

b) in the case of damage or destruction of property to a recovery equal to the fair value of the property.

Sole Paragraph. The person liable shall not be entitled to benefit by these limits, if the party in interest can prove that the damage was the result of intentional wrongdoing.

THIRD SECTION—SURETIES AS TO LIABILITY

Art. 103. The natural or legal person, in whose name the aircraft is registered or in whose name it is operated, shall be surety for the indemnification, in the manner and within the limits established in this Code in regard to injuries to persons or property which the aircraft may cause.

Art. 104. Such security, at the option of the carrier, the owner, or the operator of the aircraft may consist of the following:

a) in the assurance that the liability is covered by insurance furnished by a reliable organization approved by the competent authority;

b) in a bond or suitable security, approved by the Government, from a person or enterprise with its domicile or general office in Brazil;

c) in the deposit beforehand of money or securities.

Art. 105. For purposes of the above provision, the issuance or re-issuance of a certificate of airworthiness to an aircraft may be subordinated to the furnishing of any of the above securities.

Art. 106. If the security consists of an insurance contract, the certificate of airworthiness of the aircraft may be withdrawn at any time if the owner, carrier, or operator is unable to prove that he is complying regularly with the conditions of the respective policy and, particularly, with the timely payment of the premiums.

Art. 107. There shall be required of aircraft registered in a foreign country, as indemnification for damages that they may cause to persons or property on Brazilian territory, the furnishing of security at least equal or considered equivalent to those of Brazilian aircraft.

Art. 108. Any person who has a right to payment for damage shall have a direct claim upon the security furnished by the party responsible within the limits of the amount to which he is entitled.

CHAPTER VI—AVIATION INSURANCE

Art. 109. Any interest which depends upon air navigation, which does not arise from intentional wrongdoing may be insured against all risks, subject, however, to the general laws, including cases involving abandonment.

Art. 110. The owner or operator of an aircraft may insure it up to its total value against the risks of air navigation.

Art. 111. In the absence of an agreement to the contrary, the insurance shall not extend to losses or damages attributable to the fault of the owner or a defect in the machine itself.

Art. 112. The certificate of airworthiness of an aircraft which is covered by the insurance shall be referred to in the respective contract by a statement of the insured.