Filing at a Glance

Companies: American Alternative Insurance Corporation, Mitsui Sumitomo Insurance Company of America, National Indemnity Company, Tokio Marine and Nichido Fire Insurance Company, Ltd. (USB)

Product Name: Aviation Ground Operations Liability Policy and Supplementary Data	SERFF Tr Num: GLBL-125369836	State: Arkansas
TOI: 22.0 Aircraft	SERFF Status: Closed	State Tr Num: #47164 $50
Sub-TOI: 22.0000 Aircraft	Co Tr Num: 4835	State Status: Fees verified and received
Filing Type: Form	Co Status:	Reviewer(s): Betty Montesi, Llyweyia Rawlins, Brittany Yielding
	Authors: Michael Cochran, Diane Lindsey, Jana Ellmaker, Sean Cox	Disposition Date: 02/15/2008
	Date Submitted: 01/21/2008	Disposition Status: Approved
Effective Date Requested (New): On Approval		Effective Date (New): 02/15/2008
Effective Date Requested (Renewal): On Approval		Effective Date (Renewal): 02/15/2008

State Filing Description:

General Information

Project Name: Global/62	Status of Filing in Domicile: Pending
Project Number: 62	Domicile Status Comments: The domicile states were submitted on or around this same date.
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 02/15/2008	
State Status Changed: 01/29/2008	Deemer Date:
Corresponding Filing Tracking Number:	

Filing Description:

Per our previous filing, we are currently using the Airport Liability Insurance (ALI) policy which was derived from the 1988 version ISO Commercial General Liability Coverage Form (Coverage Part) and Common Policy Provisions. We refer to this variant as a “Policy” rather than a Coverage Part. We now wish to discontinue the use of that previously

filed form and commence using a new policy form that incorporates many of the changes ISO has made to their CGL form since 1988. Another goal is to address some arguments that have been made relative to the extent of coverage afforded by our present form. Finally, we hope to reduce administrative burdens by including text that will eliminate the need to attach certain endorsements.

Regarding Declarations and Text:

1. To save the reviewer time, we will make specific comment only on the substantive modifications we made to ISO's forms. We will bypass changes that are editorial or stylistic in nature. The following are examples of changes we deemed to be of lesser importance, presented in no particular order of significance:

a. Substitution of "policy" for the term "Coverage Part"
b. Substitution or bold italic type for quotation marks to signify defined terms
c. More consistent use of the word "Paragraph" when referring to paragraphs elsewhere in the document
d. Use of different numbers, letters and styles than those used by ISO in the identification of paragraphs
e. Insertion of "missing" words and phrases we felt should have been added by ISO
f. Condensing sentences ISO had presented with subparagraphs into simple compound sentences

2. In addition to the filed forms, we have attached document "ISO to AGL-filing.doc" as an aid to the reviewer. This document reflects the changes that were made to the ISO CGL forms CG 00 01 12 04 and IL 00 17 11 98 to arrive at the AGL. In this document, removed text has been struck through. Added text has been underlined and highlighted.

Regarding Endorsements:

In addition to the endorsement forms we are filing, we have supplied copies of the ISO mandatory endorsements for your state. To aid the reviewer, we have indicated how we have addressed the subject matter of these endorsements on each of them. Generally speaking, we incorporated the text directly into our policy form where appropriate and consolidated other subject matter into a single 'state' endorsement. We struck text that didn't apply to the ISO Commercial General Liability Coverage Part. Added text is shaded.

In addition to the required certifications, we enclose the following for your review:

Cover page

Policy

Declaration page

Supplemental Endorsements

List of the Syndicate members

Page and Line References of Comparison

Side by Side Comparision of Iso to AGL Policy

Description of Forms

Company and Contact

Filing Contact Information

(This filing was made by a third party - globalaerospaceinc)

Sean Cox, Associate Consultant
1020 Central, Suite 201
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(816) 391-2737 [Phone]
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Filing Company Information

American Alternative Insurance Corporation 555 College Road East PO Box 5241 Princeton, NJ 08543-5241 (609) 951-8295 ext. [Phone]	CoCode: 19720 Group Code: 361 Group Name: FEIN Number: 522048110 ---	State of Domicile: Delaware Company Type: Fronter State ID Number:
Mitsui Sumitomo Insurance Company of America 15 Independence Blvd PO Box 4602 Warren, NJ 07059-0602 (908) 604-2900 ext. [Phone]	CoCode: 20362 Group Code: 2978 Group Name: FEIN Number: 22-3818012 ---	State of Domicile: New York Company Type: Fronter State ID Number:
National Indemnity Company 3024 Harney Street Omaha, NE 68131 (402) 536-3000 ext. [Phone]	CoCode: 20087 Group Code: 31 Group Name: FEIN Number: 47-0355979 ---	State of Domicile: Nebraska Company Type: Fronter State ID Number:

Tokio Marine and Nichido Fire Insurance Company, Ltd. (USB)
230 Park Avenue
New York, NY 10019
(201) 297-6600 ext. [Phone]

CoCode: 12904

Group Code: 950
Group Name:
FEIN Number: 13-6108722

State of Domicile: New York

Company Type: Fronter
State ID Number:

Filing Fees

Fee Required?	Yes
Fee Amount:	$50.00
Retaliatory?	No
Fee Explanation:	The fee is $50.00 per submission. Therefore, the fee is $50.00.
Per Company:	No

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
47164	$50.00	01/08/2008

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	02/15/2008	02/15/2008

Disposition

Disposition Date: 02/15/2008
Effective Date (New): 02/15/2008
Effective Date (Renewal): 02/15/2008
Status: Approved
Comment:

Rate data does NOT apply to filing.

Overall Rate Information for Multiple Company Filings	
Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	$0
Effect of Rate Filing - Number of Policyholders Affected	0

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Side by side Comparison of ISO to AGL Policy	Approved	Yes
Supporting Document	Page & Line References of Comparison	Approved	Yes
Supporting Document	Authorizations	Approved	Yes
Supporting Document	Form Descriptions	Approved	Yes
Supporting Document	Syndicate Addendum	Approved	Yes
Form	AVIATION GROUND OPERATIONS LIABILITY POLICY	Approved	Yes
Form	AVIATION GROUND OPERATIONS LIABILITY INSURANCE (Cover Page)	Approved	Yes
Form	GUIDE TO THE PROVISIONS OF YOUR POLICY	Approved	Yes
Form	DECLARATIONS	Approved	Yes
Form	ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION	Approved	Yes
Form	BROAD FORM NAMED INSURED	Approved	Yes
Form	INSTALLMENT PREMIUM	Approved	Yes
Form	FINANCED PREMIUM	Approved	Yes
Form	AMENDMENT OF LIMITS OF INSURANCE	Approved	Yes
Form	DEDUCTIBLES	Approved	Yes
Form	WORLDWIDE TERRITORY	Approved	Yes
Form	WORLDWIDE TERRITORY – YOUR PRODUCT OR YOUR WORK	Approved	Yes
Form	ANNUAL RENEGOTIATION	Approved	Yes
Form	ADDITIONAL INSURED – MANAGERS OR LESSORS OF PREMISES	Approved	Yes
Form	ADDITIONAL INSURED – CONTROLLING INTEREST	Approved	Yes
Form	ADDITIONAL INSURED – ELECTIVE OR APPOINTIVE EXECUTIVE OFFICERS OF PUBLIC CORPORATIONS	Approved	Yes
Form	ADDITIONAL INSURED – LESSOR OF	Approved	Yes

	LEASED EQUIPMENT		
Form	AMENDMENT TO INSURED STATUS	Approved	Yes
Form	ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION	Approved	Yes
Form	NON-FAA CONTROL TOWER OPERATOR	Approved	Yes
Form	ADDITIONAL INSURED – AIRPORT OR HELIPORT MANAGER	Approved	Yes
Form	CONTROL TOWER LIABILITY	Approved	Yes
Form	DISCRIMINATION COVERAGE	Approved	Yes
Form	WAIVER OF GOVERNMENTAL IMMUNITY	Approved	Yes
Form	LIABILITY AND MEDICAL EXPENSES COVERAGE (Applicable to the WAR, HI-JACKING AND OTHER PERILS Exclusion)	Approved	Yes
Form	SCHEDULED UNDERLYING INSURANCE	Approved	Yes
Form	ELECTRONIC DATE RECOGNITION – LIMITED COVERAGE	Approved	Yes
Form	GARAGEKEEPERS LIABILITY	Approved	Yes
Form	TERRORISM RISK INSURANCE ACT OF 2002 COVERAGE	Approved	Yes
Form	EXCLUSION – PERSONAL AND ADVERTISING INJURY	Approved	Yes
Form	EXCLUSION – PRODUCTS-COMPLETED OPERATIONS HAZARD	Approved	Yes
Form	EXCLUSION – DESIGNATED PRODUCTS	Approved	Yes
Form	EXCLUSION – DESIGNATED WORK	Approved	Yes
Form	EXCLUSION – ALL HAZARDS IN CONNECTION WITH DESIGNATED PREMISES	Approved	Yes
Form	EXCLUSION – DAMAGE TO PREMISES RENTED TO YOU	Approved	Yes
Form	EXCLUSION – MEDICAL PAYMENTS	Approved	Yes
	EXCLUSION – HANGARKEEPERS'		

Form	LIABILITY	Approved	Yes
Form	EXCLUSION – SERVICES FURNISHED BY HEALTH CARE PROVIDERS	Approved	Yes
Form	EXCLUSION – NEW ENTITIES	Approved	Yes
Form	EXCLUSION – LAW ENFORCEMENT ACTIVITIES	Approved	Yes
Form	EXCLUSION – LIABILITY ASSUMED BY ANY GOVERNMENT	Approved	Yes
Form	LIMITATION – CONTRACTUAL LIABILITY	Approved	Yes
Form	LIMITATION – CONTRACTUAL LIABILITY (Reporting Feature)	Approved	Yes
Form	LIMITATION – DESIGNATED PREMISES ONLY	Approved	Yes
Form	NON-OWNED AIRCRAFT LIABILITY	Approved	Yes
Form	ARKANSAS CHANGES/	Approved	Yes

Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type	Action	Action Specific Data	Readability	Attachment
Approved	AVIATION GROUND OPERATIONS LIABILITY POLICY	AGL	12/2007	Policy/Coverage Form	New		0.00	AGL TEXT(distilled).pdf
Approved	AVIATION GROUND OPERATIONS LIABILITY INSURANCE (Cover Page)	AGL C	12/2007	Other	New		0.00	AGL C(distilled).pdf
Approved	GUIDE TO THE PROVISIONS OF YOUR POLICY	AGL G	12/2007	Other	New		0.00	AGL G(distilled).pdf
Approved	DECLARATIONS	AGL D	12/2007	Declarations/Schedule	New		0.00	AGL D(distilled).pdf
Approved	ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION	AGLA002	12/2007	Endorsement/Amendment/Conditions	New		0.00	AGLA002_Endorsement(distilled).pdf
Approved	BROAD FORM NAMED INSURED	AGLA004	12/2007	Endorsement/Amendment/Conditions	New		0.00	AGLA004_Endorsement(distilled).pdf
Approved	INSTALLMENT PREMIUM	AGLA020	12/2007	Endorsement/Amendment/Conditions	New		0.00	AGLA020_Endorsement(distilled).pdf
Approved	FINANCED PREMIUM	AGLA025	12/2007	Endorsement/Amendment/Conditi	New		0.00	AGLA025_Endorsement(distilled).pdf

				ons			
Approved	AMENDMENT OF LIMITS OF INSURANCE	AGLA028	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLA028_Endorsement-filing(distilled).pdf
Approved	DEDUCTIBLES	AGLA029	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLA029_Endorsement(distilled).pdf
Approved	WORLDWIDE TERRITORY	AGLA032	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLA032_Endorsement(distilled).pdf
Approved	WORLDWIDE TERRITORY – YOUR PRODUCT OR YOUR WORK	AGLA033	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLA033_Endorsement(distilled).pdf
Approved	ANNUAL RENEGOTIATION	AGLA040	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLA040_Endorsement(distilled).pdf
Approved	ADDITIONAL INSURED – MANAGERS OR LESSORS OF PREMISES	AGLA041	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLA041_Endorsement(distilled).pdf
Approved	ADDITIONAL INSURED – CONTROLLING INTEREST	AGLA042	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLA042_Endorsement(distilled).pdf
Approved	ADDITIONAL INSURED – ELECTIVE OR APPOINTIVE EXECUTIVE OFFICERS OF PUBLIC	AGLA043	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLA043_Endorsement(distilled).pdf

	CORPORATIONS						
Approved	ADDITIONAL INSURED – LESSOR OF LEASED EQUIPMENT	AGLA044	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLA044_Endorsement(distilled).pdf
Approved	AMENDMENT TO INSURED STATUS	AGLA054	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLA054_Endorsement(distilled).pdf
Approved	ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION	AGLA055	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLA055_Endorsement-filing(distilled).pdf
Approved	NON-FAA CONTROL TOWER OPERATOR	AGLA056	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLA056_Endorsement(distilled).pdf
Approved	ADDITIONAL INSURED – AIRPORT OR HELIPORT MANAGER	AGLA057	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLA057_Endorsement(distilled).pdf
Approved	CONTROL TOWER LIABILITY	AGLC016	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLC016_Endorsement(distilled).pdf
Approved	DISCRIMINATION COVERAGE	AGLC017	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLC017_Endorsement(distilled).pdf
Approved	WAIVER OF GOVERNMENTAL IMMUNITY	AGLC021	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLC021_Endorsement(Distilled).pdf
Approved	LIABILITY AND	AGLC022	12/2007	Endorsement	New	0.00	AGLC022_E

	MEDICAL EXPENSES COVERAGE (Applicable to the WAR, HI-JACKING AND OTHER PERILS Exclusion)			nt/Amendment/Conditions			ndorsement(distilled).pdf
Approved	SCHEDULED UNDERLYING INSURANCE	AGLC024	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLC024_Endorsement(distilled).pdf
Approved	ELECTRONIC DATE RECOGNITION – LIMITED COVERAGE	AGLC025	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLC025_Endorsement(distilled).pdf
Approved	GARAGEKEEPERS LIABILITY	AGLC050	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLC050_Endorsement(distilled).pdf
Approved	TERRORISM RISK INSURANCE ACT OF 2002 COVERAGE	AGLC054	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLC054_Endorsement(distilled).pdf
Approved	EXCLUSION – PERSONAL AND ADVERTISING INJURY	AGLE007	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLE007_Endorsement(distilled).pdf
Approved	EXCLUSION – PRODUCTS-COMPLETED OPERATIONS HAZARD	AGLE009	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLE009_Endorsement(distilled).pdf
Approved	EXCLUSION – DESIGNATED PRODUCTS	AGLE010	12/2007	Endorsement/Amendment/Conditi	New	0.00	AGLE010_Endorsement(distilled).pdf

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Approved	EXCLUSION – DESIGNATED WORK	AGLE011	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLE011_Endorsement(distilled).pdf
Approved	EXCLUSION – ALL HAZARDS IN CONNECTION WITH DESIGNATED PREMISES	AGLE012	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLE012_Endorsement(distilled).pdf
Approved	EXCLUSION – DAMAGE TO PREMISES RENTED TO YOU	AGLE013	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLE013_Endorsement(distilled).pdf
Approved	EXCLUSION – MEDICAL PAYMENTS	AGLE014	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLE014_Endorsement(distilled).pdf
Approved	EXCLUSION – HANGARKEEPERS' LIABILITY	AGLE015	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLE015_Endorsement(distilled).pdf
Approved	EXCLUSION – SERVICES FURNISHED BY HEALTH CARE PROVIDERS	AGLE016	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLE016_Endorsement(distilled).pdf
Approved	EXCLUSION – NEW ENTITIES	AGLE017	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLE017_Endorsement(distilled).pdf
Approved	EXCLUSION – LAW ENFORCEMENT ACTIVITIES	AGLE026	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLE026_Endorsement(distilled).pdf

Approved	EXCLUSION – LIABILITY ASSUMED BY ANY GOVERNMENT	AGLE027	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLE027_Endorsement(distilled).pdf
Approved	LIMITATION – CONTRACTUAL LIABILITY	AGLL005	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLL005_Endorsement(distilled).pdf
Approved	LIMITATION – CONTRACTUAL LIABILITY (Reporting Feature)	AGLL006	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLL006_Endorsement(distilled).pdf
Approved	LIMITATION – DESIGNATED PREMISES ONLY	AGLL007	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLL007_Endorsement(distilled).pdf
Approved	NON-OWNED AIRCRAFT LIABILITY	AGLN004	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLN004_Endorsement(distilled).pdf
Approved	ARKANSAS CHANGES/	AGLS016	12/2007	Endorsement/Amendment/Conditions	New	0.00	AGLS016_Endorsement-filing.pdf

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to "the Company", described in the Declarations, providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION III - WHO IS AN INSURED**.

Other words and phrases that appear in ***bold italicized*** type have special meaning. Refer to **SECTION VI - DEFINITIONS**.

SECTION I - COVERAGES

COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. **Insuring Agreement.**

(a) We will pay those sums that the insured becomes legally obligated to pay as damages because of ***bodily injury*** or ***property damage*** to which this insurance applies resulting from the ***ground operations hazard*** or the ***products-completed operations hazard***. We will have the right and duty to defend the insured against any ***suit*** seeking those damages. However, we will have no duty to defend the insured against any ***suit*** seeking damages for ***bodily injury*** or ***property damage*** to which this insurance does not apply. We may at our discretion investigate any ***occurrence*** and settle any claim or ***suit*** that may result. But:

(1) The amount we will pay for damages is limited as described in **SECTION IV - LIMITS OF INSURANCE**; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS** - COVERAGES A, B and D.

(b) This insurance applies to ***bodily injury*** and ***property damage*** only if:

(1) The ***bodily injury*** or ***property damage*** is caused by an ***occurrence*** that takes place in the ***coverage territory***,

(2) The ***bodily injury*** or ***property damage*** occurs during the policy period, and

(3) Prior to the policy period, no insured listed under Paragraph 1. of **SECTION III – WHO IS AN INSURED** and no employee authorized by you to give or receive notice of an ***occurrence***, claim or ***suit***, knew that the ***bodily injury*** or ***property damage*** had occurred, in whole or in part. If such a listed insured or authorized employee knew, prior to the policy period, that the ***bodily injury*** or ***property damage*** occurred, then any continuation, change or resumption of such ***bodily injury*** or ***property damage*** during or after the policy period will be deemed to have been known prior to the policy period.

(c) ***Bodily injury*** or ***property damage*** which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of **SECTION III – WHO IS AN INSURED** or any employee authorized by you to give or receive notice of an ***occurrence***, claim or ***suit***, includes any continuation, change or resumption of that ***bodily injury*** or ***property damage*** after the end of the policy period.

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(d) ***Bodily injury*** or ***property damage*** will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of **SECTION III – WHO IS AN INSURED** or any employee authorized by you to give or receive notice of an ***occurrence***, claim or ***suit***:

(1) Reports all, or any part, of the ***bodily injury*** or ***property damage*** to us or any other insurer;

(2) Receives a written or verbal demand or claim or ***suit*** for damages because of the ***bodily injury*** or ***property damage***; or

(3) Becomes aware by any other means that ***bodily injury*** or ***property damage*** has occurred or has begun to occur.

(e) Damages because of ***bodily injury*** include damages claimed by any person or organization for care, loss of services or death resulting at any time from the ***bodily injury***.

2. **Exclusions.**

In addition to the exclusions contained in **SECTION II - GENERAL POLICY EXCLUSIONS**, this insurance does not apply to:

(a) EXPECTED OR INTENDED INJURY

Bodily injury or ***property damage*** expected or intended from the standpoint of the insured. This exclusion (a) does not apply to ***bodily injury*** or ***property damage*** resulting from the use of reasonable force to protect persons or property.

