



Embrace What's Next



2017 Airport Limit of Liability Survey

2017 Survey

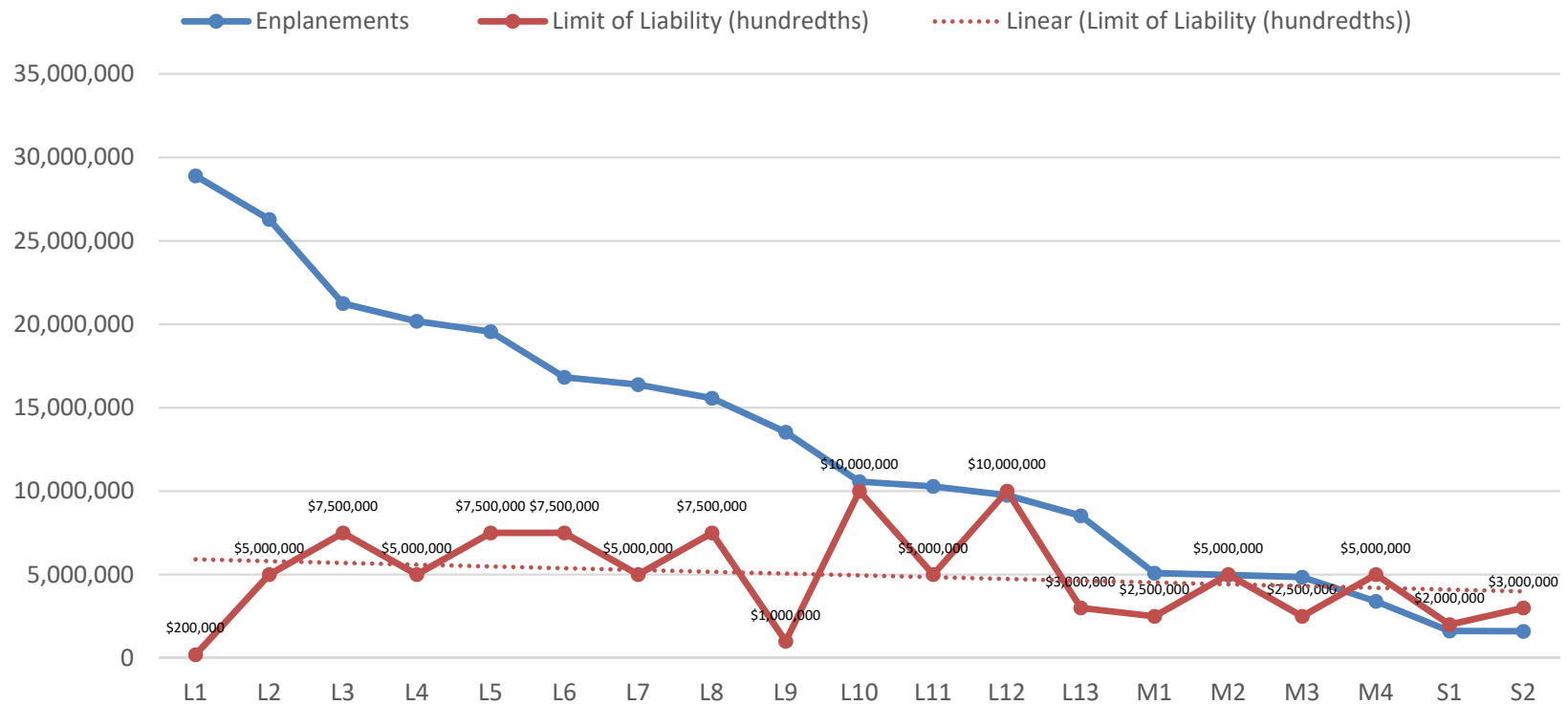


- The ACI limit of liability survey was distributed to representatives of an approximated 108 North American airports/airport systems.
- Responses were received for 19 U.S. airports.
 - 16 of these respondent airports ranked within the 2016 U.S. Department of Transportation's top 50 U.S. airports by passenger enplanements, a 32% representation of this measure.
- Responses for enplanement data for four airports were determined to account for total passengers based on 2016 DOT statistics.
 - Where available, DOT enplanement figures are used here in an effort to standardize results.

