 49, U.S. Code, until September 30, 2013, if he determines that such insurance or reinsurance cannot be obtained on reasonable terms from any company authorized to conduct an insurance business in a State of the United States.
3. Delegate to the Secretary of Transportation the authority, vested in me by 49 U.S.C. 44306(c), to extend this approval and determination beyond September 30, 2013, to December 31, 2013, if he finds that the continued operation of aircraft to be insured or reinsured is necessary in the interest of air commerce or national security or to carry out the foreign policy of the United States Government, if he also determines that such insurance or reinsurance cannot be obtained on reasonable terms from any company authorized to conduct an insurance business in a State of the United States.

You are directed to bring this determination immediately to the attention of all air carriers, as defined in 49 U.S.C. 40102(a)(2), and to arrange for its publication in the *Federal Register*.

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