(b) CONTRACTUAL LIABILITY

Bodily injury or ***property damage*** for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion (b) does not apply to liability for damages:

(1) That the insured would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an ***insured contract***, provided the ***bodily injury*** or ***property damage*** occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an ***insured contract***, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of ***bodily injury*** or ***property damage***, provided:
   a. Liability to such party for, or for the cost of, that party's defense has also been assumed in the same ***insured contract***; and
   b. Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

(c) LIQUOR LIABILITY

Bodily injury or ***property damage*** for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion (c) applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

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(d) WORKERS' COMPENSATION AND SIMILAR LAWS

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

(e) EMPLOYER'S LIABILITY

Bodily injury to:

(1) An employee of the insured arising out of and in the course of employment by the insured; or

(2) The spouse, child, parent, brother or sister of that employee as a consequence of Paragraph (1) above.

This exclusion (e) applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion (e) does not apply to liability assumed by the insured under an ***insured contract***.

(f) CONTESTS OR EXHIBITIONS

The conduct of any contest or exhibition permitted, sponsored or participated in by any insured other than static displays in public access areas.

(g) AUTO OR WATERCRAFT

Bodily injury or ***property damage*** arising out of the ownership, maintenance, use or entrustment to others of any ***auto*** or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and ***loading or unloading***.

This exclusion (g) applies even if the claims against any insured allege negligence or other wrongdoing in the hiring, employment, supervision, training, monitoring, or warning of others by that insured, if the ***occurrence*** which caused the ***bodily injury*** or ***property damage*** involved the ownership, maintenance, use or entrustment to others of any ***auto*** or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion (g) does not apply to:

(1) A watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is:
   a. Less than 26 feet long; and
   b. Not being used to carry persons or property for a charge;

(3) Liability assumed under any ***insured contract*** for the ownership, maintenance or use of watercraft;

(4) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of ***mobile equipment*** if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged;

(5) The operation of any of the machinery or equipment listed in Paragraph (f)(2) or (f)(3) of the definition of ***mobile equipment***;

(6) Parking an ***auto*** on, or on the ways next to, premises you own or rent, provided the ***auto*** is not owned by or rented or loaned to you or the insured;

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(7) An ***auto*** an insured operates on airport or heliport premises exclusive of public roadways and parking areas; or

(8) An ***auto*** an insured operates off airport or heliport premises you own or rent while:
   a. Responding to an aviation emergency,
   b. Responding to a non–aviation emergency in connection with a mutual support agreement,
   c. Restocking a tank or container that is attached to, or part of, the ***auto*** and designed to carry materials to be dispensed on such premises, or
   d. Obtaining maintenance or service for such ***auto***,

   provided such ***auto*** is otherwise maintained for use solely on or next to such premises.

(h) MOBILE EQUIPMENT

Bodily injury or ***property damage*** arising out of:

(1) The transportation of ***mobile equipment*** by an ***auto*** owned or operated by or rented or loaned to any insured; or

(2) The use of ***mobile equipment*** in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition or stunting activity.

(i) GRANDSTANDS, POOLS AND LODGING ACCOMMODATIONS

Bodily injury or ***property damage*** arising out of the ownership, maintenance or use of:

(1) Grandstands, bleachers or observation platforms other than observation decks or promenades that are part of permanent structures;

(2) Swimming pools; or

(3) Lodging accommodations for the general public.

(j) DAMAGE TO PROPERTY

Property damage to:

(1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the ***property damage*** arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property, other than aircraft, in the care, custody or control of the insured;

(5) Aircraft:
   a. In the care, custody or control of the insured, or
   b. While being serviced by the insured;

(6) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the ***property damage*** arises out of those operations; or

(7) That particular part of any property that must be restored, repaired or replaced because ***your work*** was incorrectly performed on it.

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Paragraphs (1), (3), and (4) of this exclusion (j) do not apply to ***property damage*** (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in **SECTION IV – LIMITS OF INSURANCE**.

Paragraph (2) of this exclusion (j) does not apply if the premises are ***your work*** and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion (j) do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion (j) does not apply to ***property damage*** included in the ***products-completed operations hazard***.

(k) DAMAGE TO YOUR PRODUCT

Property damage to ***your product*** arising out of it or any part of it.

(l) DAMAGE TO YOUR WORK

Property damage to ***your work*** arising out of it or any part of it and included in the ***products-completed operations hazard***. This exclusion (l) does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

(m) DAMAGE TO IMPAIRED PROPERTY OR PROPERTY NOT PHYSICALLY INJURED

Property damage to ***impaired property*** or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in ***your product*** or ***your work***; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion (m) does not apply to the loss of use of other property arising out of sudden and accidental physical injury to ***your product*** or ***your work*** after it has been put to its intended use.

(n) RECALL OF PRODUCTS, WORK OR IMPAIRED PROPERTY

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) ***Your product***,

(2) ***Your work***, or

(3) ***Impaired property***

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

(o) PERSONAL AND ADVERTISING INJURY

Bodily injury arising out of ***personal and advertising injury***.

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(p) INTERFERENCE WITH PROPERTY RIGHTS OF OTHERS

Bodily injury or ***property damage*** arising out of interference with the quiet enjoyment of property or the taking of or exercising of the property rights of others by any operation of aircraft.

(q) DISTRIBUTION OF MATERIAL IN VIOLATION OF STATUTES

Bodily injury or ***property damage*** arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

(3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

(r) EMPLOYMENT RELATED PRACTICES

Bodily injury to:

(1) A person arising out of any:
   a. Refusal to employ that person;
   b. Termination of that person's employment; or
   c. Employment-related practice directed at that person; or

(2) Any other person as a consequence of ***bodily injury*** to that person at whom any such refusal to employ, termination of employment or other employment-related practice described in Paragraph (1) above is directed.

This exclusion (r) applies:
(i) Whether the ***bodily injury*** takes place before, during or after the employment of the person referred to in Paragraph (1) above;
(ii) Whether the insured may be liable as an employer or in any other capacity; and
(iii) To any obligation to share damages with or repay someone else who must pay damages because of the ***bodily injury***.

Exclusions (c) through (r) do not apply to damage by fire to premises rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **SECTION IV - LIMITS OF INSURANCE**.

COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY

1. **Insuring Agreement.**

(a) We will pay those sums that the insured becomes legally obligated to pay as damages because of ***personal and advertising injury*** to which this insurance applies. We will have the right and duty to defend the insured against any ***suit*** seeking those damages. However, we will have no duty to defend the insured against any ***suit*** seeking damages for ***personal and advertising injury*** to which this insurance does not apply. We may at our discretion investigate any offense and settle any claim or ***suit*** that may result. But:

(1) The amount we will pay for damages is limited as described in **SECTION IV - LIMITS OF INSURANCE**; and

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(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS** - COVERAGES A, B and D.

(b) This insurance applies to ***personal and advertising injury*** caused by an offense arising out of your aviation business, but only if the offense was committed in the ***coverage territory*** and during the policy period.

2. **Exclusions.**

In addition to the exclusions contained in **SECTION II - GENERAL POLICY EXCLUSIONS**, this insurance does not apply to:

(a) KNOWING VIOLATION OF RIGHTS OF ANOTHER

Personal and advertising injury caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict ***personal and advertising injury***.

(b) MATERIAL PUBLISHED WITH KNOWLEDGE OF FALSITY

Personal and advertising injury arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

(c) MATERIAL PUBLISHED PRIOR TO POLICY PERIOD

Personal and advertising injury arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

(d) CRIMINAL ACTS

Personal and advertising injury arising out of a criminal act committed by or at the direction of the insured.

(e) CONTRACTUAL LIABILITY

Personal and advertising injury for which the insured has assumed liability in a contract or agreement. This exclusion (e) does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

(f) BREACH OF CONTRACT

Personal and advertising injury arising out of a breach of contract, except an implied contract to use another's advertising idea in your ***advertisement***.

(g) QUALITY OR PERFORMANCE OF GOODS – FAILURE TO CONFORM TO STATEMENTS

Personal and advertising injury arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your ***advertisement***.

(h) WRONG DESCRIPTION OF PRICES

Personal and advertising injury arising out of the wrong description of the price of goods, products or services stated in your ***advertisement***.

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(i) INFRINGEMENT OF COPYRIGHT, PATENT, TRADEMARK OR TRADE SECRET

Personal and advertising injury arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. This exclusion (i) does not apply to infringement, in your ***advertisement***, of copyright, trade dress or slogan.

(j) INSUREDS IN MEDIA AND INTERNET TYPE BUSINESSES

Personal and advertising injury committed by an insured whose business is:

(1) Advertising, broadcasting, publishing or telecasting;

(2) Designing or determining content of websites for others; or

(3) An Internet search, access, content or service provider.

This exclusion (j) does not apply to Paragraphs (a), (b) and (c) of the definition of ***personal and advertising injury***.

For the purposes of this exclusion (j), the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

(k) ELECTRONIC CHATROOMS OR BULLETIN BOARDS

Personal and advertising injury arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

(l) UNAUTHORIZED USE OF ANOTHER'S NAME OR PRODUCT

Personal and advertising injury arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

(m) INTERFERENCE WITH PROPERTY RIGHTS OF OTHERS

Personal and advertising injury arising out of interference with the quiet enjoyment of property or the taking of or exercising of the property rights of others by any operation of aircraft.

(n) DISTRIBUTION OF MATERIAL IN VIOLATION OF STATUTES

Personal and advertising injury arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

(3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

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(o) EMPLOYMENT RELATED PRACTICES

Personal and advertising injury to:

(1) A person arising out of any:
   a. Refusal to employ that person;
   b. Termination of that person's employment; or
   c. Employment-related practice directed at that person; or

(2) Any other person as a consequence of ***personal and advertising injury*** to that person at whom any such refusal to employ, termination of employment or other employment-related practice described in Paragraph (1) above is directed.

This exclusion (o) applies:
(i) Whether the ***personal and advertising injury*** takes place before, during or after the employment of the person referred to in Paragraph (1) above;
(ii) Whether the insured may be liable as an employer or in any other capacity; and
(iii) To any obligation to share damages with or repay someone else who must pay damages because of the ***personal and advertising injury***.

COVERAGE C - MEDICAL PAYMENTS

1. **Insuring Agreement.**

(a) We will pay medical expenses as described below for ***bodily injury*** caused by an accident because of your aviation operations, provided that:

(1) The accident takes place in the ***coverage territory*** and during the policy period;

(2) The expenses are incurred and reported to us within one year of the date of the accident; and

(3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

(b) We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

2. **Exclusions.**

In addition to the exclusions contained in **SECTION II - GENERAL POLICY EXCLUSIONS**, we will not pay expenses for ***bodily injury***:

(a) ANY INSURED

To any insured, except ***volunteer workers***.

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(b) HIRED PERSON

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

(c) INJURY ON NORMALLY OCCUPIED PREMISES

To a person injured on that part of premises you own or rent that the person normally occupies.

(d) WORKERS COMPENSATION AND SIMILAR LAWS

To a person, whether or not an employee of any insured, if benefits for the ***bodily injury*** are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

(e) ATHLETICS ACTIVITIES

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

(f) PRODUCTS-COMPLETED OPERATIONS HAZARD

Included within the ***products-completed operations hazard***.

(g) COVERAGE A EXCLUSIONS

Excluded under Coverage A.

COVERAGE D - HANGARKEEPERS' LIABILITY

1. **Insuring Agreement.**

(a) We will pay those sums that the insured becomes legally obligated to pay as damages because of direct and accidental loss of or physical injury to ***aircraft***:
(i) In the care, custody or control of the insured, or
(ii) While being serviced by the insured,
including any resulting loss of use. All such loss of use shall be deemed to occur at the time of the direct and accidental loss of or physical injury to ***aircraft*** that caused the loss of use. We will have the right and duty to defend the insured against any ***suit*** seeking those damages. However, we will have no duty to defend the insured against any ***suit*** seeking damages for loss of or physical injury to ***aircraft*** to which this insurance does not apply. We may at our discretion investigate any loss of or physical injury to ***aircraft*** that occurs and settle any claim or ***suit*** that may result. But:

(1) The amount we will pay for damages is limited as described in **SECTION IV - LIMITS OF INSURANCE**;

(2) This insurance is subject to the Deductibles endorsement, if any, unless physical injury results from fire or explosion; and

(3) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverage D.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS** - COVERAGES A, B and D.

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(b) This insurance applies to loss of or physical injury to ***aircraft*** but only if such loss or physical injury occurs in the ***coverage territory*** and during the policy period.

2. **Exclusions.**

In addition to the exclusions contained in **SECTION II - GENERAL POLICY EXCLUSIONS**, this insurance does not apply to:

(a) CONTRACTUAL LIABILITY

The insured's liability under any contract or agreement to be responsible for loss of or physical injury to ***aircraft***. This exclusion (a) does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

(b) OWNED, RENTED OR MANAGED AIRCRAFT

Loss of or physical injury to ***aircraft***:

(1) Owned in whole or in part by or registered in the name of any insured;

(2) Rented, leased or loaned to any insured; or

(3) That is the subject of a management agreement with any insured.

(c) THEFT OR CONVERSION

Loss of or physical injury to ***aircraft*** due to theft or conversion caused in any way by you, your employees or by your shareholders.

(d) YOUR WORK

Loss of or physical injury to ***your work*** arising out of it or any part of it.

(e) AIRCRAFT IN FLIGHT

Loss of or physical injury to ***aircraft*** while in ***flight***.

SUPPLEMENTARY PAYMENTS - COVERAGES A, B and D

1. We will pay, with respect to any claim we investigate or settle, or any ***suit*** against an insured we defend:

(a) All expenses we incur.

(b) Up to $2,500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

(c) The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

(d) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or ***suit***, including actual loss of earnings up to $250 a day because of time off from work.

(e) All costs taxed against the insured in the ***suit***.

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(f) Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

(g) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a ***suit*** and an indemnitee of the insured is also named as a party to the ***suit***, we will defend that indemnitee if all of the following conditions are met:

(a) The ***suit*** against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an ***insured contract***;

(b) This insurance applies to such liability assumed by the insured;

(c) The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same ***insured contract***;

(d) The allegations in the ***suit*** and the information we know about the ***occurrence*** are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

(e) The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such ***suit*** and agree that we can assign the same counsel to defend the insured and the indemnitee; and

(f) The indemnitee:

(1) Agrees in writing to:
   a. Cooperate with Global Aerospace, Inc. in the investigation, settlement or defense of the ***suit***;
   b. Immediately send copies of any demands, notices, summonses or legal papers received in connection with the ***suit*** to Global Aerospace, Inc., Attention: General Aviation Claims at 51 John F. Kennedy Parkway, Short Hills, NJ 07078;
   c. Notify any other insurer whose coverage is available to the indemnitee; and
   d. Cooperate with Global Aerospace, Inc. with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides Global Aerospace, Inc. with written authorization to:
   a. Obtain records and other information related to the ***suit***; and
   b. Conduct and control the defense of the indemnitee in such ***suit***.

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph (2) of Exclusion (b) CONTRACTUAL LIABILITY applicable to Coverage A, such payments will not be deemed to be damages for ***bodily injury*** and ***property damage*** and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph (f) above, are no longer met.

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SECTION II – GENERAL POLICY EXCLUSIONS

Other provisions of this policy may limit or exclude insurance coverage. You are therefore urged to read the entire policy carefully.

This policy does not cover any claim, damage, injury, loss, cost, expense or liability of any nature whatsoever arising from, occasioned by or in consequence of (whether directly or indirectly and whether wholly or partly):

1. WAR, HI-JACKING AND OTHER PERILS

   (a) War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power.

   (b) Any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

   (c) Strikes, riots, civil commotions or labor disturbances.

   (d) Any act of one or more persons, whether or not agents of a sovereign power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional.

   (e) Any malicious act or act of sabotage.

   (f) Confiscation, nationalization, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any government (whether civil, military or de facto) or public or local authority.

   (g) Hi-jacking or any unlawful seizure or wrongful exercise of control of the aircraft or crew in ***flight*** (including any attempt at such seizure or control) made by any person or persons on board the aircraft acting without the consent of the insured.

   Furthermore, this policy does not cover claims or ***suits*** arising while the aircraft is outside the control of the insured by reason of any of the above perils. The aircraft shall be deemed to have been restored to the control of the insured on the safe return of the aircraft to the insured at an airfield not excluded by the geographical limits of this policy, and entirely suitable for the operation of the aircraft (such safe return shall require that the aircraft be parked with engines shut down and under no duress).

2. ELECTRONIC DATE RECOGNITION

   (a) The failure or inability to correctly recognize, process, distinguish, interpret or accept any change of year, date or time, including but not limited to:

      (1) The change of year from 1999 to 2000; or

      (2) The change of date from August 21, 1999 to August 22, 1999;

      By any computer system, hardware, program or software, microprocessor, integrated circuit or similar device, whether in computer equipment or non-computer equipment, whether the property of any insured or of others; or

   (b) Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by any insured or for any insured or by any third party to determine, rectify or test for any potential or actual problems described in Paragraph (a) above.

3. ASBESTOS

   (a) The actual, alleged or threatened presence of asbestos in any form whatsoever, or any material or product containing, or alleged to contain, asbestos; or

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(b) Any obligation, request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, neutralize, protect against or in any other way respond to the actual, alleged or threatened presence of asbestos or any material or product containing, or alleged to contain, asbestos.

However, this exclusion 3 shall not apply to any claim or ***suit*** caused by or resulting in a crash, fire, explosion, or collision or a recorded in ***flight*** emergency causing abnormal aircraft operation.

Notwithstanding any other provisions of this policy, we will have no duty to investigate, defend or pay defense costs in respect of:

(i) Any claim or ***suit*** excluded under Paragraphs (a) or (b) above; or

(ii) Any such obligation, request, demand, order, or statutory or regulatory requirement described in Paragraph (b) above.

4. NOISE, POLLUTION AND OTHER PERILS

(a) Noise (whether audible to the human ear or not) or vibration, sonic boom, and any phenomena associated therewith,

(b) Pollution and contamination of any kind whatsoever,

(c) Electrical and electromagnetic interference, or

(d) Interference with the use of property,

unless caused by or resulting in a crash, fire, explosion, or collision or a recorded in ***flight*** emergency causing abnormal aircraft operation.

As respects liability arising out of the ***products-completed operations hazard***, Paragraph (b) above does not apply to pollution and contamination of ***your product***.

Nothing in this exclusion 4 shall override any radioactive contamination or other exclusion clause attached to and forming part of this policy.

5. NUCLEAR RISKS

(a) Injury or damage:

(1) With respect to which the insured under this policy is also an insured under any:
   a. Nuclear energy liability policy, or
   b. Other policy that affords insurance equivalent to that described in Paragraphs (i) and (ii) below.

(2) Resulting from the hazards described in Paragraphs (b), (c) and (d) below with respect to which:
   a. Any person or organization is required to maintain financial protection pursuant to legislation in any country; or
   b. The insured under this policy is, or had this policy not been issued would be, entitled to indemnification from any government or agency thereof;

(b) The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;

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(c) The radioactive properties of, or a combination of radioactive properties with toxic, explosive or other hazardous properties of, any other radioactive material in the course of carriage as cargo, including storage or handling incidental thereto; or

(d) Ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.

This exclusion 5 is subject to the following:

(i) Any such radioactive material or other radioactive source referred to in Paragraphs (c) and (d) above shall not include:
   a. Depleted uranium and natural uranium in any form;
   b. Radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial, educational or industrial purpose.