Enplanements v LOL



Enplanements (descending) vs. Limit of Liability



Aircraft Types



- The survey further requested airports provide the most common and largest passenger aircraft types operating at their airport to be used to respectively approximate an airport's probable maximum loss (PML) and maximum foreseeable loss (MFL).
- Using this information and cross referencing available online resources for seat ranges, an average number of seats for a corresponding aircraft type was applied against three possible fatality payouts per passenger - \$5M, \$7.5M and \$10M.
 - Note: aircraft valuations are not factored

Results - PML

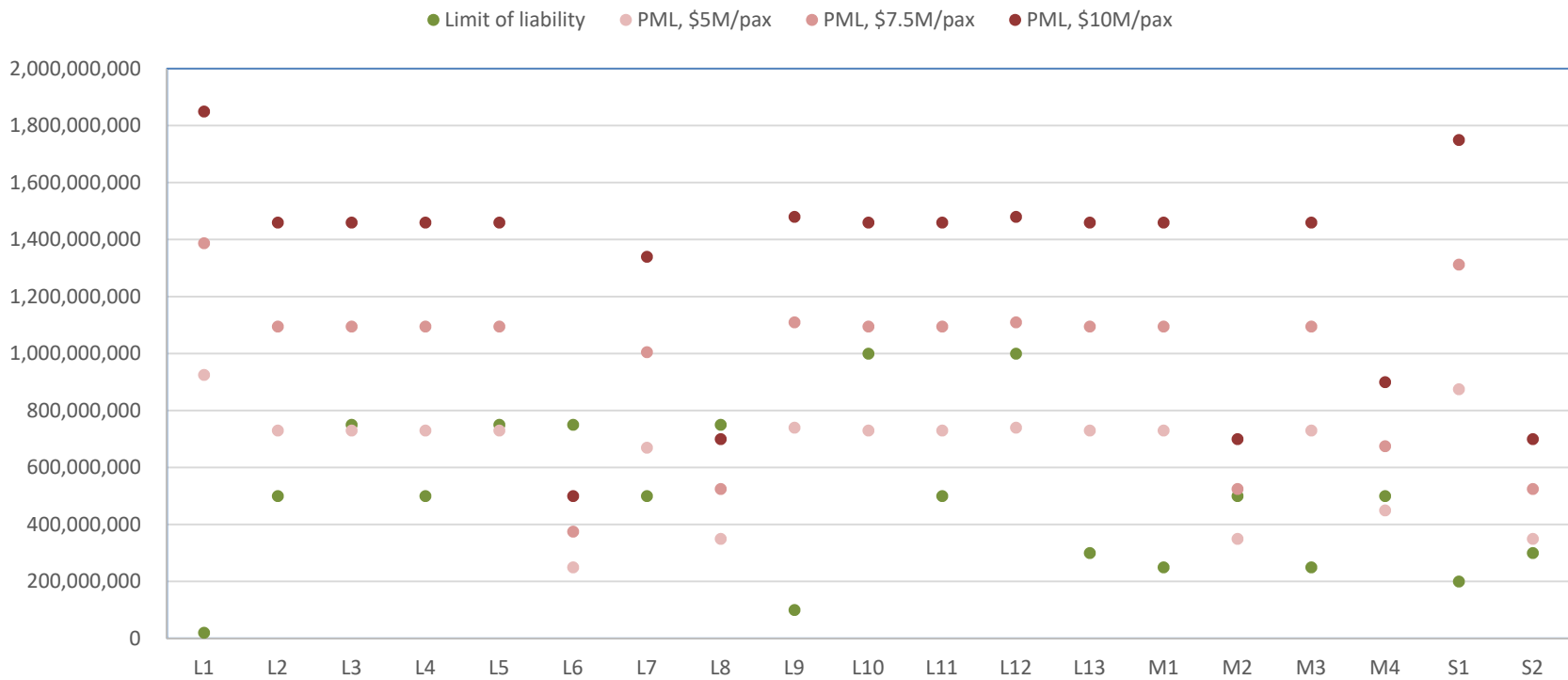


Airport	A/C Type	Seat Range			PML Exposure - avg seats @ \$X/pax		
		Lo	Hi	Avg	\$ 5,000,000	\$ 7,500,000	\$ 10,000,000
L1	A321	185	185	185	\$ 925,000,000	\$ 1,387,500,000	\$ 1,850,000,000
L2	Boeing 737-700	108	184	146	\$ 730,000,000	\$ 1,095,000,000	\$ 1,460,000,000
L3	737	108	184	146	\$ 730,000,000	\$ 1,095,000,000	\$ 1,460,000,000
L4	Boeing 737	108	184	146	\$ 730,000,000	\$ 1,095,000,000	\$ 1,460,000,000
L5	B737	108	184	146	\$ 730,000,000	\$ 1,095,000,000	\$ 1,460,000,000
L6	CRJ-200	50	90	70	\$ 350,000,000	\$ 525,000,000	\$ 700,000,000
L7	A319	134	134	134	\$ 670,000,000	\$ 1,005,000,000	\$ 1,340,000,000
L8	CRJ	50	90	70	\$ 350,000,000	\$ 525,000,000	\$ 700,000,000
L9	A320	132	164	148	\$ 740,000,000	\$ 1,110,000,000	\$ 1,480,000,000
L10	B737	108	184	146	\$ 730,000,000	\$ 1,095,000,000	\$ 1,460,000,000
L11	737 or Airbus 320 or 319	108	184	146	\$ 730,000,000	\$ 1,095,000,000	\$ 1,460,000,000
L12	A320	132	164	148	\$ 740,000,000	\$ 1,110,000,000	\$ 1,480,000,000
L13	737	108	184	146	\$ 730,000,000	\$ 1,095,000,000	\$ 1,460,000,000
M1	Boeing 737	108	184	146	\$ 730,000,000	\$ 1,095,000,000	\$ 1,460,000,000
M2	CRJ	50	90	70	\$ 350,000,000	\$ 525,000,000	\$ 700,000,000
M3	B737-700	108	184	146	\$ 730,000,000	\$ 1,095,000,000	\$ 1,460,000,000
M4	CRJ-900	90	90	90	\$ 450,000,000	\$ 675,000,000	\$ 900,000,000
S1	737L	175	175	175	\$ 875,000,000	\$ 1,312,500,000	\$ 1,750,000,000
S2	CRJ/ERJ	50	90	70	\$ 350,000,000	\$ 525,000,000	\$ 700,000,000

