

U.S. DEPARTMENT OF TRANSPORTATION FEDERAL AVIATION ADMINISTRATION

N 8900.565

National Policy

Effective Date: 10/20/20

Cancellation Date: 10/20/21

SUBJ: Title 14 CFR Part 205—Aircraft Accident Liability Insurance Requirements

- 1. Purpose of This Notice. This notice provides information and guidance to aviation safety inspectors (ASI) with oversight responsibilities for Title 14 of the Code of Federal Regulations (14 CFR) part 119 air carrier certificate holders conducting operations under 14 CFR part 121 and/or part 135 and for foreign air carriers conducting operations under 14 CFR part 129 on the economic regulations' requirements of Part 205, Aircraft Accident Liability Insurance.
- **2. Audience.** The primary audience for this notice is ASIs in the Flight Standards Safety Assurance offices and International Field Offices (IFO) with oversight of parts 121, 135, and 129 air carriers. The secondary audience includes the Safety Standards and Foundational Business offices.
- **3.** Where You Can Find This Notice. You can find this notice on the MyFAA employee website at https://employees.faa.gov/tools_resources/orders_notices. Inspectors can access this notice through the Flight Standards Information Management System (FSIMS) at https://fsims.avs.faa.gov. Operators can find this notice on the Federal Aviation Administration's (FAA) website at https://fsims.faa.gov. This notice is available to the public at https://www.faa.gov/regulations_policies/orders_notices.
- **4. Background.** Part 205 of the Department of Transportation (DOT) Economic Regulations requires that all U.S. and foreign direct air carriers obtain aircraft accident liability insurance prior to engaging in air transportation. The insurance obtained must meet the requirements of part 205, and evidence of having insurance must be filed with the FAA. Part 205 further prohibits aircraft from being listed on air carrier operations specifications (OpSpecs) unless liability insurance coverage is in force. This notice reaffirms the regulatory liability insurance obligations imposed on air carriers operating under parts 121, 121/135, 135, and 129 and provides guidance on the tools available to ASIs for verifying evidence of aircraft accident liability insurance coverage.

Note: Part 205, § 205.4(c) states "Certificates of insurance and endorsements required in paragraphs (a) and (b) of this section shall be submitted to the Department of Transportation, Federal Aviation Administration, Program Management Branch, AFS-260...." The office name, Program Management Branch, referenced in the regulation is different from the name currently in use.

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For the purposes of this notice and submission process, "Program Management Branch" and "Technical Programs Branch" are considered interchangeable.

5. Definitions and Regulatory Requirements.

- **a. Terminology.** Refer to 14 CFR parts 1 and 110 for relevant definitions, including "air commerce," "air transportation," "direct air carrier," and exceptions to "common carriage."
- **b.** U.S.-Certificated and Foreign Air Carrier Insurance Requirements. Part 205 establishes liability insurance coverage requirements for U.S. and foreign direct air carriers including the following.
- (1) Liability Insurance Applicability. Air carriers that are required to obtain aircraft accident liability insurance compliant with part 205 include:
- (a) U.S. air carriers, including air taxi operators and commuter air carriers as defined in 14 CFR part 298, § 298.2, issued an Air Carrier Certificate and OpSpecs under part 119, operating under part 121 or 135.
 - **Note:** U.S. air carriers conducting *intrastate* air transportation and receiving an Operating Certificate *are excluded* from the requirement to obtain aircraft accident liability insurance.
- (b) Foreign air carriers, including Canadian charter air taxi operators as defined in 14 CFR part 294, § 294.2(b), operating in U.S. airspace and issued OpSpecs under part 129.

Note: Foreign air carriers with U.S.-registered aircraft *not operating to the United States and issued part 129, § 129.14-only OpSpecs* do not have to obtain aircraft accident liability insurance.

(2) Insurance Filing Requirements. All applicable air carriers are required to file evidence of insurance coverage (i.e., certificates of insurance) with the FAA using Office of the Secretary of Transportation (OST) Form 6410, U.S. Air Carriers Certificate of Insurance, or OST Form 6411, Foreign Air Carriers Certificate of Insurance.

14 CFR Operating Rule Part	Type of Certificate/OpSpecs	Kind of Operation	Filing Requirements
121	Air Carrier	Domestic, Flag, and/or Supplemental	OST Form 6410
135	Air Carrier	Commuter	OST Form 6410
135	Air Carrier	On-demand	OST Form 6410
135	Operating	On-demand intrastate	None
129	Part 129 OpSpecs	Foreign air carrier	OST Form 6411
129	129.14 OpSpecs	Foreign operator of U.Sregistered aircraft not operating to U.S.	None

Table 1. Insurance Filing Requirements

- (a) Forms and Filing Instructions. Air carriers must ensure that OST Forms 6410 and 6411 are filed with the Air Transportation Division's Technical Programs Branch at AFS-260-Insurance@faa.gov. Part 205 also requires that the currently effective insurance policy be available for inspection at the air carrier's principal business location. Forms and filing instructions are available on the Technical Programs Branch Part 205 Insurance and Part 298 Exemptions website at https://www.faa.gov/about/office_org/headquarters_offices/avs/offices/af x/afs/afs200/afs260/exemptions/.
- (b) Changes in Insurance Coverage. Air carriers must ensure that an updated OST Form 6410 or 6411 is filed with the Technical Programs Branch if:
 - Insurance coverage is modified,
 - There is a change in the specific aircraft covered on the insurance policy(s) on file, or
 - There is a change to any other information on the OST Form 6410 or 6411 on file with the Technical Programs Branch.
- (c) Coverage Cancelled. If insurance coverage is cancelled, notice in the form of cancellation or non-renewal notice, or evidence of replacement coverage, is required to be sent to the Technical Programs Branch.
- **6.** Web-Based Operations Safety System (WebOPSS) Insurance Viewing Tools. WebOPSS provides several tools for viewing aircraft accident liability insurance coverage information. For additional information about the WebOPSS features discussed below, refer to the WebOPSS CHDO User Guide available under the Tools menu.
- **a. Maintain Operator Data—Insurance.** The WebOPSS Maintain Operator Data > Insurance view allows inspectors to review the status of the air carrier's aircraft accident liability insurance. The Insurance view displays information about the current insurance policy(s) and