(ii) Loss, destruction, damage, expense or legal liability in respect of the nuclear risks not excluded by reason of the preceding paragraph shall (subject to all other terms, conditions, limitations, warranties and exclusions of this policy) be covered, provided that:
   a. In the case of any claim in respect of radioactive material in the course of carriage as cargo, including storage or handling incidental thereto, such carriage shall in all respects have complied with the full International Civil Aviation Organization "Technical Instructions for the Safe Transport of Dangerous Goods by Air", unless the carriage shall have been subject to any more restrictive legislation, when it shall in all respects have complied with such legislation;
   b. This policy shall only apply to an incident happening during the period of this policy and where any claim by the insured against us or by any claimant against the insured arising out of such incident shall have been made within three years after the date thereof;
   c. In the case of any claim for the loss of or destruction of or damage to or loss of use of an aircraft caused by or contributed to by radioactive contamination, the level of such contamination shall have exceeded the maximum permissible level set out in the following scale:

Emitter (IAEA Health and Safety Regulations)	Maximum permissible level of non-fixed radioactive surface contamination (Averaged over 300cm²)
Beta, gamma and low toxicity alpha emitters	Not exceeding 4 Becquerels/cm² (10^{-4} microcuries/cm²)
All other emitters	Not exceeding 0.4 Becquerels/cm² (10^{-5} microcuries/cm²)

   d. We may cancel coverage afforded hereby by mailing or delivering to the first Named Insured written notice of cancellation at least 7 days before the effective date of cancellation.

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SECTION III – WHO IS AN INSURED

The following are insureds as respects your aviation business:

1. If you are designated in the Declarations as:

   (a) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

   (b) A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

   (c) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

   (d) An organization other than a partnership, joint venture or limited liability company, you are an insured. Your ***executive officers*** and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

   (e) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

   (a) Your ***volunteer workers*** only while performing duties related to the conduct of your business, or your employees, other than either your ***executive officers*** (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you. However, none of these employees or ***volunteer workers*** are insureds for:

      (1) ***Bodily injury*** or ***personal and advertising injury***:
         a. To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-employee while in the course of his or her employment, or to your other ***volunteer workers*** while performing duties related to the conduct of your business;
         b. To the spouse, child, parent, brother or sister of that co-employee or ***volunteer worker*** as a consequence of Paragraph (1) a. above;
         c. For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1) a. or b. above; or
         d. Arising out of his or her providing or failing to provide professional health care services.

      (2) ***Property damage*** to property:
         a. Owned, occupied or used by,
         b. Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

         you, any of your employees, any ***volunteer workers***, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

   (b) Any person (other than your employee or ***volunteer worker***) or any organization while acting as your real estate manager.

   (c) Any person or organization having proper temporary custody of your property if you die, but only:

      (1) With respect to liability arising out of the maintenance or use of that property; and

      (2) Until your legal representative has been appointed.

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(d) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this policy.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

   (a) Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

   (b) Coverage A does not apply to ***bodily injury*** or ***property damage*** that occurred before you acquired or formed the organization;

   (c) Coverage B does not apply to ***personal and advertising injury*** arising out of an offense committed before you acquired or formed the organization;

   (d) Coverage C does not apply to medical expenses arising out of ***bodily injury*** that occurred before you acquired or formed the organization; and

   (e) Coverage D does not apply to loss of or physical injury to ***aircraft*** that occurred before you acquired or formed the organization.

   No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

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SECTION IV – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

   (a) Insureds;

   (b) Claims made or ***suits*** brought;

   (c) Persons or organizations making claims or bringing ***suits***; or

   (d) ***Aircraft*** to which Coverage D applies.

2. The General Aggregate Limit is the most we will pay for the sum of:

   (a) Damages under Coverage A, except damages because of ***bodily injury*** or ***property damage*** included in the ***products-completed operations hazard***;

   (b) Damages under Coverage B; and

   (c) Medical expenses under Coverage C.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of ***bodily injury*** and ***property damage*** included in the ***products-completed operations hazard***.

4. Subject to Paragraph 2. above, the Personal and Advertising Injury Aggregate Limit is the most we will pay under Coverage B for the sum of all damages because of all ***personal and advertising injury***.

5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

   (a) Damages under Coverage A; and

   (b) Medical expenses under Coverage C

   because of all ***bodily injury*** and ***property damage*** arising out of any one ***occurrence***.

6. Subject to Paragraph 5. above, the Damage to Premises Rented To You Limit is the most we will pay under Coverage A for damages because of ***property damage*** to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of ***bodily injury*** sustained by any one person.

8. The Hangarkeepers' Each Accident Limit is the most we will pay for the sum of damages under Coverage D because of direct and accidental loss of or physical injury to one or more ***aircraft*** resulting from any one accident.

9. Subject to Paragraph 8. above, the Hangarkeepers' Each Aircraft Limit is the most we will pay for the sum of damages under Coverage D because of direct and accidental loss of or physical injury to any one ***aircraft*** resulting from any one accident.

The limits of this policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

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SECTION V – POLICY CONDITIONS

This policy is subject to the following conditions:

1. State Statutes.

   If the terms of this policy are in conflict with or inconsistent with the statutes of any state where this policy is in effect, we will conform to those state statutes.

2. Titles of Paragraphs.

   The titles of the various paragraphs of this policy and endorsements, if any, attached to this policy and divider tabs, if any, are inserted solely for reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

3. Representations.

   By accepting this policy, you agree:

   (a) The statements in the Declarations are accurate and complete;

   (b) Those statements are based upon representations you made to us; and

   (c) We have issued this policy in reliance upon your representations.

4. Premiums.

   The first Named Insured shown in the Declarations is responsible for the payment of all premiums and will be the payee for any return premiums we pay.

5. Changes.

   This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued on our behalf by Global Aerospace, Inc. and made a part of this policy.

6. Cancellation.

   (a) The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

   (b) We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

      (1) (Variable : default = 10) days before the effective date of cancellation if we cancel for nonpayment of premium; or

      (2) (Variable : default = 30) days before the effective date of cancellation if we cancel for any other reason.

   (c) We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

   (d) Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

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(e) If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

(f) If notice is mailed, proof of mailing will be sufficient proof of notice.

7. Transfer of Your Rights and Duties Under This Policy.

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

8. Bankruptcy.

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this policy.

9. Legal Action Against Us.

No person or organization has a right under this policy to join us as a party or otherwise bring us into a ***suit*** asking for damages from an insured or to sue us on this policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative. Each of the Companies described in the Declarations appoints Global Aerospace, Inc., as duly authorized agent for service of process. Service of process shall be made upon Global Aerospace, Inc., Attention: General Counsel at 51 John F. Kennedy Parkway, Short Hills, NJ 07078. However, service upon Global Aerospace, Inc. does not constitute a waiver of any rights to commence an action in any court of competent jurisdiction or to seek a transfer to another court or venue as permitted by law.

10. Transfer of Rights of Recovery Against Others to Us.

If the insured has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring ***suit*** or transfer those rights to us and help us enforce them.

11. Separation of Insureds.

Except with respect to the Limits of Insurance and any rights or duties specifically assigned in this policy to the first Named Insured, this insurance applies:

(a) As if each Named Insured were the only Named Insured; and

(b) Separately to each insured against whom claim is made or ***suit*** is brought.

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12. Duties in the Event of Occurrence, Offense, Loss of or Physical Injury to Aircraft, Claim or Suit.

    (a) You must see to it that Global Aerospace, Inc., Attention: General Aviation Claims at the US Home Office or Regional Office address set out on the cover page of this policy is notified as soon as practicable of an ***occurrence,*** offense or loss of or physical injury to ***aircraft*** that may result in a claim. To the extent possible, notice should include:

        (1) How, when and where the ***occurrence***, offense or loss of or physical injury to ***aircraft*** took place;

        (2) The names and addresses of any injured persons and witnesses; and

        (3) The nature and location of any injury or damage arising out of the ***occurrence***, offense or loss of or physical injury to ***aircraft***.

    (b) If a claim is made or ***suit*** is brought against any insured, you and any other involved insured must immediately:

        (1) Record the specifics of the claim or ***suit*** and the date received; and

        (2) Send copies of any demands, notices, summonses or legal papers received in connection with the claim or ***suit*** to Global Aerospace, Inc., Attention: General Aviation Claims at the US Home Office or Regional Office address set out on the cover page of this policy.

    (c) You and any other involved insured must:

        (1) Authorize Global Aerospace, Inc. to obtain records and other information;

        (2) Cooperate with Global Aerospace, Inc. in the investigation or settlement of the claim or defense against the ***suit***; and

        (3) Assist Global Aerospace, Inc., upon its request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.

    (d) No insured will, except at that insured's own cost, voluntarily make any payment, assume any obligation, or incur any expense, other than for first aid, without the consent of Global Aerospace, Inc.

13. Inspections and Surveys.

    (a) We have the right to:

        (1) Make inspections and surveys at any time;

        (2) Give you reports on the conditions we find; and

        (3) Recommend changes.

    (b) We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. We do not warrant that conditions are safe or healthful or comply with laws, regulations, codes or standards.

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(c) Paragraphs (a) and (b) of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

(d) Paragraph (b) of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

14. Examination of Your Books and Records.

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

15. Premium Audit.

(a) We will compute all premiums for this policy in accordance with our rules and rates.

(b) Premium shown in this policy as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

(c) The first Named Insured must keep records of the information we need for premium computation and send us copies of those records at such times as we may request.

16. Other Insurance.

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A, B or D of this policy, our obligations are limited as follows:

(a) Primary Insurance

This insurance is primary except when Paragraph (b) below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph (c) below.

(b) Excess Insurance

(1) This insurance is excess over:
   a. Any of the other insurance, whether primary, excess, contingent or on any other basis:
      (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for ***your work***;
      (ii) That is Fire Insurance for premises rented to you or temporarily occupied by you with permission of the owner;
      (iii) That is insurance purchased by you to cover your liability as a tenant for ***property damage*** to premises rented to you or temporarily occupied by you with permission of the owner; or
      (iv) If the loss arises out of the maintenance or use of ***autos*** or watercraft to the extent not subject to Exclusion (g) AUTO OR WATERCRAFT applicable to Coverage A; or
   b. Any other primary insurance available to you, covering liability for damages to which this policy applies, for which you have been added as an insured.

(2) When this insurance is excess, we will have no duty under Coverage A, B or D to defend the insured against any ***suit*** if any other insurer has a duty to defend the insured against that ***suit***. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

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(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:
   a. The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
   b. The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this policy.

(c) Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

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SECTION VI - DEFINITIONS

1. ***Advertisement*** means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

   (a) Notices that are published include material placed on the Internet or on similar electronic means of communication; and

   (b) Regarding web-sites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. ***Aircraft*** means aircraft or the components thereof.

3. ***Auto*** means:

   (a) A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or

   (b) Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

   However, ***auto*** does not include ***mobile equipment***.

4. ***Bodily injury*** means physical injury, sickness, disease or mental anguish sustained by a person, including death resulting from any of these at any time.

5. ***Coverage territory*** means:

   (a) The United States of America (including its territories and possessions), Puerto Rico and Canada;

   (b) International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph (a) above; or

   (c) All other parts of the world if the injury or damage arises out of:

      (1) ***Your product*** or ***your work*** made, sold or performed in the territory described in Paragraph (a) above;

      (2) The activities of a person whose home is in the territory described in Paragraph (a) above, but who is away for a short time on your aviation business; or

      (3) ***Personal and advertising injury*** offenses that take place through the Internet or similar electronic means of communication

   provided the insured's responsibility to pay damages is determined in a ***suit*** on the merits, in the territory described in Paragraph (a) above or in a settlement we agree to.

6. ***Executive officer*** means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

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7. ***Flight*** means the time commencing with the:

   (a) Take-off roll or run and continuing until the completion of the landing roll or run in the case of an airplane,

   (b) Start of rotation of rotors under power for the purpose of flight and continuing until the cessation of rotation of rotors in the case of a rotorcraft,

   (c) Application of power and continuing until the shut-down of engines in the case of vertical take-off aircraft, or

   (d) Release of moorings and continuing until the application of moorings in the case of lighter-than-air aircraft.

8. ***Ground operations hazard*** includes all operations conducted by you or on your behalf at or from the premises described in this policy, except operations:

   (a) Included within the ***products-completed operations hazard***; or

   (b) Related to:

      (1) Any aircraft that is:
         a. In ***flight***,
         b. Owned in whole or in part by or registered in the name of any insured,
         c. Rented, leased or loaned to or hired by any insured, or
         d. The subject of a management agreement with any insured;

      (2) The hiring, employment, supervision, training, monitoring, warning or failure to do any of these, of any pilot or crew member on board any aircraft described in Paragraph (1) above; or

      (3) Aircraft traffic control operations other than the direction of aircraft movement on an aircraft parking area you own or lease.

      Paragraphs (b) (1) a. and (b) (3) above shall not apply to you with respect to the operation of a control tower by the Federal Aviation Administration.

9. ***Impaired property*** means tangible property, other than ***your product*** or ***your work***, that cannot be used or is less useful because:

   (a) It incorporates ***your product*** or ***your work*** that is known or thought to be defective, deficient, inadequate or dangerous; or

   (b) You have failed to fulfill the terms of a contract or agreement;

   if such property can be restored to use by the repair, replacement, adjustment or removal of ***your product*** or ***your work*** or your fulfilling the terms of the contract or agreement.

10. ***Insured contract*** means:

   (a) A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an ***insured contract***;

   (b) A sidetrack agreement;

   (c) Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

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(d) An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

(e) An elevator maintenance agreement; or

(f) That part of any other contract or agreement pertaining to your aviation business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for ***bodily injury*** or ***property damage*** to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph (f) does not include that part of any contract or agreement:

(1) That indemnifies a railroad for ***bodily injury*** or ***property damage*** arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;

(2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
   a. Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
   b. Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (2) above and supervisory, inspection, architectural or engineering activities.

11. ***Loading or unloading*** means the handling of property:

(a) After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or ***auto***;

(b) While it is in or on an aircraft, watercraft or ***auto***; or

(c) While it is being moved from an aircraft, watercraft or ***auto*** to the place where it is finally delivered;

but ***loading or unloading*** does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or ***auto***.

12. ***Mobile equipment*** means any of the following types of land vehicles, including any attached machinery or equipment:

(a) Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

(b) Vehicles maintained for use solely on or next to airport or heliport premises you own or rent. However, this shall not preclude use of such vehicles off such premises while:

(1) Responding to an aviation emergency,

(2) Responding to a non–aviation emergency in connection with a mutual support agreement,

(3) Restocking a tank or container that is attached to, or part of, the vehicle and designed to carry materials to be dispensed on such premises, or

(4) Obtaining maintenance or service for such vehicle.

(c) Vehicles that travel on crawler treads;

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(d) Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

(e) Vehicles not described in Paragraph (a), (b), (c) or (d) above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

(f) Vehicles not described in Paragraph (a), (b), (c) or (d) above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not ***mobile equipment*** but will be considered ***autos***:

(1) Equipment designed primarily for:
a. Snow removal;
b. Road maintenance, but not construction or resurfacing; or
c. Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, ***mobile equipment*** does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered ***autos***.

13. ***Occurrence*** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. ***Personal and advertising injury*** means injury, including consequential ***bodily injury***, arising out of one or more of the following offenses:

(a) False arrest, detention or imprisonment;

(b) Malicious prosecution;

(c) The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

(d) Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

(e) Oral or written publication, in any manner, of material that violates a person's right of privacy;

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(f) The use of another's advertising idea in your ***advertisement***;

(g) Infringing upon another's copyright, trade dress or slogan in your ***advertisement***; or

(h) Misdirection of a person to an aircraft or other conveyance.

15. ***Products-completed operations hazard***:

(a) Includes all ***bodily injury*** and ***property damage*** occurring away from premises you own or rent and arising out of ***your product*** or ***your work*** except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, ***your work*** will be deemed completed at the earliest of the following times:
a. When all of the work called for in your contract has been completed.
b. When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
c. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

(b) Does not include ***bodily injury*** or ***property damage*** arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the ***loading or unloading*** of that vehicle by any insured;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials; or

(3) Any aircraft:
a. Owned in whole or in part by or registered in the name of any insured,
b. Rented, leased or loaned to or hired by any insured, or
c. That is the subject of a management agreement with any insured.

16. ***Property damage*** means:

(a) Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

(b) Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the ***occurrence*** that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

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17. ***Suit*** means a civil proceeding in which damages because of ***bodily injury***, ***property damage***, ***personal and advertising injury***, or loss of or physical injury to ***aircraft*** to which this insurance applies are alleged. ***Suit*** includes:

    (a) An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

    (b) Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

18. ***Volunteer worker*** means a person who is not your employee, and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

19. ***Your product***:

    (a) Means:

        (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
            a. You;
            b. Others trading under your name; or
            c. A person or organization whose business or assets you have acquired; and

        (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

    (b) Includes:

        (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of ***your product;*** and

        (2) The providing of or failure to provide warnings or instructions.

    (c) Does not include vending machines or other property rented to or located for the use of others but not sold.

20. ***Your work***:

    (a) Means:

        (1) Work or operations performed by you or on your behalf; and

        (2) Materials, parts or equipment furnished in connection with such work or operations.

    (b) Includes:

        (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of ***your work***; and

        (2) The providing of or failure to provide warnings or instructions.

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AVIATION GROUND OPERATIONS LIABILITY INSURANCE

THROUGH

GLOBAL AEROSPACE, INC.

US HOME OFFICE: 51 JOHN F. KENNEDY PARKWAY
SHORT HILLS, NEW JERSEY 07078

REGIONAL OFFICE: [Regional office address]

FOR

[DESCRIBE INSURED]

ARRANGED BY:

[DESCRIBE PRODUCER]

GUIDE TO THE PROVISIONS OF YOUR POLICY

This guide has been prepared to help you in reading your policy. It is not a part of the policy nor does it make reference to all the provisions which might affect your insurance. You are therefore urged to read the entire policy carefully.

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ENDORSEMENTS

AVIATION GROUND OPERATIONS LIABILITY INSURANCE POLICY

POLICY NUMBER:
[EnterNumber]

The insurance afforded by this policy is provided by separate insurers, hereinafter referred to as "the Company." The liability of these insurers is several and not joint and is specifically set out below.

THE COMPANIES

[Describe writing Companies and their participation percentages]

DECLARATIONS

Item 1. Named Insured
and Address:

Item 2. Policy Period

From:

To:

At 12:01 AM Standard Time at your mailing address shown under Item 1.

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Item 3. In return for payment of the premium and subject to all of the terms of the policy, we agree with you to provide the insurance as stated in this policy.

LIMITS OF INSURANCE

Each Occurrence Limit	$
Damage to Premises Rented to You Limit	$
Medical Expense Limit (Any One Person)	$
Personal and Advertising Injury Aggregate Limit	$
General Aggregate Limit (Other than Products-Completed Operations and Hangarkeepers')	$
Products-Completed Operations Aggregate Limit	$
Hangarkeepers' Each Accident Limit	$
Hangarkeepers' Each Aircraft Limit	$

Deductibles, if any, will be described in an endorsement entitled DEDUCTIBLES.

Item 4. Location of aviation premises you own, rent, or occupy:

[Describe premises]

Item 5. Form of Business: [Describe form of business]

Item 6. Policy Premium:

Total Premium at Inception:	$
[State] Surcharge:	$

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Endorsements forming a part of this policy on its effective date:

IN WITNESS WHEREOF, the Company has caused this policy to be executed on its behalf by Global Aerospace, Inc., but this policy shall not be valid unless signed by a duly authorized representative of Global Aerospace, Inc.

, Secretary
Global Aerospace, Inc.

, President & C.E.O.
Global Aerospace, Inc.

Countersignature (Where Required)

For Global Aerospace, Inc.

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ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION

SECTION III - WHO IS AN INSURED is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability for injury, damage or loss to which the insurance afforded by this policy applies caused by your acts or omissions.

SCHEDULE

Name of person or organization:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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BROAD FORM NAMED INSURED

The Named Insured shown in Item 1. of the Declarations includes the Named Insureds shown in the Schedule and any entity that a Named Insured owns a majority interest in or any other entity that a Named Insured owns an interest in and is responsible for obtaining casualty insurance for that entity.

