



U.S. Department
of Transportation

**Federal Aviation
Administration**

Advisory Circular

Subject: PART 440 INSURANCE
CONDITIONS

Date: November 3, 1998 **AC No:** 440-1
Initiated by: AST-1 **Change:**

1. PURPOSE. This advisory circular describes how insurance policies obtained by licensees to meet the requirements of 14 C.F.R. Part 440 may satisfy certain conditions of coverage.
2. RELATED COMMERCIAL SPACE TRANSPORTATION. FAA REGULATIONS. Commercial Space Transportation, FAA, DOT, Part 440.
3. BACKGROUND. Part 440 of the Commercial Space Transportation, FAA, DOT, Regulations prescribes insurance and other financial responsibility requirements for the conduct of licensed launch activities. Section 440.13(a)(8) provides that each insurance policy be placed with an insurer that is licensed to do business in any State, territory, possession of the United States, or the District of Columbia. The purpose of the requirement is to ensure that additional insureds may have legal recourse against the insurer within the United States.
4. USE OF SERVICE OF SUIT CLAUSE. A licensee is in compliance with section 440.13(a)(8) if each of its policies of insurance obtained under Part 440 contains a contract clause in which the insurer agrees to submit to the jurisdiction of a court of competent jurisdiction within the United States and designates an authorized agent within the United States for service of legal process on the insurer.

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