policy status for the air carrier. Selecting the link to a policy number will display the aircraft covered on that policy. Policies with blanket coverage indicated apply to all aircraft operated by the air carrier.

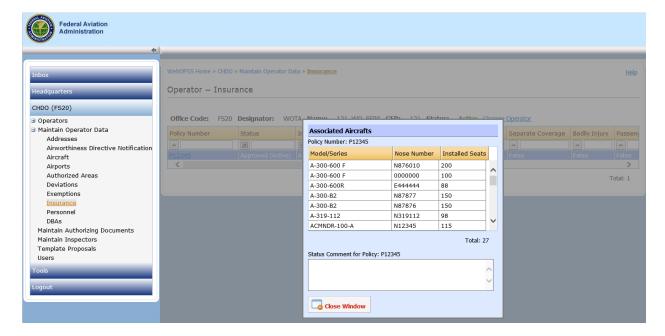


Figure 1. Maintain Operator Data—Insurance View

b. Insurance Viewer Report. WebOPSS provides a report of aircraft accident liability insurance coverage information under Tools > Reports > Standard, Insurance Viewer. The report can be run on a specific operator designator code, by the responsible Flight Standards office, and/or by the operating CFR part. The results report lists the insurance policy information filed using OST Form 6410 or 6411 for the air carrier. Selecting the link to a Policy Number will display the history of the policy filings. Selecting the number in the Insured Aircraft column will display the aircraft make, model, and series (M/M/S); registration numbers; and serial numbers covered on the corresponding policies. Selecting the number in the Uninsured Aircraft column will display the aircraft M/M/S, registration numbers, and serial numbers of the aircraft that do not have aircraft accident liability insurance on file with the Technical Programs Branch for that operator.

Note: The Uninsured Aircraft column label does not indicate the aircraft in question is not insured. It signifies that the administrative filing requirement to have an OST Form 6410 or 6411 certificate of insurance identifying that aircraft on file with the Technical Programs Branch has not been met.

Note: The Econ Authority column applies only to part 135 air taxi operators and is not a true indication of other types of economic authority granted by the DOT.

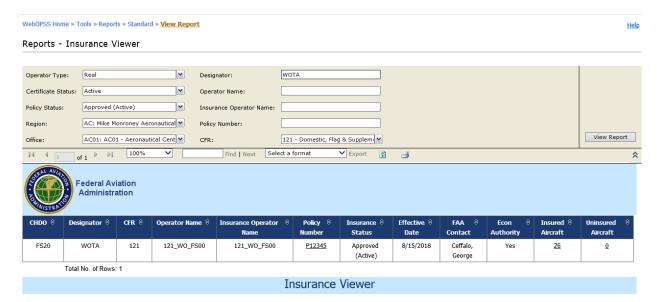


Figure 2. Insurance Viewer

- **c. Custom Reports.** A number of additional custom reports are available to ASIs in WebOPSS under Tools > Reports > Custom > Custom Reports folder > Insurance and Economic Authority folder, including a report of aircraft without insurance coverage on file with the Technical Programs Branch.
- **7. Action.** ASIs with oversight responsibilities for part 121, 135, or 129 air carriers should review the aircraft accident liability requirements discussed in this notice. To review aircraft insurance coverage in force and on file with the Technical Programs Branch, ASIs can use the WebOPSS tools identified above.
- **a. No Evidence of Insurance Coverage.** If aircraft do not have evidence of coverage in force and on file with the Technical Programs Branch, ASIs should notify the air carrier to file an updated OST Form 6410 or 6411 not more than 30 days after the effective date of the endorsements with the Technical Programs Branch to remedy the situation.
- **b.** Insurance Endorsements. Per § 205.4(b), the air carrier has 30 days after the effective date to file insurance endorsements. If a carrier provides the ASI with evidence that it has insurance in force but has yet to file a certificate of insurance with the Technical Programs Branch, the ASI should inform the carrier to file updated insurance information using OST Form 6410 or 6411 within 30 days of the effective date of the endorsement. The ASI may add the covered aircraft to the carrier's OpSpecs provided the carrier commits to filing and providing the ASI with evidence of such filing within 30 days. Evidence of filing is:
- (1) A copy of the OST Form date-stamped by the Air Transportation Division (must be requested from the Technical Programs Branch),
- (2) An email from AFS-260-Insurance@faa.gov confirming the filing (must be requested from the Technical Programs Branch), or

- (3) The aircraft showing insurance in force and on file in WebOPSS.
- **c. Questions.** For additional questions regarding insurance coverage for an air carrier, contact the Technical Programs Branch at AFS-260-Insurance@faa.gov.
- **8. Disposition.** We will incorporate the information in this notice into FAA Order 8900.1 before this notice expires. Direct questions or comments concerning the information in this notice to the Air Transportation Division's Technical Programs Branch at 202-267-8166.

Robert C. Carty

Deputy Executive Director, Flight Standards Service