Probable Maximum Loss



Probable Maximum Loss



Results - MFL

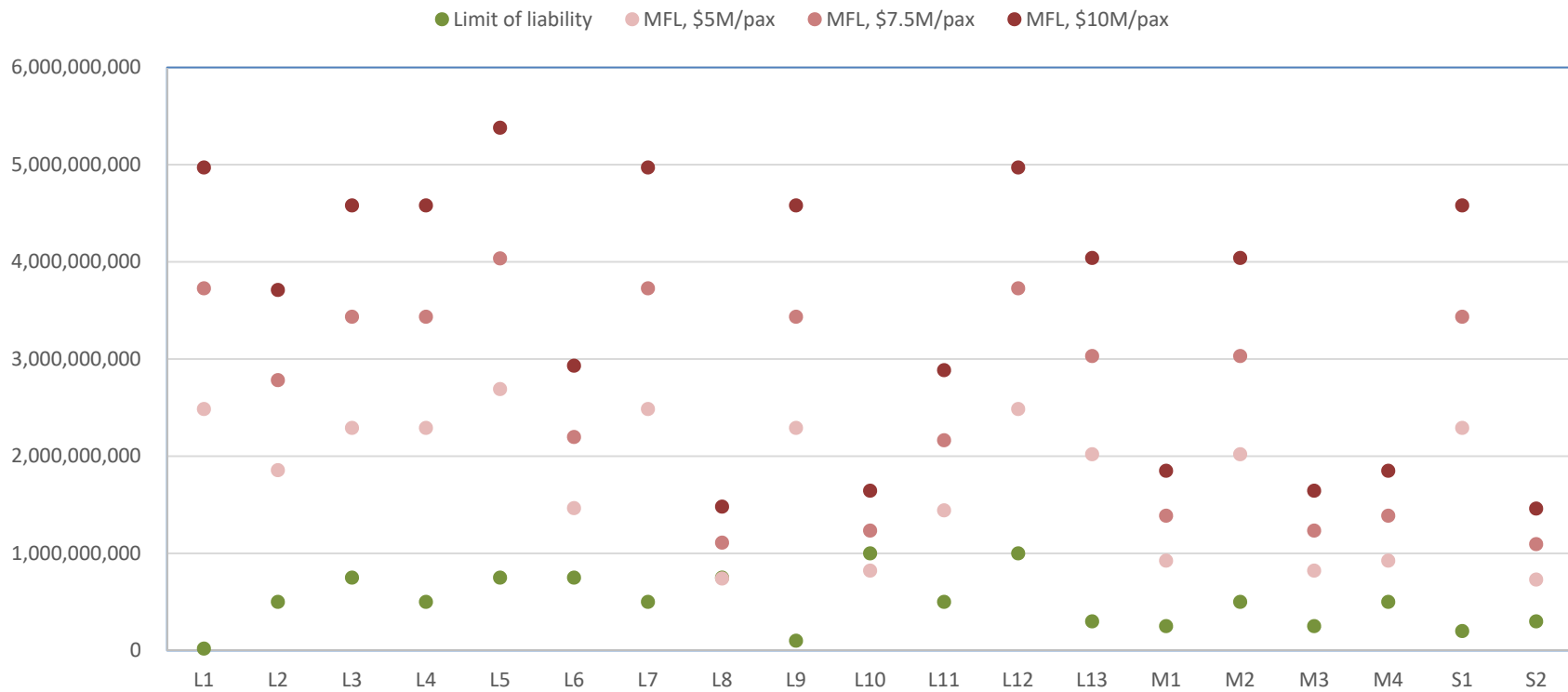


Airport	A/C Type	Seat Range			MFL Exposure - avg seats @ \$X/pax		
		Lo	Hi	Avg	\$ 5,000,000	\$ 7,500,000	\$ 10,000,000
L1	A380	379	615	497	\$ 2,485,000,000	\$ 3,727,500,000	\$ 4,970,000,000
L2	LH Boeing 747-400 at 371 seats	371	371	371	\$ 1,855,000,000	\$ 2,782,500,000	\$ 3,710,000,000
L3	747	420	496	458	\$ 2,290,000,000	\$ 3,435,000,000	\$ 4,580,000,000
L4	Boeing 747	420	496	458	\$ 2,290,000,000	\$ 3,435,000,000	\$ 4,580,000,000
L5	B747-400	416	660	538	\$ 2,690,000,000	\$ 4,035,000,000	\$ 5,380,000,000
L6	A330-300	293	293	293	\$ 1,465,000,000	\$ 2,197,500,000	\$ 2,930,000,000
L7	A380	379	615	497	\$ 2,485,000,000	\$ 3,727,500,000	\$ 4,970,000,000
L8	A320	132	164	148	\$ 740,000,000	\$ 1,110,000,000	\$ 1,480,000,000
L9	B747	420	496	458	\$ 2,290,000,000	\$ 3,435,000,000	\$ 4,580,000,000
L10	B757-200/300	143	186	164.5	\$ 822,500,000	\$ 1,233,750,000	\$ 1,645,000,000
L11	787	242	335	288.5	\$ 1,442,500,000	\$ 2,163,750,000	\$ 2,885,000,000
L12	A380-800	379	615	497	\$ 2,485,000,000	\$ 3,727,500,000	\$ 4,970,000,000
L13	777	368	440	404	\$ 2,020,000,000	\$ 3,030,000,000	\$ 4,040,000,000
M1	Airbus A321	185	185	185	\$ 925,000,000	\$ 1,387,500,000	\$ 1,850,000,000
M2	Boeing 777	368	440	404	\$ 2,020,000,000	\$ 3,030,000,000	\$ 4,040,000,000
M3	757-200	143	186	164.5	\$ 822,500,000	\$ 1,233,750,000	\$ 1,645,000,000
M4	A321	185	185	185	\$ 925,000,000	\$ 1,387,500,000	\$ 1,850,000,000
S1	747	420	496	458	\$ 2,290,000,000	\$ 3,435,000,000	\$ 4,580,000,000
S2	737	108	184	146	\$ 730,000,000	\$ 1,095,000,000	\$ 1,460,000,000

Maximum Foreseeable Loss



Maximum Foreseeable Loss



2007 Int'l Airport Limits of Liability



Aviation TPLL Insurance Limits Purchased

- NATS (UK) US\$1,500,000,000
- CAA (UK) US\$1,000,000,000