SCHEDULE

Named Insured:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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INSTALLMENT PREMIUM

It is agreed that:

1. The premium set forth in this policy is payable in installments, each of which shall be due and payable in the amount and on the date below specified:

DATE	AMOUNT

2. If this policy is cancelled by the Company because of non-payment of any of the aforementioned premium installments, such cancellation shall, for the purpose of calculating the earned premium for the time the policy was in force, be construed as a request on the part of the first Named Insured to cancel the policy and said earned premium shall, therefore, be calculated on a short rate basis.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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FINANCED PREMIUM

1. At your request, the premium for this policy has been financed by and hereinafter referred to as the bank.

2. The producer named below shall, for the account of all interests including that of the bank, be the payee for any return premium we pay:

3. (a) Written notice from the bank requesting cancellation of this policy shall be deemed to be, as between you and us, notice from you canceling the policy.

   (b) Written notice from the bank demanding a return of unearned premium may be treated by us as a request by you to cancel the policy but not as notice of cancellation. If we elect to cancel the policy upon receipt of such demand, we will give notice of cancellation as required by the policy but for all other purposes such cancellation shall be deemed cancellation by you.

4. In the event of cancellation as provided in Paragraph 3. above, you will be credited with any sums paid to us less any premiums returned. If the earned premium due us computed on the basis set forth in the policy exceeds the sum so credited, the amount of such excess shall be due and payable to us on demand.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

AMENDMENT OF LIMITS OF INSURANCE

The limits of insurance shown in the Declarations are replaced by the limits shown in the Schedule.

SCHEDULE

LIMITS OF INSURANCE

Each Occurrence Limit	$
Damage to Premises Rented to You Limit	$
Medical Expense Limit (Any One Person)	$
Personal and Advertising Injury Aggregate Limit	$
General Aggregate Limit (Other than Products-Completed Operations and Hangarkeepers')	$
Products-Completed Operations Aggregate Limit	$
Hangarkeepers' Each Accident Limit	$
Hangarkeepers' Each Aircraft Limit	$

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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DEDUCTIBLES

This endorsement modifies insurance provided under Coverages A, B and D.

1. Our obligation under Coverage A, B or D to pay damages on behalf of any insured applies only to the amount of damages in excess of any deductible amounts stated in the Schedule below as applicable to such coverages.

2. The deductible amounts stated in the Schedule below apply as follows:

   (a) Under Coverage A, if the deductible you have selected is on a "per claim" basis, that deductible amount applies as follows:

   (1) Under Bodily Injury Liability Coverage, to all damages sustained by any one person because of ***bodily injury***,

   (2) Under Property Damage Liability Coverage to all damages sustained by any one person or organization because of ***property damage***; or

   (3) Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined to all damages sustained by any one person or organization because of:
   a. ***Bodily injury***;
   b. ***Property damage***; or
   c. ***Bodily injury*** and ***property damage*** combined

   as the result of any one ***occurrence***. If damages are claimed for care, loss of services or death resulting at any time from ***bodily injury***, a separate deductible amount will be applied to each claim for such damages made by any person or organization.

   (b) Under Coverage A if the deductible you have selected is on a "per ***occurrence***" basis, that deductible amount applies as follows:

   (1) Under Bodily Injury Liability Coverage, to all damages because of ***bodily injury***,

   (2) Under Property Damage Liability Coverage to all damages because of ***property damage***; or

   (3) Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages because of:
   a. ***Bodily injury***;
   b. ***Property damage***; or
   c. ***Bodily injury*** and ***property damage*** combined

   as the result of any one ***occurrence***, regardless of the number of persons or organizations who sustain damages because of that ***occurrence***.

   (c) Under Coverage B, if the deductible you have selected is on a "per claim" basis, that deductible amount applies to each claim for all damages sustained by any one person or organization because of ***personal and advertising injury*** as the result of any one offense.

   (d) Under Coverage B, if the deductible you have selected is on a "per offense" basis, that deductible amount applies to all damages because of ***personal and advertising injury*** as the result of any one offense regardless of the number of persons or organizations that sustain damages because of that offense.

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(e) Under Coverage D, if the deductible you have selected is on a "per ***aircraft***" basis, that deductible amount applies to all damages sustained by all persons or organizations as the result of loss of or physical injury to the ***aircraft*** in any one accident.

(f) Under Coverage D, if the deductible you have selected is on a "per accident" basis, that deductible amount applies to all damages sustained by all persons or organizations as the result of loss of or physical injury to one or more ***aircraft*** in any one accident.

3. Regardless of the number of ***occurrences***, claims, ***suits***, offenses or loss of or physical injury to ***aircraft*** that occur in any one annual policy period, you will not be required to pay any deductible in excess of the amount, if any, shown in the Schedule below as "annual aggregate" for ***occurrences***, claims, offenses or loss of or physical injury to ***aircraft*** occurring during that annual policy period.

4. The terms of this insurance, including those with respect to:

   (a) Our right and duty to defend the insured against any ***suits*** seeking those damages, and

   (b) Your duties in the event of any ***occurrence***, loss of or physical injury to ***aircraft***, claim, or ***suit***

   apply irrespective of the application of the deductible amount.

5. We may pay any part or all of the deductible amount to effect settlement of any claim or ***suit*** and, upon notification of the action taken, you shall promptly reimburse us for any deductible amount paid by us.

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SCHEDULE

Coverage A	**Amount and Basis of Deductible**
Bodily Injury Liability	per claim per ***occurrence***
Property Damage Liability	per claim per ***occurrence***
Combined Bodily Injury and Property Damage Liability	per claim per ***occurrence***
Coverage B	
Personal and Advertising Injury Liability	per claim per offense
Coverage D	
Hangarkeepers' Liability	per ***aircraft*** per accident
Coverages A, B and D Combined	annual aggregate

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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WORLDWIDE TERRITORY

The definition of ***Coverage territory*** in **SECTION VI - DEFINITIONS** is replaced by the following:

Coverage territory means: All parts of the world.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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WORLDWIDE TERRITORY - YOUR PRODUCT OR YOUR WORK

Paragraph (c) (1) of the definition of ***Coverage territory*** in **SECTION VI - DEFINITIONS** is replaced by the following:

(1) ***Your product*** or ***your work***;

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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ANNUAL RENEGOTIATION

This policy has been issued with a term in excess of one year. However:

1. The terms, conditions, exclusions, rates and premiums contained in this policy are subject to renegotiation on an annual basis; and

2. In the event that we cannot agree with you on any of the negotiable items described in Paragraph 1. above prior to the anniversary date, the insurance afforded by this policy shall terminate at 12:01 AM (Standard Time at your mailing address shown under Item 1. of the Declarations) on the anniversary date.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES

1. **SECTION III - WHO IS AN INSURED** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability for injury, damage or loss to which the insurance afforded by this policy applies caused by your maintenance or use of that part of the premises leased to you by such person or organization and shown in the Schedule.

2. The insurance afforded to the person or organization shown in the Schedule does not apply to:

   (a) Any ***occurrence*** or accidental loss of or physical injury to ***aircraft*** which takes place or any offense committed after you cease to be a tenant in that premises.

   (b) Structural alterations, new construction or demolition operations performed by or on behalf of that person or organization.

   (c) ***Bodily injury*** caused by such person or organization providing or failing to provide professional health care services.

SCHEDULE

Designation of premises (part leased to you):

Name of person or organization:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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ADDITIONAL INSURED - CONTROLLING INTEREST

1. **SECTION III - WHO IS AN INSURED** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability for injury, damage or loss to which the insurance afforded by this policy applies caused by:

   (a) Their financial control of you; or

   (b) Their ownership, maintenance or control of premises you lease or occupy.

2. The insurance afforded to the person or organization shown in the Schedule does not apply to structural alterations, new construction or demolition operations performed by or on behalf of that person or organization.

SCHEDULE

Name of person or organization:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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ADDITIONAL INSURED - ELECTIVE OR APPOINTIVE EXECUTIVE OFFICERS OF PUBLIC CORPORATIONS

SECTION III - WHO IS AN INSURED is amended to include as an insured any elective or appointive officer or a member of any board, commission or agency of yours while acting within the scope of their duties as such.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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ADDITIONAL INSURED - LESSOR OF LEASED EQUIPMENT

1. **SECTION III - WHO IS AN INSURED** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability for injury, damage or loss to which the insurance afforded by this policy applies caused by your maintenance, operation or use of equipment leased to you by such person or organization.

2. The insurance afforded to the person or organization shown in the Schedule does not apply to:

   (a) any ***occurrence*** which takes place or any offense committed after the equipment lease expires; or

   (b) liability for injury, damage or loss caused by the sole act(s) or negligence of such person or organization.

SCHEDULE

Name of person or organization:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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AMENDMENT TO INSURED STATUS
(Suits Between Co-Employees and Volunteer Workers Permitted)

1. Where the address of the first Named Insured is in any state other than Washington:

   Subparagraphs a., b. and c. of Paragraph 2. (a) (1) of **SECTION III – WHO IS AN INSURED** do not apply.

2. Where the address of the first Named Insured is in the state of Washington:

   (a) With respect to employees of the insured whose employment is not subject to the Industrial Insurance Act of Washington:

   Subparagraphs a., b. and c. of Paragraph 2. (a) (1) of **SECTION III – WHO IS AN INSURED** do not apply.

   (b) With respect to employees of the insured whose employment is subject to the Industrial Insurance Act of Washington:

   Subparagraphs a. and b. of Paragraph 2. (a) (1) of **SECTION III – WHO IS AN INSURED** do not apply.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION
(Acts or Omissions of the Insured)

SECTION III - WHO IS AN INSURED is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability for injury, damage or loss to which the insurance afforded by this policy applies caused by their acts or omissions on your behalf.

SCHEDULE

Name of person or organization:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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NON-FAA CONTROL TOWER OPERATOR

1. To the extent that the definition of ***Ground operations hazard*** provides insurance to you for the operation of a control tower by the Federal Aviation Administration, it shall also provide insurance to you for the operation of a control tower by the person or organization shown in the Schedule.

2. As respects the insurance afforded by this endorsement, the most we will pay for damages because of ***bodily injury*** or ***property damage*** is the limit shown in the Schedule, which shall be part of and not in addition to the "Each Occurrence" limit shown in the Declarations.

SCHEDULE

Name of person or organization:

"Each Occurrence Limit" applicable to the operation of a control tower:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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ADDITIONAL INSURED – AIRPORT OR HELIPORT MANAGER

SECTION III - WHO IS AN INSURED is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability for injury, damage or loss to which the insurance afforded by this policy applies while acting as the manager of an airport or heliport you own or control.

SCHEDULE

Name of person or organization:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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CONTROL TOWER LIABILITY

1. Solely as respects liability for ***bodily injury*** or ***property damage*** caused by the operation of a control tower service on premises you own or rent by the person or organization shown in the Schedule, herein after referred to as the Operator:

   (a) Paragraphs (a) (1) a. and (a) (3) of the definition of ***Ground operations hazard*** in **SECTION VI – DEFINITIONS** shall not apply; and

   (b) **SECTION III – WHO IS AN INSURED** is amended to include the Operator as an insured,

   provided the duly constituted government authority having jurisdiction over civil aviation has granted authority to the Operator to provide such control tower service.

2. As respects the insurance afforded by this endorsement, the most we will pay for damages because of ***bodily injury*** or ***property damage*** is the limit shown in the Schedule, which shall be part of and not in addition to the "Each Occurrence" limit shown in the Declarations.

SCHEDULE

Operator:

"Each Occurrence Limit" applicable to the operation of a control tower service:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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DISCRIMINATION COVERAGE

The definition of ***personal and advertising injury*** in **SECTION VI – DEFINITIONS** is amended to include:

(i) Discrimination or humiliation (unless insurance thereof is prohibited by law) based on race, color, religion, sex, age or national origin; except when alleged, charged or suffered:

(1) By an applicant for employment, or

(2) By any present or former employee.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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WAIVER OF GOVERNMENTAL IMMUNITY

We will waive, both in the adjustment of claims and in the defense of ***suits*** against the insured, any governmental immunity of the insured, unless the insured requests in writing that we do not do so.

Waiver of immunity as a defense will not subject us to liability for any portion of a claim or judgment in excess of the applicable limit of insurance.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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LIABILITY AND MEDICAL EXPENSES COVERAGE
(Applicable to the WAR, HI-JACKING AND OTHER PERILS Exclusion)

It is agreed that sub-paragraphs (a), (c), (d), (e), (f) and (g) of **GENERAL POLICY EXCLUSION** 1. WAR, HI-JACKING AND OTHER PERILS of this policy are deleted as respects the Liability and Medical Expense Coverages afforded by this policy. This insurance is subject to the following provisions which are applicable only to the insurance afforded by this endorsement and which shall be in addition to all other applicable provisions not amended in this endorsement:

1. Exclusion applicable only to any insurance afforded as respects the deletion of sub-paragraph (a) of **GENERAL POLICY EXCLUSION** 1. WAR, HI-JACKING AND OTHER PERILS:

   This insurance shall not include liability for damage to any form of property on the ground situated outside Canada and the United States of America unless caused by or arising out of the use of aircraft.

2. Limitation of Liability:

   The limit of the Company's liability as respects the insurance afforded by this endorsement shall be a sub-limit of $50,000,000 or the applicable policy limit whichever the lesser any one ***occurrence*** and in the annual aggregate. This sub-limit shall apply within the full policy limit and not in addition thereto.

3. Automatic Termination:

   To the extent provided below, insurance afforded by this endorsement shall terminate automatically in the following circumstances:

   (a) All insurance
   - upon the outbreak of war (whether there be a declaration of war or not) between any two or more of the following states: the United Kingdom, the United States of America, France, the Russian Federation, the People's Republic of China.

   (b) Any insurance afforded in respect of the deletion of sub-paragraph (a) of **GENERAL POLICY EXCLUSION** 1. WAR, HI-JACKING AND OTHER PERILS
   - upon the hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter wheresoever or whensoever such detonation may occur and whether or not an aircraft may be involved.

   (c) All insurance in respect of any aircraft requisitioned for either title or use
   - upon such requisition.

   provided that if an aircraft is in the air when (a), (b) or (c) occurs, then the insurance afforded by this endorsement (unless otherwise canceled, terminated or suspended) shall continue in respect of such aircraft until completion of its first landing thereafter and any crew members and passengers have disembarked.

4. Review and Cancellation:

(a) Review of Premium and/or Geographical Limits (7 days)

The Company may give notice to review premium and/or geographical limits - such notice to become effective on the expiry of 7 days from 12:01 A.M. local time at the address of the first Named Insured set forth in the policy on the day after which notice is given.

(b) Limited Cancellation (48 hours)

Following a hostile detonation as specified in Paragraph 3. (b) above, the Company may give notice of cancellation of one or more parts of the insurance afforded by this endorsement by reference to sub-paragraphs (c), (d), (e), (f) and/or (g) of **GENERAL POLICY EXCLUSION** 1. WAR, HI-JACKING AND OTHER PERILS - such notice to become effective on the expiry of 48 hours from 12:01 A.M. local time at the address of the first Named Insured set forth in the policy on the day after which notice is given.

(c) Cancellation (7 days)

The insurance afforded by this endorsement may be canceled by either the Company or the first Named Insured giving notice to become effective on the expiry of 7 days from 12:01 A.M. local time at the address of the first Named Insured set forth in the policy on the day after which notice is given.

(d) Notices

All notices referred to in this endorsement shall be in writing.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

SCHEDULED UNDERLYING INSURANCE

1. The insurance provided by this policy shall apply as excess insurance with respect to the types of insurance shown in the Schedule.

2. This insurance shall follow precisely the terms, conditions, provisions and exclusions of the policies of insurance shown in the Schedule except for limits of liability, premiums and deductibles.

3. Failure by you to maintain the policies of insurance shown in the Schedule will not prejudice this insurance but we will provide only the insurance that would have been provided if those policies had been maintained.

4. As respects the insurance afforded by this endorsement, the most we will pay is $25,000,000 each ***occurrence*** or the "Each Occurrence Limit" stated in the Declarations, whichever is less.

SCHEDULE

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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ELECTRONIC DATE RECOGNITION - LIMITED COVERAGE

In consideration of the premium charged and to the extent such coverage is afforded by the policy, **GENERAL POLICY EXCLUSION** 2. ELECTRONIC DATE RECOGNITION shall not apply to:

1. Any of the Physical Damage coverages provided by the policy; or

2. Any sums which the insured shall become legally obligated to pay as damages because of ***bodily injury*** or ***property damage*** caused by an ***occurrence***.

Notwithstanding Paragraph 2. above, this endorsement shall not apply to:

(a) Any coverage for loss of use caused by an ***occurrence*** during the policy period arising out of subparagraph (a) or (b) of **GENERAL POLICY EXCLUSION** 2. ELECTRONIC DATE RECOGNITION unless such loss of use also arises out of additional injury in the form of physical injury to or destruction of tangible property; or

(b) Any coverage for ***grounding***; or

(c) Any coverage applying in excess of any scheduled underlying insurance.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

GARAGEKEEPERS LIABILITY

As respects any ***auto*** on airport or heliport premises you own or rent, Exclusion (j) (4) of Coverage A does not apply to direct and accidental loss of or physical injury to an ***auto*** in the care, custody or control of the insured or while being serviced by the insured, nor to any resulting loss of use. The insurance afforded by this endorsement is subject to the following:

1. This insurance shall not apply to:

   (a) CONTRACTUAL LIABILITY

   The insured's liability under any contract or agreement to be responsible for loss of or physical injury to ***autos***. This exclusion (a) does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

   (b) OWNED OR RENTED AUTOS

   Loss of or physical injury to an ***auto***:

   (1) Owned in whole or in part by or registered in the name of the insured; or

   (2) Rented, leased or loaned to the insured.

   (c) THEFT OR CONVERSION

   Loss of or physical injury to an ***auto*** due to theft or conversion caused in any way by you, your employees or by your shareholders.

   (d) YOUR WORK

   Loss of or physical injury to ***your work*** arising out of it or any part of it.

2. This insurance is excess insurance and subject to Paragraph (b) of the Other Insurance Condition.

3. Subject to Paragraph 5 of **SECTION IV – LIMITS OF INSURANCE**, the most we will pay for the sum of damages under Coverage A because of direct and accidental loss of or physical injury to one or more ***autos*** resulting from any one accident is each ***occurrence***.

4. Subject to Paragraph 3 above, the most we will pay for the sum of damages under Coverage A for direct and accidental loss of or physical injury to any one ***auto*** resulting from any one accident is each ***occurrence***.

5. Our obligation under Coverage A to pay damages on behalf of any insured applies only to the amount of damages in excess of a deductible of each ***occurrence***. This deductible applies to all damages because of direct and accidental loss of or physical injury to one or more ***autos*** as the result of any one ***occurrence***, regardless of the number of persons or organizations who sustain damages because of that ***occurrence***.

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6. The terms of this insurance, including those with respect to our right and duty to defend the insured against any ***suits*** and your duties in the event of any ***occurrence*** apply irrespective of the application of the deductible amount.

7. We may pay any part or all of the deductible amount to effect settlement of any claim or ***suit*** and, upon notification of the action taken, you shall promptly reimburse us for any deductible amount paid by us.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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TERRORISM RISK INSURANCE ACT OF 2002 COVERAGE

(As Modified and Extended by the Terrorism Risk Insurance Extension Act of 2005)

In consideration of the payment of the premium for this policy, it is agreed that:

1. As respects the provisions of the federal Terrorism Risk Insurance Act of 2002, hereinafter referred to as 'the Act,' the policy to which this endorsement is attached is hereby amended to provide coverage in compliance with and only to the extent required by the provisions of the Act. Otherwise, all terms, conditions and exclusions remain unchanged and apply to the insurance afforded by this endorsement to the extent permitted by the provisions of the Act. The Act has been modified and extended by the Terrorism Risk Insurance Extension Act of 2005.

