

However, the previous and the new carrier must give immediate notice of the change to the insurer. The insurer, after receiving the notice may within 15 days revoke the contract, by giving 15 days' notice. The new carrier has the same right from the day of the change. The insurer and the carrier who gives notice of revocation, must immediately notify the Minister of Aeronautics of the matter.

If the insurer is not notified, the insurance shall continue with regard to new carrier but the latter is jointly liable with the former for the payment when it is not proved that the insurer, aware of the change, has not revoked the contract in the terms and the manner established below.

Art. 1014. (Extension of aviation insurance policy which expired during a trip.) Insurance which expires when an aircraft is traveling shall be automatically extended until completion [of the landing] at the place of destination, but the carrier must pay a supplementary premium proportionate to the premium established in the contract.

Art. 1015. (Rights of a third party against the insurer.) A third damaged party shall have a right to bring action against the insurers for damages suffered.

The insurer may not invoke against the third party any cause for rescission or annulment of the contract having retroactive effect.

In any other case of rescission of a contract, the rescission shall be held valid against third parties for accidents which occurred up to the moment when the insurance statement was withdrawn by the Ministry of Aeronautics but, in any event, not later than 15 days from the day on which the insurer notified the Ministry of the rescission which had taken place.

In addition, the insurer shall be bound to pay indemnities to third parties even in case the damage is considered excluded according to the third paragraph of Article 1012.

Except for the provisions of the preceding paragraphs, the insurer may invoke against the third party all the exceptions which may be brought against the carrier as well as those that the carrier may invoke against the damaged party.

Art. 1016. (Action of recovery of the insurer.) In the cases provided for in the second, third and fourth paragraphs of the preceding article, the insurer shall have the right to recovery (reimbursement) from the carrier for the amount paid to third damaged party.

SECTION II—INSURANCE FOR DAMAGES CAUSED BY COLLISION

Art. 1017. (Risk.) The insurer shall be held liable for the amounts due by a carrier for damages caused by an aircraft in flight in a collision with another aircraft in flight or with a vessel in motion even if no actual collision has occurred and the damages were caused by explosion or other similar causes. However, damages resulting from one of the causes provided for in Article 977 are excluded from indemnification. The expenses incurred by a carrier to oppose the claims of a third party shall also be borne by the insurer, provided they are incurred with the consent of the insurer.

Art. 1018. (Damages to third persons on the ground caused by collision.) In the cases provided for in the preceding article, the