- Israel Airports US\$1,000,000,000
- Dubai US\$ 750,000,000
- Austrocontrol US\$ 500,000,000
- Bahrain CAA US\$ 500,000,000
- Cambodia ATC US\$ 500,000,000
- China CAA US\$ 500,000,000
- Egypt US\$ 500,000,000
- Saudi Arabia US\$ 500,000,000
- BAA (UK) US\$1,500,000,000
- Frankfurt US\$1,300,000,000
- Hong Kong US\$1,250,000,000
- New York US\$1,000,000,000
- Irish Airports US\$1,000,000,000
- South Africa US\$1,000,000,000
- Paris Airports US\$ 831,000,000
- Sharjah US\$ 500,000,000

Note| - Above figures may have changed

Source: Civil Aviation Authority of Singapore (CAAS) Strategic Airport Management Programme presentation 09/13/07.



Strategic Airport Management Programme
9-13 April 2007



Conclusions



- At most a slight correlation between an airport's enplanements as compared to its limit of liability based on linear regression line
 - It was hypothesized that with larger enplanement numbers and increased exposure, an airport would have correspondingly higher limits
- Individual state protections regarding immunity may be a predominant factor in certain airports electing to carry lower limits
- In the event of a mass casualty passenger aircraft accident for which an airport is determined to be solely negligent, it is unlikely there would be adequate insurance proceeds to pay all associated parties
- Consider reviewing your airport's exposures for mass casualty events and marketing for excess coverage(s)

CVG

Embrace What's Next



Resources



- [https://www.rita.dot.gov/bts/sites/rita.dot.gov.bts/files/publications/national transportation statistics/html/table 01 44.html](https://www.rita.dot.gov/bts/sites/rita.dot.gov.bts/files/publications/national_transportation_statistics/html/table_01_44.html)
- <http://clacsec.lima.icao.int/reuniones/2007/seminario-chile/presentaciones/pr10.pdf>