2. The modified provisions of the Act state that the Terrorism Risk Insurance Program "shall terminate on December 31, 2007." Unless the program is renewed, extended or otherwise continued by the federal government, the insurance afforded by this endorsement shall terminate as of the date when any one or more of the following first occurs:
   (a) the policy period ends;
   (b) the federal Terrorism Risk Insurance Program, established by the Terrorism Risk Insurance Act of 2002 and modified and extended by the Terrorism Risk Insurance Extension Act of 2005, has terminated either in its entirety or with respect to the type of insurance provided by this policy; or
   (c) a renewal, extension or continuation of the Terrorism Risk Insurance Program has become effective without a requirement to make terrorism coverage available with respect to the type of insurance provided by this policy.

3. If the insurance afforded by this endorsement is not terminated in accordance with the provisions of Paragraph 2. (b) or (c) above, insurance will remain in force without change for the remainder of the policy period, unless the company notifies the first Named Insured of any such change in response to any change in the federal law.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

EXCLUSION - PERSONAL AND ADVERTISING INJURY

SECTION I - COVERAGE B does not apply and none of the references to it in the policy apply.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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EXCLUSION - PRODUCTS-COMPLETED OPERATIONS HAZARD

This insurance does not apply to ***bodily injury*** or ***property damage*** included within the ***products-completed operations hazard***.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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EXCLUSION - DESIGNATED PRODUCTS

This insurance does not apply to ***bodily injury*** or ***property damage*** included in the ***products-completed operations hazard*** and arising out of any of ***your products*** shown in the Schedule.

SCHEDULE

Designated Product(s):

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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EXCLUSION – DESIGNATED WORK

This insurance does not apply to ***bodily injury*** or ***property*** damage included in the ***products-completed operations hazard*** and arising out of any of ***your work*** shown in the Schedule.

SCHEDULE

Description of ***your work***:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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EXCLUSION - ALL HAZARDS IN CONNECTION WITH DESIGNATED PREMISES

This insurance does not apply to ***bodily injury***, ***property damage***, ***personal and advertising injury***, medical expenses or loss of or physical injury to ***aircraft*** arising out of:

1. The ownership, maintenance or use of the premises shown in the Schedule or any property located on these premises;

2. Operations on those premises or elsewhere that are necessary to or in connection with the ownership, maintenance or use of those premises; or

3. Goods or products manufactured, sold, or handled at or distributed or disposed of from those premises.

SCHEDULE

Description and location of premises:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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EXCLUSION - DAMAGE TO PREMISES RENTED TO YOU

1. The last paragraph ("Exclusions (c) through etc.") of Paragraph 2. **Exclusions** under **SECTION I - COVERAGE A** is deleted.

2. The first exception ("Paragraphs (1), (3) and (4) etc.") to Exclusion (j) DAMAGE TO PROPERTY under **SECTION I - COVERAGE A** is deleted.

3. Paragraph 6 of **SECTION IV - LIMITS OF INSURANCE** is deleted.

4. Any reference in the Declarations to Damage to Premises Rented to You is deleted.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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EXCLUSION - MEDICAL PAYMENTS

1. With respect to any premises shown in the Schedule, **SECTION I - COVERAGE C** does not apply and none of the references to it in the policy apply.

2. The following is added to **SUPPLEMENTARY PAYMENTS** - COVERAGES A, B AND D:

   Expenses incurred by the insured for first aid administered to others at the time of an accident for ***bodily injury*** to which this insurance applies.

SCHEDULE

Description and location of premises:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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EXCLUSION - HANGARKEEPERS' LIABILITY

SECTION I - COVERAGE D does not apply and none of the references to it in the policy apply.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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EXCLUSION – SERVICES FURNISHED BY HEALTH CARE PROVIDERS

This insurance does not apply to ***bodily injury***, ***property damage***, ***personal and advertising injury*** arising out of:

1. The rendering or failure to render:

   (a) Medical, surgical, dental, x-ray or nursing service, treatment, advice or instruction, or the related furnishing of food or beverages;

   (b) Any health or therapeutic service, treatment, advice or instruction; or

   (c) Any service, treatment advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming.

2. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances; or

3. The handling or treatment of dead bodies, including autopsies, organ donation or other procedures.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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EXCLUSION - NEW ENTITIES

Paragraph 3 of **SECTION III - WHO IS AN INSURED** does not apply.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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EXCLUSION – LAW ENFORCEMENT ACTIVITIES

The following exclusion is added to **SECTION II – GENERAL POLICY EXCLUSIONS**:

LAW ENFORCEMENT ACTIVITIES

This policy does not cover any claim, damage, injury, loss, cost, expense or liability of any nature whatsoever arising from, occasioned by or in consequence of (whether directly or indirectly and whether wholly or partly) any act or omission resulting from law enforcement activities of your police department or any of your other law enforcement agencies, including their agents or employees.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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EXCLUSION – LIABILITY ASSUMED BY ANY GOVERNMENT

This insurance does not apply to ***bodily injury***, ***property damage***, ***personal and advertising injury***, medical expenses or loss of or physical injury to ***aircraft*** which, in the absence of this insurance, the liability therefor is assumed by any government under any law, regulation or contract or agreement with you. This exclusion applies to, but is not limited to, contracts or agreements containing clauses 52.246-23, 52.246-24 or 52.246-25 prescribed by the United States Code of Federal Regulations, Federal Acquisition Regulations System or their predecessor clauses 7-104.45(a) or 7-104.45(b) or any earlier type clauses.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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LIMITATION - CONTRACTUAL LIABILITY

The definition of ***Insured contract*** in **SECTION VI - DEFINITIONS** is replaced by the following:

Insured Contract means any written:

(a) A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an ***insured contract***;

(b) A sidetrack agreement;

(c) Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

(d) An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

(e) An elevator maintenance agreement; or

(f) Contracts or agreements shown in the Schedule.

SCHEDULE

Contracts or agreements:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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LIMITATION - CONTRACTUAL LIABILITY
(Reporting Feature)

The definition of ***Insured contract*** in **SECTION VI - DEFINITIONS** is replaced by the following:

Insured Contract means any written:

(a) A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an ***insured contract***;

(b) A sidetrack agreement;

(c) Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

(d) An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

(e) An elevator maintenance agreement; or

(f) Contract or agreement, other than one described in Paragraph (a) through (e) above, pertaining to your aviation business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for ***bodily injury*** or ***property damage*** to a third person or organization:

(1) Which has been executed prior to the policy period, but only if it:
   a. Has been accepted and approved by Global Aerospace, Inc., and
   b. Is shown in the schedule contained in this endorsement, or

(2) Which is executed during the policy period, provided:
   a. It is reported to Global Aerospace, Inc., Attention: Underwriting at the Regional Office address set out on the cover page of this policy within 30 days of its execution; and
   b. Once so reported, it is not rejected by Global Aerospace, Inc. by mailing to the first Named Insured at the address shown in the policy, written notice stating when, not less than 10 days thereafter, such written contract is excluded from the policy; and
   c. The first Named Insured agrees to pay an additional premium, if any, as determined by us.

Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph (f) does not include that part of any contract or agreement:

(1) That indemnifies a railroad for ***bodily injury*** or ***property damage*** arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;

(2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
   a. Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, designs or drawings and specifications; or
   b. Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

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(3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (2) above and supervisory, inspection, architectural or engineering activities.

SCHEDULE

Contracts or agreements:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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LIMITATION - DESIGNATED PREMISES ONLY

This insurance applies only to liability for damages to which the insurance afforded by this policy applies arising out of your aviation business conducted at the premises shown in the Schedule.

SCHEDULE

Premises:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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NON-OWNED AIRCRAFT LIABILITY

1. Subject to the terms of this endorsement and all other applicable provisions of this policy, when an aircraft shown in the Schedule is used by you or on your behalf, Paragraphs (b) (1) a. and c. of the definition of ***Ground operations hazard*** in **SECTION VI – DEFINITIONS** shall not apply to liability for ***bodily injury*** or ***property damage*** caused by an ***occurrence*** resulting from such use.

2. As respects the insurance afforded by this endorsement:

   (a) Notwithstanding the provisions of **SECTION III – WHO IS AN INSURED**, the owner or lessor of any aircraft shown in the Schedule is not an insured under this policy; and

   (b) The most we will pay for damages because of ***bodily injury*** or ***property damage*** is the limit shown in the Schedule, which shall be part of and not in addition to the "Each Occurrence" limit shown in the Declarations.

   (c) This is excess over any other primary insurance available to you and is subject to Paragraphs (b) (2) and (3) of the Other Insurance Condition.

SCHEDULE

1. Aircraft description:

   Any aircraft having fewer than total seats that you do not own, in whole or in part. However, this does not include any aircraft leased to you for a period in excess of 30 days unless you report such lease to Global Aerospace Inc. at the US Home Office or Regional Office address set out on the cover page of this policy and an additional premium is paid if we require one.

2. Limit of liability:

   "Each Occurrence Limit" applicable to use of non-owned aircraft

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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ARKANSAS CHANGES

1. Paragraph (e) of the Cancellation Condition is replaced by the following:

   (e) (1) If this policy is cancelled, we will send the first Named Insured any premium refund due.

   (2) We will refund the pro rata unearned premium if the policy is:
   a. Cancelled by us or at our request;
   b. Cancelled but rewritten with us or in our company group;
   c. Cancelled because you no longer have an insurable interest in the property or business operation that is the subject of this insurance; or
   d. Cancelled after the first year of a prepaid policy that was written for a term of more than one year.

   (3) If the policy is cancelled at the request of the first Named Insured, other than a cancellation described in Paragraph (2) b., c., or d. above, we will refund 90% of the pro rata unearned premium. However, the refund will be less than 90% of the pro rata unearned premium if the refund of such amount would reduce the premium retained by us to an amount less than the minimum premium for this policy.

   (4) The cancellation will be effective even if we have not made or offered a refund.

   (5) If the first Named Insured cancels the policy, we will retain no less than $100 of the premium.

2. The following is added to the Cancellation Condition:

   (g) Cancellation of Policies in Effect More Than 60 Days

   (1) If this policy has been in effect more than 60 days or is a renewal policy, we may cancel only for one or more of the following reasons:
   a. Nonpayment of premium;
   b. Fraud or material misrepresentation made by you or with your knowledge in obtaining the policy, continuing the policy or in presenting a claim under the policy;
   c. The occurrence of a material change in the risk which substantially increases any hazard insured against after policy issuance;
   d. Violation of any local fire, health, safety, building or construction regulation or ordinance with respect to any insured property or its occupancy which substantially increases any hazard insured against under the policy;
   e. Nonpayment of membership dues in those cases where our by-laws, agreements or other legal instruments require payment as a condition of the issuance and maintenance of the policy; or
   f. A material violation of a material provision of the policy.

   (2) If we cancel for:
   a. Nonpayment of premium, we will mail or deliver written notice of cancellation, stating the reason for cancellation, to the first Named Insured at least 10 days before the effective date of cancellation.
   b. Any other reason, we will mail or deliver notice of cancellation to the first Named Insured at least 20 days before the effective date of cancellation.

3. The following is added to the Transfer of Rights of Recovery Against Others to Us Condition:

   We will be entitled to recovery only after the insured has been fully compensated for the loss or damage sustained, including expenses incurred in obtaining full compensation for the loss or damage.

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4. The following Conditions are added to **SECTION V- POLICY CONDITIONS** and supersede any provisions to the contrary:

   Nonrenewal.

   (a) If we decide not to renew this policy, we will mail to the first Named Insured shown in the Declarations written notice of nonrenewal at least 60 days before:

      (1) Its expiration date; or

      (2) Its anniversary date, if it is a policy written for a term of more than one year and with no fixed expiration date.

      However, we are not required to send this notice if nonrenewal is due to the first Named Insured's failure to pay any premium required for renewal.

   (b) We will mail our notice to the first Named Insured's mailing address last known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

   Multi-Year Policies.

   We may issue this policy for a term in excess of twelve months with the premium adjusted on an annual basis in accordance with our rates and rules.

5. Notwithstanding any other provision in the policy to the contrary, any obligation involving any process, notice or proof of loss that requires service upon or delivery to us may be satisfied by service upon or delivery to any one of the Companies subscribing to this insurance and described in the "COMPANIES" section of the Declarations on behalf of all such Companies. Each of these Companies appoints Global Aerospace, Inc., as its duly authorized agent for receipt of any such notice, proof of loss or service of process.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: Endorsement Premium:

Attached to and made part of Policy No.:

Issued to:

Global Aerospace, Inc.

BY:_____

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Rate Information

Rate data does NOT apply to filing.

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty

Review Status: Approved 02/15/2008

Comments:

Attachments:

AR - F778 Form Filing Schedule 021307.pdf

AR - F777 Property & Casualty Transmittal Document 021307….pdf

Satisfied -Name: Side by side Comparison of ISO to AGL Policy

Review Status: Approved 02/15/2008

Comments:

Attachment:

ISO to AGL Filing (distilled).pdf

Satisfied -Name: Page & Line References of Comparison

Review Status: Approved 02/15/2008

Comments:

Attachment:

COMPARISON ISO TO AGL FILING 11-8-07(distilled).pdf

Satisfied -Name: Authorizations

Review Status: Approved 02/15/2008

Comments:

Attachment:

Auth AAIC MSIC NIC TOKO(DISTILLED).pdf

Satisfied -Name: Form Descriptions

Review Status: Approved 02/15/2008

Comments:

Form numbers and descriptions, including states specific forms.

Attachment:

AR DESCRIPTION OF FORMS.pdf

		Review Status:	
Satisfied -Name:	Syndicate Addendum	Approved	02/15/2008

Comments:

Attachment:

Addendum 1 - Syndicate Members.pdf

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)

(Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	**This filing transmittal is part of Company Tracking #**	**4835**
2.	**This filing corresponds to rate/rule filing number** (Company tracking number of rate/rule filing, if applicable)	

3.	**Form Name /Description/Synopsis**	**Form # Include edition date**	**Replacement or Withdrawn?**	**If replacement, give form # it replaces**	**Previous state filing number, if required by state**
01	See Forms Schedule		☐ New ☐ Replacement ☐ Withdrawn		
02			☐ New ☐ Replacement ☐ Withdrawn		
03			☐ New ☐ Replacement ☐ Withdrawn		
04			☐ New ☐ Replacement ☐ Withdrawn		
05			☐ New ☐ Replacement ☐ Withdrawn		
06			☐ New ☐ Replacement ☐ Withdrawn		
07			☐ New ☐ Replacement ☐ Withdrawn		
08			☐ New ☐ Replacement ☐ Withdrawn		
09			☐ New ☐ Replacement ☐ Withdrawn		
10			☐ New ☐ Replacement ☐ Withdrawn		

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Property & Casualty Transmittal Document

1 . Reserved for Insurance Dept. Use Only

2. Insurance Department Use only	
a. Date the filing is received:	
b. Analyst:	
c. Disposition:	
d. Date of disposition of the filing:	
e. Effective date of filing:	
New Business	
Renewal Business	
f. State Filing #:	
g. SERFF Filing #:	
h. Subject Codes	

3.	Group Name	Group NAIC #
	Global Aerospace, Inc. (A Joint Underwriting Association)	AA-9995137

4.	Company Name(s)	Domicile	NAIC #	FEIN #	State #
	American Alternative Insurance Corporation (AAIC)	DE	19720	52-2048110	07
	Mitsui Sumitomo Insurance Company of America (MSIG)	NY	20362	22-3818012	31
	National Indemnity Company	NE	20087	47-0355979	26
	Tokio Marine & Nichido Fire Insurance Co. (U.S. Branch)	NY	10169	13-6108722	31

5.	Company Tracking Number	4835

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Sean Cox First Consulting & Admin, Inc. 1020 Central Ste. 201 Kansas City, MO 64105	Associate Consultant	800-927-2730 ext. 2737	816- 391-2755	Sean.cox@firstconsulting.com

7.	Signature of authorized filer	
8.	Please print name of authorized filer	Sean Cox

Filing information (see General Instructions for descriptions of these fields)

9.	**Type of Insurance (TOI)**	22.0
10.	**Sub-Type of Insurance (Sub-TOI)**	22.0000
11.	**State Specific Product code(s) (if applicable)[See State Specific Requirements]**	
12.	**Company Program Title** (Marketing title)	Aviation Ground Operations Liability Policy
13.	**Filing Type**	☐ Rate/Loss Cost ☐ Rules ☐ Rates/Rules ☒ Forms ☐ Combination Rates/Rules/Forms ☐ Withdrawal ☒ Other (give description) NEW

14.	**Effective Date(s) Requested**	New: On approval Renewal: On approval
15.	**Reference Filing?**	☐ Yes ☒ No
16.	**Reference Organization** (if applicable)	N/A
17.	**Reference Organization # & Title**	N/A
18.	**Company's Date of Filing**	01/21/2008
19.	**Status of filing in domicile**	☐ Not Filed ☒ Pending ☐ Authorized ☐ Disapproved

Property & Casualty Transmittal Document—

20.	**This filing transmittal is part of Company Tracking #**	4835

21.	**Filing Description** [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

The following Filing Description was submitted by the company for use with this filing:

We are currently using the Airport Liability Insurance (ALI) policy which was derived from the 1988 version ISO Commercial General Liability Coverage Form (Coverage Part) and Common Policy Provisions. We refer to this variant as a "Policy" rather than a Coverage Part. We now wish to discontinue the use of that previously filed form and commence using a new policy form that incorporates many of the changes ISO has made to their CGL form since 1988. Another goal is to address some arguments that have been made relative to the extent of coverage afforded by our present form. Finally, we hope to reduce administrative burdens by including text that will eliminate the need to attach certain endorsements.

Regarding Declarations and Text:

1. To save the reviewer time, we will make specific comment only on the substantive modifications we made to ISO's forms. We will bypass changes that are editorial or stylistic in nature. The following are examples of changes we deemed to be of lesser importance, presented in no particular order of significance:
   a. Substitution of "policy" for the term "Coverage Part"
   b. Substitution or bold italic type for quotation marks to signify defined terms
   c. More consistent use of the word "Paragraph" when referring to paragraphs elsewhere in the document
   d. Use of different numbers, letters and styles than those used by ISO in the identification of paragraphs
   e. Insertion of "missing" words and phrases we felt should have been added by ISO
   f. Condensing sentences ISO had presented with subparagraphs into simple compound sentences

2. In addition to the filed forms, we have attached document "ISO to AGL-filing.doc" as an aid to the reviewer. This document reflects the changes that were made to the ISO CGL forms CG 00 01 12 04 and IL 00 17 11 98 to arrive at the AGL. In this document, removed text has been struck through. Added text has been underlined and highlighted.

Regarding Endorsements:

In addition to the endorsement forms we are filing, we have supplied copies of the ISO mandatory endorsements for your state. To aid the reviewer, we have indicated how we have addressed the subject matter of these endorsements on each of them. Generally speaking, we incorporated the text directly into our policy form where appropriate and consolidated other subject matter into a single 'state' endorsement. We struck text that didn't apply to the ISO Commercial General Liability Coverage Part. Added text is shaded.

In addition to the required certifications, we enclose the following to assist in your review:

Cover page
Policy
Declaration page
Supplemental Endorsements
List of the Syndicate members
Page and Line References of Comparison
Side by Side Comparision of Iso to AGL Policy
Description of Forms

22.	**Filing Fees** (Filer must provide check # and fee amount if applicable)

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[If a state requires you to show how you calculated your filing fees, place that calculation below]
Check #: 47164 **Amount:** $50.00 The fee is $50.00 per submission. Therefore, the fee is $50.00. **Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.**

*****Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

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~~COMMERCIAL GENERAL LIABILITY COVERAGE FORM~~

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to ~~the company~~ "the Company", described in the Declarations, providing this insurance.

The word "insured" means any person or organization qualifying as such under Section ~~II~~ **III** – Who Is An Insured.

