

## **AGREED VALUE CLAUSE**

It is hereby understood and agreed that in consideration of the insured Aircraft being covered on an Agreed Value basis all reference herein to replacement shall be deemed to be deleted but only in respect of claims adjusted on the basis of a total loss.

In respect of claims adjusted on the basis of a total loss the Underwriters shall pay to the Insured the Agreed Value of the Aircraft as stated in the Policy Schedule less any applicable deductible. The Underwriters may, at their discretion, take the salvage of such Aircraft, together with all appropriate documents appertaining thereto, but in no event shall there be any abandonment to the Underwriters.

The foregoing provision shall not apply to claims arising in respect of partial loss or damage where the Underwriters shall retain the right to repair, replace or make good as they deem expedient.

01/10/96

AVN.61