Other words and phrases that appear in ~~quotation marks~~ ***bold italicized*** type have special meaning. Refer to Section ~~V~~ **VI** – Definitions.

SECTION I - COVERAGES

COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement.

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies resulting from the ***ground operations hazard*** or the ***products-completed operations hazard***. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in SECTION ~~III~~ **IV** **-** LIMITS OF INSURANCE; and

(2) Our right and duty to defend end~~s~~ when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES ~~A and B~~ A, B and D.

b. This insurance applies to "bodily injury" and "property damage" only if:

(1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

(2) The "bodily injury" or "property damage" occurs during the policy period; and

(3) Prior to the policy period, no insured listed under Paragraph **1**. of Section ~~II~~ **III** – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" ~~or claim~~, claim or ***suit*** knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph **1**. of Section ~~II~~ **III** – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" ~~or claim~~, claim or ***suit***, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1**. of Section ~~**II**~~ **III** – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" ~~or claim~~, claim or ***suit***:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim or ***suit*** for damages because of the "bodily injury" or "property damage"; or

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. **Exclusions.**

~~This~~ In addition to the exclusions contained in **SECTION II - GENERAL POLICY EXCLUSIONS**, this insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion (a) does not apply to "bodily injury" or ***property damage*** resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion (b) does not apply to liability for damages:

(1) That the insured would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:

(a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion (c) applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation and Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

~~"~~Bodily injury~~"~~ to:

(1) An ~~"~~employee~~"~~ of the insured arising out of and in the course of~~:~~

~~**(a)** Employment~~ employment by the insured; or

~~**(b)** Performing duties related to the conduct of the insured's business; or~~

(2) The spouse, child, parent, brother or sister of that ~~"~~employee~~"~~ as a consequence of Paragraph **(1)** above.

This exclusion (e) applies~~:~~

~~**(1)** Whether~~ whether the insured may be liable as an employer or in any other capacity~~;~~ and

~~**(2)** To~~ to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion (e) does not apply to liability assumed by the insured under an ~~"~~insured contract~~"~~.

f. ~~Pollution~~

~~**(1)** "Bodily injury" or property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":~~

~~**(a)** At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:~~

~~**(i)** "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;~~

~~**(ii)** "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or~~

~~**(iii)** "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";~~

~~**(b)** At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;~~

~~**(c)** Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:~~

~~**(i)** Any insured; or~~

~~**(ii)** Any person or organization for whom you may be legally responsible; or~~

~~**(d)** At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:~~

~~**(i)** "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;~~

~~**(ii)** "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or~~

~~**(iii)** "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".~~

~~**(e)** At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".~~

~~**(2)** Any loss, cost or expense arising out of any:~~

~~**(a)** Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or~~

~~**(b)** Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".~~

~~However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.~~

CONTESTS OR EXHIBITIONS

The conduct of any contest or exhibition permitted, sponsored or participated in by any insured other than static displays in public access areas.

g. ~~Aircraft,~~ Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any ~~aircraft,~~ "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion (g) applies even if the claims against any insured allege negligence or other wrongdoing in the ~~supervision, hiring, employment, training or monitoring~~ hiring, employment, supervision, training, monitoring, or warning of others by that insured, if the ~~"~~occurrence~~"~~ which caused the ~~"~~bodily injury~~"~~ or ~~"~~property damage~~"~~ involved the ownership, maintenance, use or entrustment to others of any ~~aircraft,~~ ~~"~~auto~~"~~ or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion (g) does not apply to:

(1) A watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is:

(a) Less than 26 feet long; and

(b) Not being used to carry persons or property for a charge;

~~(3)~~(6) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

~~(4)~~(3) Liability assumed under any "insured contract" for the ownership, maintenance or use of ~~aircraft or~~ watercraft;~~ or~~

~~(5) "Bodily injury" or "property damage" arising out of:~~

(4) ~~(a)~~ The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged;~~ or~~

(5) ~~(b)~~ the operation of any of the machinery or equipment listed in Paragraph ~~f.(2) or f.(3)~~ (f)(2) or (f)(3) of the definition of "mobile equipment"~~.~~;

(7) An ***auto*** an insured operates on airport or heliport premises exclusive of public roadways and parking areas; or

(8) An ***auto*** an insured operates off airport or heliport premises you own or rent while:

a. Responding to an aviation emergency,
b. Responding to a non–aviation emergency in connection with a mutual support agreement,
c. Restocking a tank or container that is attached to, or part of, the ***auto*** and designed to carry materials to be dispensed on such premises, or
d. Obtaining maintenance or service for such ***auto***,

provided such ***auto*** is otherwise maintained for use solely on or next to such premises.

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. ~~War~~

~~"Bodily injury" or property damage", however caused, arising, directly or indirectly, out of:~~

~~**(1)** War, including undeclared or civil war;~~

~~**(2)** Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or~~

~~**(3)** Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.~~

GRANDSTANDS, POOLS AND LODGING ACCOMMODATIONS

Bodily injury or ***property damage*** arising out of the ownership, maintenance or use of:

(1) Grandstands, bleachers or observation platforms other than observation decks or promenades that are part of permanent structures;

(2) Swimming pools; or

(3) Lodging accommodations for the general public.

j. Damage to Property

"Property damage" to:

(1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property, other than aircraft, in the care, custody or control of the insured;

(5) Aircraft:
a. In the care, custody or control of the insured, or
b. While being serviced by the insured;

~~(5)~~ (6) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

~~(6)~~ (7) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs **(1)**, **(3)**, and **(4)** of this exclusion (j) do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section ~~**III**~~ **IV** – Limits of Insurance.

Paragraph **(2)** of this exclusion (j) does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs **(3)**, **(4)**, **(5)** and **(6)** of this exclusion (j) do not apply to liability assumed under a sidetrack agreement.

Paragraph **(6)** of this exclusion (j) does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion (l) does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion (m) does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product;"

(2) "Your work", or

(3) "Impaired property;"

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. ~~Electronic Data~~

~~Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.~~

~~As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.~~

INTERFERENCE WITH PROPERTY RIGHTS OF OTHERS

Bodily injury or ***property damage*** arising out of interference with the quiet enjoyment of property or the taking of or exercising of the property rights of others by any operation of aircraft.

(q) DISTRIBUTION OF MATERIAL IN VIOLATION OF STATUTES

Bodily injury or ***property damage*** arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

(3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

(r) EMPLOYMENT RELATED PRACTICES

Bodily injury to:

(1) A person arising out of any:
   a. Refusal to employ that person;
   b. Termination of that person's employment; or
   c. Employment-related practice directed at that person; or

(2) Any other person as a consequence of ***bodily injury*** to that person at whom any such refusal to employ, termination of employment or other employment-related practice described in Paragraph (1) above is directed.

This exclusion (r) applies:
(i) Whether the ***bodily injury*** takes place before, during or after the employment of the person referred to in Paragraph (1) above;
(ii) Whether the insured may be liable as an employer or in any other capacity; and
(iii) To any obligation to share damages with or repay someone else who must pay damages because of the ***bodily injury***.

Exclusions **c.** through ~~**n.**~~ (r) do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section ~~**III**~~ **IV** – Limits of Insurance.

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section ~~**III**~~ **IV** – Limits Of Insurance; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages ~~**A and B**~~ A, B and D.

b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your aviation business but only if the offense was committed in the "coverage territory" and during the policy period.

2. Exclusions

~~This~~ In addition to the exclusions contained in **SECTION II - GENERAL POLICY EXCLUSIONS**, this insurance does not apply to:

a. Knowing Violation of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion (e) does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

~~However, this~~ This exclusion (i) does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

(1) Advertising, broadcasting, publishing or telecasting;

(2) Designing or determining content of websites for others; or

(3) An Internet search, access, content or service provider.

~~However, this~~ This exclusion (j) does not apply to Paragraphs ~~**14.**~~**a.**, **b.** and **c.** of the definition of "personal and advertising injury" ~~under the Definitions Section~~.

For the purposes of this exclusion (j), the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. ~~Pollution~~

~~"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.~~

INTERFERENCE WITH PROPERTY RIGHTS OF OTHERS

Personal and advertising injury arising out of interference with the quiet enjoyment of property or the taking of or exercising of the property rights of others by any operation of aircraft.

n. ~~Pollution-Related~~

~~Any loss, cost or expense arising out of any:~~

~~**(1)** Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or~~

~~**(2)** Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".~~

DISTRIBUTION OF MATERIAL IN VIOLATION OF STATUTES

Personal and advertising injury arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or

(3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

o. ~~War~~

~~"Personal and advertising injury", however caused, arising, directly or indirectly, out of:~~

~~**(1)** War, including undeclared or civil war;~~

~~**(2)** Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or~~

~~**(3)** Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.~~

EMPLOYMENT RELATED PRACTICES

Personal and advertising injury to:

(1) A person arising out of any:
   a. Refusal to employ that person;
   b. Termination of that person's employment; or
   c. Employment-related practice directed at that person; or

(2) Any other person as a consequence of ***personal and advertising injury*** to that person at whom any such refusal to employ, termination of employment or other employment-related practice described in Paragraph (1) above is directed.

This exclusion (o) applies:

(i) Whether the ***personal and advertising injury*** takes place before, during or after the employment of the person referred to in Paragraph (1) above;

(ii) Whether the insured may be liable as an employer or in any other capacity; and

(iii) To any obligation to share damages with or repay someone else who must pay damages because of the ***personal and advertising injury***.

COVERAGE C - MEDICAL PAYMENTS

1. Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident~~:~~

~~**(1)** On premises you own or rent;~~

~~**(2)** On ways next to premises you own or rent; or~~

~~**(3)** Because~~ because of your aviation operations~~:~~,

provided that:

(1) The accident takes place in the "coverage territory" and during the policy period;

(2) The expenses are incurred and reported to us within one year of the date of the accident; and

(3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

~~We~~ In addition to the exclusions contained in **SECTION II - GENERAL POLICY EXCLUSIONS**, we will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury on Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

COVERAGE D - HANGARKEEPERS' LIABILITY

1. Insuring Agreement.

(a) We will pay those sums that the insured becomes legally obligated to pay as damages because of direct and accidental loss of or physical injury to ***aircraft***:
(i) In the care, custody or control of the insured, or
(ii) While being serviced by the insured,
including any resulting loss of use. All such loss of use shall be deemed to occur at the time of the direct and accidental loss of or physical injury to ***aircraft*** that caused the loss of use. We will have the right and duty to defend the insured against any ***suit*** seeking those damages. However, we will have no duty to defend the insured against any ***suit*** seeking damages for loss of or physical injury to ***aircraft*** to which this insurance does not apply. We may at our discretion investigate any loss of or physical injury to ***aircraft*** that occurs and settle any claim or ***suit*** that may result. But:

(1) The amount we will pay for damages is limited as described in **SECTION IV - LIMITS OF INSURANCE**;

(2) This insurance is subject to the Deductibles endorsement, if any, unless physical injury results from fire or explosion; and

(3) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverage D.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS** - COVERAGES A, B and D.

(b) This insurance applies to loss of or physical injury to ***aircraft*** but only if such loss or physical injury occurs in the ***coverage territory*** and during the policy period.

2. Exclusions.

In addition to the exclusions contained in **SECTION II - GENERAL POLICY EXCLUSIONS**, this insurance does not apply to:

(a) CONTRACTUAL LIABILITY

The insured's liability under any contract or agreement to be responsible for loss of or physical injury to ***aircraft***. This exclusion (a) does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

(b) OWNED, RENTED OR MANAGED AIRCRAFT

Loss of or physical injury to ***aircraft***:

(1) Owned in whole or in part by or registered in the name of any insured;

(2) Rented, leased or loaned to any insured; or

(3) That is the subject of a management agreement with any insured.

(c) THEFT OR CONVERSION

Loss of or physical injury to ***aircraft*** due to theft or conversion caused in any way by you, your employees or by your shareholders.

(d) YOUR WORK

Loss of or physical injury to ***your work*** arising out of it or any part of it.

(e) AIRCRAFT IN FLIGHT

Loss of or physical injury to ***aircraft*** while in ***flight***.

SUPPLEMENTARY PAYMENTS – COVERAGES ~~A AND B~~ A, B and D

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

a. All expenses we incur.

b. Up to $~~250~~ 2,500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $250 a day because of time off from work.

e. All costs taxed against the insured in the "suit".

f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

b. This insurance applies to such liability assumed by the insured;

c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

f. The indemnitee:

(1) Agrees in writing to:

(a) Cooperate with ~~us~~ Global Aerospace, Inc. in the investigation, settlement or defense of the "suit";

(b) Immediately send ~~us~~ copies of any demands, notices, summonses or legal papers received in connection with the "suit" to Global Aerospace, Inc., Attention: General Aviation Claims at 51 John F. Kennedy Parkway, Short Hills, NJ 07078;

(c) Notify any other insurer whose coverage is available to the indemnitee; and

(d) Cooperate with ~~us~~ Global Aerospace, Inc. with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides ~~us~~ Global Aerospace, Inc. with written authorization to:

(a) Obtain records and other information related to the "suit"; and

(b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph ~~**2.b.(2)** of Section **1** – Coverage **A** – Bodily Injury And Property Damage Liability~~ (2) of Exclusion (b) CONTRACTUAL LIABILITY applicable to Coverage A, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when~~:~~

~~**a.** We~~ we have used up the applicable limit of insurance in the payment of judgments or settlements~~;~~ or

~~**b.** The~~ the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II – ~~WHO IS AN INSURED~~ GENERAL POLICY EXCLUSIONS

Other provisions of this policy may limit or exclude insurance coverage. You are therefore urged to read the entire policy carefully.

This policy does not cover any claim, damage, injury, loss, cost, expense or liability of any nature whatsoever arising from, occasioned by or in consequence of (whether directly or indirectly and whether wholly or partly):

1. WAR, HI-JACKING AND OTHER PERILS

(a) War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power.

(b) Any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

(c) Strikes, riots, civil commotions or labor disturbances.

(d) Any act of one or more persons, whether or not agents of a sovereign power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional.

(e) Any malicious act or act of sabotage.

(f) Confiscation, nationalization, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any government (whether civil, military or de facto) or public or local authority.

(g) Hi-jacking or any unlawful seizure or wrongful exercise of control of the aircraft or crew in ***flight*** (including any attempt at such seizure or control) made by any person or persons on board the aircraft acting without the consent of the insured.

Furthermore, this policy does not cover claims or ***suits*** arising while the aircraft is outside the control of the insured by reason of any of the above perils. The aircraft shall be deemed to have been restored to the control of the insured on the safe return of the aircraft to the insured at an airfield not excluded by the geographical limits of this policy, and entirely suitable for the operation of the aircraft (such safe return shall require that the aircraft be parked with engines shut down and under no duress).

2. ELECTRONIC DATE RECOGNITION

(a) The failure or inability to correctly recognize, process, distinguish, interpret or accept any change of year, date or time, including but not limited to:

(1) The change of year from 1999 to 2000; or

(2) The change of date from August 21, 1999 to August 22, 1999;

By any computer system, hardware, program or software, microprocessor, integrated circuit or similar device, whether in computer equipment or non-computer equipment, whether the property of any insured or of others; or

(b) Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by any insured or for any insured or by any third party to determine, rectify or test for any potential or actual problems described in Paragraph (a) above.

3. ASBESTOS

(a) The actual, alleged or threatened presence of asbestos in any form whatsoever, or any material or product containing, or alleged to contain, asbestos; or

(b) Any obligation, request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, neutralize, protect against or in any other way respond to the actual, alleged or threatened presence of asbestos or any material or product containing, or alleged to contain, asbestos.

However, this exclusion 3 shall not apply to any claim or ***suit*** caused by or resulting in a crash, fire, explosion, or collision or a recorded in ***flight*** emergency causing abnormal aircraft operation.

Notwithstanding any other provisions of this policy, we will have no duty to investigate, defend or pay defense costs in respect of:

(i) Any claim or ***suit*** excluded under Paragraphs (a) or (b) above; or

(ii) Any such obligation, request, demand, order, or statutory or regulatory requirement described in Paragraph (b) above.

4. NOISE, POLLUTION AND OTHER PERILS

(a) Noise (whether audible to the human ear or not) or vibration, sonic boom, and any phenomena associated therewith,

(b) Pollution and contamination of any kind whatsoever,

(c) Electrical and electromagnetic interference, or

(d) Interference with the use of property,

unless caused by or resulting in a crash, fire, explosion, or collision or a recorded in ***flight*** emergency causing abnormal aircraft operation.

As respects liability arising out of the ***products-completed operations hazard***, Paragraph (b) above does not apply to pollution and contamination of ***your product***.

Nothing in this exclusion 4 shall override any radioactive contamination or other exclusion clause attached to and forming part of this policy.

5. NUCLEAR RISKS

(a) Injury or damage:

(1) With respect to which the insured under this policy is also an insured under any:
a. Nuclear energy liability policy, or
b. Other policy that affords insurance equivalent to that described in Paragraphs (i) and (ii) below.

(2) Resulting from the hazards described in Paragraphs (b), (c) and (d) below with respect to which:
a. Any person or organization is required to maintain financial protection pursuant to legislation in any country; or
b. The insured under this policy is, or had this policy not been issued would be, entitled to indemnification from any government or agency thereof;

(b) The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;

(c) The radioactive properties of, or a combination of radioactive properties with toxic, explosive or other hazardous properties of, any other radioactive material in the course of carriage as cargo, including storage or handling incidental thereto; or

(d) Ionizing radiations or contamination by radioactivity from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.

This exclusion 5 is subject to the following:

(i) Any such radioactive material or other radioactive source referred to in Paragraphs (c) and (d) above shall not include:

a. Depleted uranium and natural uranium in any form;

b. Radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial, educational or industrial purpose.

(ii) Loss, destruction, damage, expense or legal liability in respect of the nuclear risks not excluded by reason of the preceding paragraph shall (subject to all other terms, conditions, limitations, warranties and exclusions of this policy) be covered, provided that:

a. In the case of any claim in respect of radioactive material in the course of carriage as cargo, including storage or handling incidental thereto, such carriage shall in all respects have complied with the full International Civil Aviation Organization "Technical Instructions for the Safe Transport of Dangerous Goods by Air", unless the carriage shall have been subject to any more restrictive legislation, when it shall in all respects have complied with such legislation;

b. This policy shall only apply to an incident happening during the period of this policy and where any claim by the insured against us or by any claimant against the insured arising out of such incident shall have been made within three years after the date thereof;

c. In the case of any claim for the loss of or destruction of or damage to or loss of use of an aircraft caused by or contributed to by radioactive contamination, the level of such contamination shall have exceeded the maximum permissible level set out in the following scale:

Emitter (IAEA Health and Safety Regulations)	Maximum permissible level of non-fixed radioactive surface contamination (Averaged over 300cm²)
Beta, gamma and low toxicity alpha emitters	Not exceeding 4 Becquerels/cm² (10^{-4} microcuries/cm²)
All other emitters	Not exceeding 0.4 Becquerels/cm² (10^{-5} microcuries/cm²)

d. We may cancel coverage afforded hereby by mailing or delivering to the first Named Insured written notice of cancellation at least 7 days before the effective date of cancellation.

SECTION ~~II~~ III – WHO IS AN INSURED

The following are insureds as respects your aviation business:

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you ~~or while performing duties related to the conduct of your business~~. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment ~~or performing duties related to the conduct of your business~~, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

(a) Owned, occupied or used by,

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees", any "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this ~~Coverage Part~~ policy.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; ~~and~~

c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization~~.~~;

(d) Coverage C does not apply to medical expenses arising out of ***bodily injury*** that occurred before you acquired or formed the organization; and

(e) Coverage D does not apply to loss of or physical injury to ***aircraft*** that occurred before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION ~~III~~ IV – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought; ~~or~~

c. Persons or organizations making claims or bringing "suits"~~.~~; or

(d) ***Aircraft*** to which Coverage D applies.

2. The General Aggregate Limit is the most we will pay for the sum of:

~~**a.**~~**c.** Medical expenses under Coverage C;

~~**b.**~~**a.** Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; ~~and~~

~~**c.**~~**b.** Damages under Coverage **B**~~.~~; and

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Subject to Paragraph **2.** above, the Personal and Advertising Injury Aggregate Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" ~~sustained by any one person or organization~~.

5. Subject to Paragraph **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

a. Damages under Coverage **A**; and

b. Medical expenses under Coverage **C**

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Subject to Paragraph **5.** above, the Damage to Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

7. Subject to Paragraph **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

8. The Hangarkeepers' Each Accident Limit is the most we will pay for the sum of damages under Coverage D because of direct and accidental loss of or physical injury to one or more ***aircraft*** resulting from any one accident.

9. Subject to Paragraph 8. above, the Hangarkeepers' Each Aircraft Limit is the most we will pay for the sum of damages under Coverage D because of direct and accidental loss of or physical injury to any one ***aircraft*** resulting from any one accident.

The Limits of Insurance of this ~~Coverage Part~~ policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION ~~IV~~ V – ~~COMMERCIAL GENERAL LIABILITY~~ POLICY CONDITIONS

This policy is subject to the following conditions:

~~1~~8. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this ~~Coverage Part~~ policy.

~~2~~12. Duties in the Event of Occurrence, Offense, Loss of or Physical Injury to Aircraft, Claim or Suit

a. You must see to it that ~~we are~~ Global Aerospace, Inc., Attention: General Aviation Claims at the US Home Office or Regional Office address set out on the cover page of this policy is notified as soon as practicable of an ~~"~~occurrence~~"~~ ~~or an offense~~ , offense or loss of or physical injury to ***aircraft*** which may result in a claim. To the extent possible, notice should include:

(1) How, when and where the ~~"~~occurrence~~"~~ ~~or offense~~ , offense or loss of or physical injury to ***aircraft*** took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the ~~"~~occurrence~~"~~ ~~or offense~~, offense or loss of or physical injury to ***aircraft***.

b. If a claim is made or ~~"~~suit~~"~~ is brought against any insured, you and any other involved insured must immediately:

(1) ~~Immediately~~ record the specifics of the claim or ~~"~~suit~~"~~ and the date received; and

(2) ~~Notify us as soon as practicable.~~ Send copies of any demands, notices, summonses or legal papers received in connection with the claim or ***suit*** to Global Aerospace, Inc., Attention: General Aviation Claims at the US Home Office or Regional Office address set out on the cover page of this policy.

~~You must see to it that we receive written notice of the claim or "suit" as soon as practicable.~~

c. You and any other involved insured must:

(1) ~~Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";~~

~~**(2)**~~ Authorize ~~us~~ Global Aerospace, Inc. to obtain records and other information;

(~~3~~2) Cooperate with ~~us~~ Global Aerospace, Inc. in the investigation or settlement of the claim or defense against the ~~"~~suit~~"~~; and

(43) Assist ~~us~~ Global Aerospace, Inc., upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

~~3~~9.Legal Action Against Us

No person or organization has a right under this ~~Coverage Part~~ policy~~:~~

~~**a.** To~~ to join us as a party or otherwise bring us into a ~~"~~suit~~"~~ asking for damages from an insured~~;~~ or

~~**b.** To~~ to sue us on this ~~Coverage Part~~ policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this ~~Coverage Part~~ policy or that are in excess

of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative. Each of the Companies described in the Declarations appoints Global Aerospace, Inc., as duly authorized agent for service of process. Service of process shall be made upon Global Aerospace, Inc., Attention: General Counsel at 51 John F. Kennedy Parkway, Short Hills, NJ 07078. However, service upon Global Aerospace, Inc. does not constitute a waiver of any rights to commence an action in any court of competent jurisdiction or to seek a transfer to another court or venue as permitted by law.

4~~1~~6. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages ~~**A or B**~~ A, B or D of this ~~Coverage Part~~ policy, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

~~(1)~~ a. Any of the other insurance, whether primary, excess, contingent or on any other basis:

~~(a)~~ (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for ~~"~~your work~~"~~;

~~(b)~~ (ii) That is Fire Insurance for premises rented to you or temporarily occupied by you with permission of the owner;

~~(c)~~ (iii) That is insurance purchased by you to cover your liability as a tenant for ~~"~~property damage~~"~~ to premises rented to you or temporarily occupied by you with permission of the owner; or

~~(d)~~ **(iv)** If the loss arises out of the maintenance or use of ~~aircraft,~~ ~~"~~autos~~"~~ or watercraft to the extent not subject to Exclusion ~~**g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability~~ (g) AUTO OR WATERCRAFT applicable to Coverage A~~.~~; or

~~(2)~~ b. Any other primary insurance available to you covering liability for damages ~~arising out of the premises or operations, or the products and completed operations~~ to which this policy applies, for which you have been added as an ~~additional~~ insured ~~by attachment of an endorsement~~.

(2) When this insurance is excess, we will have no duty under Coverages ~~**A or B**~~ A, B or D to defend the insured against any ~~"~~suit~~"~~ if any other insurer has a duty to defend the insured against that ~~"~~suit~~"~~. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

~~(1)~~ a. The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

~~(2)~~ b. The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this ~~Coverage Part~~ policy.

c. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

~~5~~15. Premium Audit

a. We will compute all premiums for this ~~Coverage Part~~ policy in accordance with our rules and rates.

b. Premium shown in this ~~Coverage Part~~ policy as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies of those records at such times as we may request.

~~6~~3.Representations

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

~~7~~11. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this ~~Coverage Part~~ policy to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

~~8~~10. Transfer of Rights of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this ~~Coverage Part~~ policy, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

~~**9. When We Do Not Renew**~~

~~If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.~~

~~If notice is mailed, proof of mailing will be sufficient proof of notice.~~

~~COMMON POLICY CONDITIONS~~

~~A~~6. Cancellation.

(a) The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

(b) We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

(1) (Variable : default = 10) days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) (Variable : default = 30) days before the effective date of cancellation if we cancel for any other reason.

(c) We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

(d) Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

(e) If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

(f) If notice is mailed, proof of mailing will be sufficient proof of notice.

~~B~~5. Changes.

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued on our behalf by Global Aerospace, Inc. and made a part of this policy.

~~C~~14. Examination of Your Books and Records.

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

~~D~~13. Inspections and Surveys.

(a) We have the right to:

(1) Make inspections and surveys at any time;

(2) Give you reports on the conditions we find; and

(3) Recommend changes.

(b) We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. ~~And we~~ We do not warrant that conditions~~:~~

~~a.~~ ~~Are~~ are safe or healthful~~;~~ or

~~b.~~ ~~Comply~~ comply with laws, regulations, codes or standards.

(c) Paragraphs (a) and (b) of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

(d) Paragraph (b) of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

~~E~~4. Premiums.

The first Named Insured shown in the Declarations~~:~~

~~1.~~ ~~Is~~ is responsible for the payment of all premiums~~;~~ and

~~2.~~ ~~Will~~ will be the payee for any return premiums we pay.

~~F~~7. Transfer of Your Rights and Duties Under This Policy.

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

1. State Statutes.

If the terms of this policy are in conflict with or inconsistent with the statutes of any state where this policy is in effect, we will conform to those state statutes.

2. Titles of Paragraphs.

The titles of the various paragraphs of this policy and endorsements, if any, attached to this policy and divider tabs, if any, are inserted solely for reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

SECTION ~~V~~ VI – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

b. Regarding web-sites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. ***Aircraft*** means aircraft or the components thereof.

~~2~~3. "Auto" means:

a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

~~3~~4. "Bodily injury" means ~~bodily~~ physical injury, sickness, ~~or~~ disease or mental anguish sustained by a person, including death resulting from any of these at any time.

~~4~~5. "Coverage territory" means:

a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph **a.** above; or

c. All other parts of the world if the injury or damage arises out of:

(1) ~~Goods or products made or sold by you~~ ***Your product*** or ***your work*** made, sold or performed in the territory described in Paragraph **a.** above;

(2) The activities of a person whose home is in the territory described in Paragraph **a.** above, but who is away for a short time on your aviation business; or

(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph **a.** above or in a settlement we agree to.

~~**5.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".~~

6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

7. ~~"Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.~~
Flight means the time commencing with the:

(a) Take-off roll or run and continuing until the completion of the landing roll or run in the case of an airplane,

(b) Start of rotation of rotors under power for the purpose of flight and continuing until the cessation of rotation of rotors in the case of a rotorcraft,

(c) Application of power and continuing until the shut-down of engines in the case of vertical take-off aircraft, or

(d) Release of moorings and continuing until the application of moorings in the case of lighter-than-air aircraft.

8. ***Ground operations hazard*** includes all operations conducted by you or on your behalf at or from the premises described in this policy, except operations:

(a) Included within the ***products-completed operations hazard***; or

(b) Related to:

(1) Any aircraft that is:
a. In ***flight***,
b. Owned in whole or in part by or registered in the name of any insured,
c. Rented, leased or loaned to or hired by any insured, or
d. The subject of a management agreement with any insured;

(2) The hiring, employment, supervision, training, monitoring, warning or failure to do any of these, of any pilot or crew member on board any aircraft described in Paragraph (1) above; or

(3) Aircraft traffic control operations other than the direction of aircraft movement on an aircraft parking area you own or lease.

Paragraphs (b) (1) a. and (b) (3) above shall not apply to you with respect to the operation of a control tower by the Federal Aviation Administration.

~~8~~9. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by~~:~~

~~**a.** The~~ the repair, replacement, adjustment or removal of "your product" or "your work"~~;~~ or

~~**b.** Your~~ your fulfilling the terms of the contract or agreement.

~~**9**~~**10.** "Insured contract" means:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

b. A sidetrack agreement;

c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement; or

f. That part of any other contract or agreement pertaining to your aviation business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement.

(1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;

(2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of;

(a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph **(2)** above and supervisory, inspection, architectural or engineering activities.

~~**10.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".~~

11. "Loading or unloading" means the handling of property:

a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

b. While it is in or on an aircraft, watercraft or "auto"; or

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to airport or heliport premises you own or rent~~;~~ . However, this shall not preclude use of such vehicles off such premises while:

(1) Responding to an aviation emergency,

(2) Responding to a non–aviation emergency in connection with a mutual support agreement,

(3) Restocking a tank or container that is attached to, or part of, the vehicle and designed to carry materials to be dispensed on such premises, or

(4) Obtaining maintenance or service for such vehicle.

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral or written publication, in any manner, of material that violates a person's right of privacy;

f. The use of another's advertising idea in your "advertisement"; ~~or~~

g. Infringing upon another's copyright, trade dress or slogan in your "advertisement"~~.~~; or

(h) Misdirection of a person to an aircraft or other conveyance.

~~**15.** "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.~~

~~**16**~~**15.** "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials; or

(3) ~~Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.~~
Any aircraft:
a. Owned in whole or in part by or registered in the name of any insured,
b. Rented, leased or loaned to or hired by any insured, or
c. That is the subject of a management agreement with any insured.

~~17~~**16.** "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

~~18~~**17.** "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage", ~~or~~ "personal and advertising injury", or loss of or physical injury to ***aircraft*** to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

~~**19.** "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.~~

~~20~~**18.** "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

~~21~~**19.** "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

~~22~~20. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and

(2) The providing of or failure to provide warnings or instructions.

POLICY TEXT

The Page and Line References that follow apply to the form "ISO to AGL-filing.doc. This document is a side by side comparison indicating material changes that were made to the ISO policy. The purpose is to serve as an aid to the reviewer.

COMPARISON OF ISO CONTRACT TO AGL POLICY 12/07		
Pg 2; Line 6: The underwriting organization is a pool of licensed insurers set up to provide insurance service to the Aviation market. The issuing companies are described in the Declarations.	AGL (December 2007)	New
Pg 2; Lines 22 -23: The policy is not a general liability policy. It is focused on providing coverage for aviation exposures that do not involve flying aircraft. Please refer to defined terms for 'ground operations hazard' and 'products-completed operations hazard.'	AGL (December 2007)	New
Pg 2; Line 35: The policy contains an additional coverage 'D – Hangarkeepers' which necessitates this change and other references to this coverage made later on. This comment will not be repeated.	AGL (December 2007)	New
Pg 3; Line 18: To save space exclusions applicable to all coverages have been stated once in a newly created Section II. Similar changes were made to the opening remarks for the exclusions applicable to all coverages. This comment will not be repeated.	AGL (December 2007)	New
Pg 3; Line 24: We broadened the scope of the exception to Exclusion (a) so that property damage could be covered in addition to bodily injury.	AGL (December 2007)	New
Pg 4; Lines 15-19: We elected not to adopt ISO's use of the defined terms 'employee', 'leased worker' or 'temporary worker.' Therefore, it isn't necessary to mention anyone 'performing duties related to the conduct of the insured's business' in this portion of Exclusion (e).	AGL (December 2007)	New
Pg 4; Lines 32-53 and Pg 5; Lines 1-44: Instead of ISO's Pollution exclusion, we elected to use the 'Noise, Pollution and Other Perils' exclusion commonly used in the Aviation insurance market. See Section II Exclusion 4.	AGL (December 2007)	New
Pg 5; Lines 45-48: We replaced ISO's Exclusion (f) with the Contests or Exhibitions exclusion we had in the form we are withdrawing.	AGL (December 2007)	New
Pg 5; Lines 50 & 53: We removed the word 'aircraft' from Exclusion (g) because of the change mentioned above for Pg 2; Lines 22 -23. Coverage A does not afford the aircraft coverage that ISO's Exclusion (g) took away.	AGL (December 2007)	New
Pg 6; Lines 2-3: We added 'warning' to the ISO's list of actions and modified the order in which the list is presented.	AGL (December 2007)	New
Pg 6; Lines 17-41: To organize paragraphs according to topic, we modified ISO's original order of the exceptions to Exclusion (g). In addition: a. We carried forward # (7) from the form we are withdrawing; and b. To preserve coverage we had afforded in the form that is being withdrawn, we expanded the scope of the exceptions with the addition of # (8). This was necessitated by the changes ISO made in the definitions of "Auto" and 'Mobile equipment'.	AGL (December 2007)	New
Pg 7; Lines 11-21: Instead of ISO's War exclusion, which it broadened the scope of in the CGL program in 2003, we elected to use the 'War, Hi-Jacking and	AGL (December 2007)	New

Other Perils' exclusion commonly used in the Aviation insurance market. See Exclusion 1 in Section II.		
Pg 7; Lines 22-31: We replaced ISO's Exclusion (i) with the Grandstands, Pools and Lodging Accommodations exclusion we had in the form we are withdrawing. Further, we reduced the scope of that exclusion by eliminating a fourth subparagraph that contained a reference to schools.	AGL (December 2007)	New
Pg 7; Lines 45: In Exclusion (j), we created an exception for aircraft in subparagraph (4), so that aircraft could be addressed separately in subparagraph (5).	AGL (December 2007)	New
Pg 7; Lines 47-49: Aircraft being serviced by the insured will be treated equally as aircraft in the insured's care, custody or control.	AGL (December 2007)	New
Pg 9; Lines 5-13: We elected not to adopt ISO's Electronic Data exclusion.	AGL (December 2007)	New
Pg 9; Lines 14-17: We replaced ISO's Exclusion (p) with a modified version of the Interference With Property Rights of Others exclusion we had in the form we are withdrawing. The modification involved the removal of 'noise' from this exclusion, because it is now addressed in Exclusion 4 in Section II	AGL (December 2007)	New
Pg 9; Lines 19-29: We inserted the bodily injury portion of ISO's Distribution of Material In Violation of Statutes exclusion from mandatory endorsement CG 00 67 03 05	AGL (December 2007)	New
Pg 9; Lines 31-48: We made it a practice to endorse the form we are withdrawing with an 'Employment Related Practices' exclusion. To eliminate the need to endorse each of our policies, we inserted a modified version of the bodily injury portion of ISO's Employment Related Practices exclusion based on their form CG 21 47 12 07. The modifications include: a. The elimination of the list of practices from paragraph (1) c; b. In paragraph (2): (i) Due to changing law relative to the use of terms such as 'spouse,' we opened the class of persons who might have consequential claims to 'any other person'; (ii) We specifically mentioned "refusal to employ" and 'termination of employment' in addition to 'employment-related practices'; and c. The adoption of the concept that the exclusion applies regardless of the timing of the injury.	AGL (December 2007)	New
Pg 10; Line 24: Because we serve the Aviation market, the scope of coverage extends only to the Named Insured's 'aviation' business.	AGL (December 2007)	New
Pg 12; Lines 1-4: Instead of ISO's Pollution exclusion, we elected to use the 'Noise, Pollution and Other Perils' exclusion commonly used in the Aviation. See Section II Exclusion 4.	AGL (December 2007)	New
Pg 12; Lines 5-8: We replaced ISO's Exclusion (m) with a modified version of the Interference With Property Rights of Others exclusion we had in the form we are withdrawing. The modification involved the removal of 'noise"' from this exclusion, because it is now addressed in Exclusion 4 in Section II.	AGL (December 2007)	New

Pg 12; Lines 10-20: Because we elected not to use ISO's Pollution exclusion, we also elected not to use their Pollution Related exclusion. The subject matter of that exclusion is addressed in the 'Noise, Pollution and Other Perils' exclusion commonly used in the Aviation insurance market. See Section II Exclusion 4.	AGL (December 2007)	New
Pg 12; Lines 21-31: We replaced ISO's Exclusion (n) with the personal and advertising injury portion of ISO's Distribution of Material In Violation of Statutes exclusion from mandatory endorsement CG 00 67 03 05	AGL (December 2007)	New
Pg 12; Lines 33-43: Instead of ISO's War exclusion, which it broadened the scope of in the CGL program in 2003, we elected to use the 'War, Hi-Jacking and Other Perils' exclusion commonly used in the Aviation insurance market. See Exclusion 1 in Section II.	AGL (December 2007)	New
Pg 12; Lines 44-51 and Pg 13; Lines 1-10: We made it a practice to endorse the form we are withdrawing with an 'Employment Related Practices' exclusion. To eliminate the need to endorse each of our policies, we replaced ISO's Exclusion (o) with a modified version of the personal and advertising injury portion of ISO's Employment Related Practices exclusion based on their form CG 21 47 12 07. The modifications include: a. The elimination of the list of practices from paragraph (1) c; b. In paragraph (2): (i) Due to changing law relative to the use of terms such as 'spouse,' we opened the class of persons who might have consequential claims to 'any other person'; (ii) We specifically mentioned 'refusal to employ' and 'termination of employment' in addition to employment-related practices; and c. The adoption of the concept that the exclusion applies regardless of the timing of the injury.	AGL (December 2007)	New
Pg 13; Lines 18-22: We broadened the scope of Coverage C by eliminating ISO's restrictions to specific places. Because we serve the Aviation market, the scope of coverage extends only to the Named Insured's aviation operations. This approach is consistent with what was in the form we are withdrawing.	AGL (December 2007)	New
Pg 14; Lines 24-56 and Pg 15; Lines 1-28: A modified version of Coverage D is carried forward from the form we are withdrawing. The significant modifications include: a. Eliminate use of the defined term 'loss'; b. Adopted ISO statement that 'no duty to defend' exists when coverage does not apply; c. Adopted ISO statement to 'defend the insured against any suit seeking damages'; d. Made coverage applicable to aircraft 'being serviced by the insured' (excluded from Coverage A); e. Added an exception to Exclusion (a); f. Eliminated an exclusion for damage to 'robes, wearing apparel, personal effects or merchandise', since no coverage is granted for damage to these to begin with; and g. In Exclusion (b), as a more effective expression of intent, we added 'loaned' and 'managed' aircraft to the class of aircraft that are not covered.	AGL (December 2007)	New

Pg 16; Lines 22-33 As mentioned above, the underwriting organization is a pool of licensed insurers set up to provide insurance service to the Aviation market. Global Aerospace, Inc. manages both the underwriting and claims for all policies it issues on behalf of the licensed insurers described in the Declarations. References to "us" in Paragraph f. have been changed to provide the indemnitee with the information it needs to ensure that appropriate notice is given to the parties that can effect the most timely and efficient handling of suits.		
Pg 16; Lines 42-43 In an attempt to standardize internal document references, we used a different method than that used by ISO.	AGL (December 2007)	New
Pg 17; Lines 1-55, Pg 18; Lines 1-55 and Pg 19; Lines 1-27: In an effort to draw more attention to its significance, we have changed the position of the Common Policy Exclusion section from 'VI' in the form we are withdrawing to 'II' in this form. Exclusion # 1: As mentioned above, we decided not to use the ISO War exclusions found in CG 00 01 12 04. CG 26 97 03 06 (AK) CG 00 62 12 02 (NH) Instead, we elected to use the WAR, HI-JACKING AND OTHER PERILS exclusion. Reinsurors commonly cite this exclusion as a requirement in Aviation market reinsurance contracts, including ours. Exclusion #s 2 & 3: We were applying the ELECTRONIC DATE RECOGNITION and ASBESTOS exclusions as endorsements to the form we are withdrawing. Such endorsements will no longer be necessary. Exclusion # 4: As mentioned above, we decided not to use the ISO Pollution and Pollution-Related exclusions found in CG 00 01 12 04. Instead, we elected to use the NOISE, POLLUTION AND OTHER PERILS exclusion. Reinsurors commonly cite this exclusion as a requirement in Aviation market reinsurance contracts, including ours. Exclusion # 5: Finally, we decided not to use the ISO Nuclear Energy Liability Exclusion Endorsement (Broad Form), form number IL 00 21 07 02. IL 00 21 05 02 (NE), IL 00 21 04 98 (PR), IL 00 21 05 04 (TX), IL 00 21 11 85 (VA), IL 00 21 06 02 (VT), IL 00 23 07 02 (NY), and IL 01 98 07 02 (WA). Instead, we elected to use the NUCLEAR RISKS exclusion. Reinsurors commonly cite this exclusion as a requirement in Aviation market reinsurance contracts, including ours.	AGL (December 2007)	New
Pg 20; Lines 27 and 34: We elected not to use the ISO definitions of 'employee,' 'leased worker' and 'temporary worker.' We therefore struck the language that	AGL (December 2007)	New

ISO had inserted here because of their use of the defined term 'leased worker'.		
Pg 21; Lines 26-30: We added appropriate references to Coverages C and D.	AGL (December 2007)	New
Pg 22; Line 12: We added an appropriate reference to Coverage D.	AGL (December 2007)	New
Pg 22; Lines 16 and 21: We simply changed the order of the paragraphs.	AGL (December 2007)	New
Pg 22; Lines 26-28: We apply a single aggregate limit to all damages payable because of personal and advertising injury. There is no change in this regard from the form we are withdrawing,	AGL (December 2007)	New
Pg 22; Lines 46-51: Appropriate references to the limits for Coverage D are made here. Because we are no longer using the defined term 'loss,' in Paragraph 8 we are using the word 'accident.'	AGL (December 2007)	New
Pg 23; Lines 10-45: As mentioned above, the underwriting organization is a pool of licensed insurers set up to provide insurance service to the Aviation market. Global Aerospace, Inc. manages both the underwriting and claims for all policies it issues on behalf of the licensed insurers described in the Declarations. This condition has been reorganized to provide the insured with the information it needs to ensure that appropriate notice is given to the parties that can effect the most timely and efficient handling of claims and suits. Other adjustments have been made to address Coverage D.	AGL (December 2007)	New
Pg 24; Lines 2-6: Because the underwriting organization operates as a pool, this condition has been amended to provide the insured with the information it needs to ensure that appropriate notice is given to the parties that can effect the most timely and efficient handling of any service of process.	AGL (December 2007)	New
Pg 24; Lines 35-36: In an attempt to standardize internal document references, we used a different method than that used by ISO.	AGL (December 2007)	New
Pg 24; Lines 38-40: Rather than making specific references to hazards or operations, we elected to make a more general reference to the coverages the policy affords. We also did not want to restrict coverage by 'requiring' the attachment of an endorsement.	AGL (December 2007)	New
Pg 26; Lines 1-6: We did not have this condition in the form we are withdrawing and elected not to use it in this form.	AGL (December 2007)	New
Pg 26; Line 8: ISO's Common Policy Conditions (form IL 00 17 11 98) are incorporated in this section of the policy.	AGL (December 2007)	New
Pg 26; Lines 18 and 21: Underwriters have authority to modify the number of days notice where necessary.	AGL (December 2007)	New
Pg 26; Line 37: As mentioned above, the underwriting organization is a pool of licensed insurers set up to provide insurance service to the Aviation market. Global Aerospace, Inc. manages the underwriting and issues all policies and change endorsements 'on behalf of' the licensed insurers described in the Declarations.	AGL (December 2007)	New

Pg 27; Lines 30-39: These conditions were brought forward from the form we are withdrawing.	AGL (December 2007)	New
Pg 28; Line 13: This modified definition of 'aircraft' is used only in connection with Coverage D. The modified version makes no reference to whether components are 'detached and not replaced' as it did in the form we are withdrawing.	AGL (December 2007)	New
Pg 28; Line 25: We did not wish to us a term to define itself, so we used the word 'physical' rather than 'bodily'. We also carried forward the reference to 'mental anguish' that we had in the form we are withdrawing.	AGL (December 2007)	New
Pg 28; Line 37: We felt it appropriate to broaden the scope of this sentence to include all the things contained in the definition of 'your product' rather than whether they are merely 'made' or 'sold by you'. As suppliers of insurance to the Aviation market, we also feel it is appropriate to include coverage for 'your work'.	AGL (December 2007)	New
Pg 28; Line 41: Because we serve the Aviation market, the scope of coverage extends only to the Named Insured's 'aviation' business.	AGL (December 2007)	New
Pg 28; Line 49: We elected not to adopt ISO's use of the defined term 'employee' thereby eliminating the need for this definition.	AGL (December 2007)	New
Pg 29; Line 1: We elected not to adopt ISO's Pollution exclusion, thereby eliminating the need for the definition of 'Hostile fire.'	AGL (December 2007)	New
Pg 29; Lines 2-11: This definition of 'Flight' is a modified version of the definition "In Flight" from the form we are replacing. The modifications address more types of aircraft than did the former version.	AGL (December 2007)	New
Pg 29; Line 13-33: We created the definition of 'Ground operations hazard' to aid in establishing the scope of coverage afforded by Coverage A. As mentioned above, by not granting coverage to begin with, it eliminates the need to exclude certain hazards associated with aircraft that ISO attempts to exclude coverage for in Exclusion (g). This is a different approach than that used in the form we are withdrawing. There is no change in underwriting intent other than to add coverage for vicarious liability arising from control tower operations conducted by the FAA. This approach eliminates the use of the defined term 'airport operations' which was used in the form we are withdrawing to set the boundaries of the scope of coverage to the insured's aviation business.	AGL (December 2007)	New
Pg 30; Line 9: Because we serve the Aviation market, the scope of coverage related to contracts extends only to the Named Insured's 'aviation' business.	AGL (December 2007)	New
Pg 30; Line 32-34: We elected not to adopt ISO's use of the defined terms 'employee' and, in turn, its reference to 'leased workers'. Therefore we eliminated this definition.	AGL (December 2007)	New
Pg 30; Lines 52-55 and Pg 31; Lines 1-6:	AGL (December 2007)	New

We felt it necessary to make these modifications to the definition of 'Mobile equipment' to maintain a similar level of protection to that which was afforded in the form we are withdrawing.		
Pg 32; Line 15: We carried forward this enhancement from the form we are withdrawing.	AGL (December 2007)	New
Pg 32; Lines 17-18: We elected not to adopt ISO's Pollution exclusion, thereby eliminating the need for the definition of 'Pollutants.'	AGL (December 2007)	New
Pg 32; Lines 49-50: We eliminated this paragraph because it contains a reference to ISO's 'classifications', which we do not use.	AGL (December 2007)	New
Pg 32; Lines 51-54: In place of the eliminated paragraph, we included a reference to certain classes of aircraft that ISO would exclude coverage for in their Exclusion (g). By including these in the definition of 'Product-completed operations hazard' and making specific reference to that definition a part of the insuring agreement for Coverage A, we do not grant the coverage to begin with. This supports our earlier comments on why we do not mention 'aircraft' in the modified version of Exclusion (g) we are using in this form.	AGL (December 2007)	New
Pg 33; Line 17: An appropriate modification was made to address the subject of Coverage D.	AGL (December 2007)	New
Pg 33; Lines 26-27: We elected not to adopt ISO's use of the defined terms 'employee' and, in turn, its reference to 'temporary worker'. Therefore we eliminated this definition.	AGL (December 2007)	New

555 College Road East
Princeton, NJ 08543-5241

Telephone: 800-305-4954
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AAIC
American Alternative Insurance Corporation

October 8, 2007

Mr. Anthony Moschetta
Vice President and Associate General Counsel
Global Aerospace, Inc.
51 JFK Parkway
Short Hill, New Jersey 07078

Re: American Alternative Insurance Corporation (AAIC) – 19720
Filing Authorization: Aircraft/Aviation

Dear Mr. Moschetta:

We hereby authorize Global Aerospace, Inc. to submit, directly or through First Consulting and Administration, Inc., aircraft/aviation insurance rate, rule and form filings on behalf of American Alternative Insurance Corporation (AAIC) to the appropriate state insurance departments and, in regard to such filings, to receive all communication from such departments.

The rights and responsibilities of the parties regarding such insurance filings shall be governed by the terms and conditions of the Management Services Agreement between Global Aerospace, Inc. and AAIC.

Copies of all approved filings should be sent to: Stephen J. Corbett, Vice President, American Alternative Insurance Corporation, 555 College Road East, Princeton, NJ 08543.

This authorization shall remain in effect unless you or we revoke it in writing.

Sincerely,

Stephen J. Corbett
Vice President
American Alternative Insurance Corporation
555 College Road East
Princeton, NJ 08543
Telephone #: (609) 243-5620
scorbett@munchreamerica.com

cc: D. Umphress

MSIG

October 15, 2007

Mr. Anthony Moschetta
Vice President and Associate General Counsel
Global Aerospace
51 JFK Parkway
Short Hills, NJ 07078

Re: Mitsui Sumitomo Insurance Company of America
Filing Authorization for Aircraft/Aviation

Dear Mr. Moschetta:

We hereby authorize Global Aerospace, Inc. to submit, directly or through First Consulting Administration, Inc. aircraft/aviation insurance rate, rule and form filings on behalf of Mitsui Sumitomo Insurance Company of America to the appropriate state insurance departments and, in regard to such filings, to receive all communication from such departments.

The rights and responsibilities of the parties regarding such insurance filings shall be governed by the terms and conditions of the Management Services Agreement between Global Aerospace, Inc. and Mitsui Sumitomo Insurance Company of America.

Copies of all approved filings should be sent to: Bernadette R. DeBlasio, Government Affairs Manager, Mitsui Sumitomo Marine Management, 15 Independence Blvd., Warren, NJ 07059.

This authorization shall remain in effect unless you or we revoke it in writing.

Sincerely,

Bernadette R. DeBlasio
Government Affairs Manager
Mitsui Sumitomo Insurance Company of America

cc: Stephen P. Tasy

Mitsui Sumitomo Marine Management (U.S.A.), Inc., for
Mitsui Sumitomo Insurance USA Inc.
Mitsui Sumitomo Insurance Company of America
15 Independence Boulevard, P.O. Box 4602, Warren, NJ 07059-0602
www.msigusa.com

National Indemnity Company

A member of the Berkshire Hathaway group of insurance companies

January 5, 2007

Anthony Moschetta
Vice President and Associate General Counsel
Global Aerospace, Inc.
51 JFK Parkway
Short Hills, NJ 07078

Re: Authorization for Aircraft/Aviation Rate and Form Filings

Dear Mr. Moschetta:

National Indemnity Company authorizes Global Aerospace, Inc. to submit, directly or through First Consulting and Administration, Inc., aviation and aircraft hull and liability rate/form insurance filings on behalf of National Indemnity Company to the appropriate state insurance regulators. National Indemnity Company also authorizes Global Aerospace to receive all communications from said authorities relating to these filings.

The rights and responsibilities of the parties regarding these insurance filings shall be governed by the terms and conditions of the Management Services Agreement between Global Aerospace and National Indemnity Company.

While we do not need to review the filings before submission, we ask that copies of all approved filings be sent to:

National Indemnity Company
3024 Harney Street
Omaha, Nebraska 68131
Attn: Ev Anderson

Alternatively, I suggest that you send pdf's of the approved filings to Mr. Anderson at eganderson@nationalindemnity.com.

This authorization shall remain in effect until June 30, 2008 unless earlier revoked in writing.

Sincerely,

Forrest N. Krutter
Senior Vice President

Cc: Ev Anderson (eganderson@nationalindemnity.com)

4016 Farnam Street • Omaha, Nebraska 68131-3095 • Telephone (402) 536-3000 • Facsimile: (402) 536-3031
E-mail: fnkrutter@nationalindemnity.com

TOKIO MARINE
NICHIDO

Tokio Marine Management, Inc.
U.S. Manager and/or Manager for
Tokio Marine & Nichido Fire
Insurance Co., Ltd. (U.S. Branch)
Trans Pacific Insurance Company
TM Casualty Insurance Company
TNUS Insurance Company

230 Park Avenue
New York, New York 10169
Phone: (212) 297-6600
Main Fax: (212) 297-6062
Claims Fax: (212) 297-6064

MILLEA GROUP

October 3, 2007

Mr. Anthony Moschetta
Vice President and Associate General Counsel
Global Aerospace, Inc.
51 JFK Parkway
Short Hills, NJ 07078

Re: Authorization for Aircraft/Aviation Rate and Form Filings

Dear Mr. Moschetta:

Tokio Marine & Nichido Fire Insurance Co., Ltd. (U.S. Branch) authorizes Global Aerospace, Inc. to submit, directly or through First Consulting and Administration, inc., aviation and aircraft hull and liability rate/form insurance filings on behalf of Tokio Marine & Nichido Fire Insurance Co., Ltd. (U.S. Branch) to the appropriate state insurance regulators. Tokio Marine & Nichido Fire Insurance Co., Ltd. (U.S. Branch) also authorizes Global Aerospace to receive all communications from said authorities relating to these filings.

The rights and responsibilities of the parties regarding these insurance filings shall be governed by the terms and conditions of the Management Services Agreement between Global Aerospace and Tokio Marine & Nichido Fire Insurance Co., Ltd. (U.S. Branch).

While we do not have need to review the filings before submission, we ask that copies of all approved filings be sent to:

Ichiro Ishii
Senior Vice President, Corporate Underwriting
Tokio Marine Management, Inc.
230 Park Avenue
New York, NY 10169

Alternatively, I suggest that you send pdf's of the approved filings to Ichiro Ishii at Rick.Ishii@tokiom.com.

This authorization shall remain in effect until revoked in writing.

Sincerely,

Ichiro Ishii

Ichiro Ishii
Senior Vice President, Corporate Underwriting
Tokio Marine Management, Inc.

ARKANSAS DESCRIPTION OF FORMS

Form Title/Description of forms	**Form Numbers/Edition date**
AVIATION GROUND OPERATIONS LIABILITY POLICY	AGL (December 2007)
AVIATION GROUND OPERATIONS LIABILITY INSURANCE (Cover Page)	AGL C (December 2007)
GUIDE TO THE PROVISIONS OF YOUR POLICY	AGL G (December 2007)
DECLARATIONS/ The Declarations document we use is substantially the equivalent of the ISO Commercial General Liability Declarations. The significant differences include: a. Underwriting companies are identified along with their participating percentages; b. Provision is made for limits applicable to Coverage D. c. ISO's classification section has been eliminated because we do not utilize that system.	AGL D (December 2007)
ENDORSEMENTS TO BE USED WITH AGL FORM:	
ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION/ Allows for the addition of other persons or organizations as insureds when injury, damage or loss is caused by "your acts or omissions."	AGLA002 (DECEMBER 2007)
BROAD FORM NAMED INSURED/ Allows for the addition of more Named Insureds	AGLA004 (DECEMBER 2007)
INSTALLMENT PREMIUM/ Makes provision for describing installment premium schedule.	AGLA020 (DECEMBER 2007)
FINANCED PREMIUM/ Establishes procedures for the handling of return premiums upon cancellation of policies were premium was financed.	AGLA025 (DECEMBER 2007)
AMENDMENT OF LIMITS OF INSURANCE/ Allows for change on limits after a policy is issued/ This form is the equivalent of ISO form CG 25 02 07 98	AGLA028 (DECEMBER 2007)
DEDUCTIBLES/ Allows for the application of deductibles/ This form is the based on ISO form CG 03 00 01 96. Modifications include: a. Deductibles apply to damages paid 'on behalf of any insured' rather than just 'on your behalf'; and b. Provisions were made to apply deductibles to Coverages B and D.	AGLA029 (DECEMBER 2007)
WORLDWIDE TERRITORY/ Allows for the expansion of where coverage applies to all parts of the world.	AGLA032 (DECEMBER 2007)
WORLDWIDE TERRITORY – YOUR PRODUCT OR YOUR WORK/ Allows for the expansion of where coverage applies for damages arising out of 'your product' or 'your work' to all parts of the world.	AGLA033 (DECEMBER 2007)
ANNUAL RENEGOTIATION/ Where a policy has been issued for a term greater than one year, this allows for termination of policy upon the anniversary should there be a failure to agree on the terms for the continuance of coverage/ Some state endorsements may supersede	AGLA040 (DECEMBER 2007)

portions of this endorsement.	
ADDITIONAL INSURED – MANAGERS OR LESSORS OF PREMISES/ Allows for the addition of managers or lessors of premises rented to the insured as insureds	AGLA041 (DECEMBER 2007)
ADDITIONAL INSURED – CONTROLLING INTEREST/ Allows for the addition of parties who have a controlling interest as insureds	AGLA042 (DECEMBER 2007)
ADDITIONAL INSURED – ELECTIVE OR APPOINTIVE EXECUTIVE OFFICERS OF PUBLIC CORPORATIONS/ Allows for the addition of elected or appointed public officials as insureds	AGLA043 (DECEMBER 2007)
ADDITIONAL INSURED – LESSOR OF LEASED EQUIPMENT/ Allows for the addition of lessors of equipment as insureds	AGLA044 (DECEMBER 2007)
AMENDMENT TO INSURED STATUS (Suits between Co-Employees and Volunteer Workers Permitted)/ This endorsement may be used to permit coverage for suits among co-employees in jurisdictions where they are permitted.	AGLA054 (DECEMBER 2007)
ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION (Acts or Omissions of the Insured)/ Allows for the addition of other persons or organizations as insureds when injury, damage or loss is caused by "their acts or omissions on your behalf."	AGLA055 (DECEMBER 2007)
NON-FAA CONTROL TOWER OPERATOR/ Allows for the continuance of vicarious coverage when the Control Tower Operator is not the Federal Aviation Administration.	AGLA056 (DECEMBER 2007)
ADDITIONAL INSURED – AIRPORT OR HELIPORT MANAGER / Allows for the addition of an airport manager as an insured.	AGLA057 (DECEMBER 2007)
CONTROL TOWER LIABILITY/ Provides coverage for direct control tower operations. Grants insured status to operator.	AGLC016 (DECEMBER 2007)
DISCRIMINATION COVERAGE/ Allows for the expansion of the definition of personal and advertising injury to include coverage for discrimination that does not relate to employment.	AGLC017 (DECEMBER 2007)
WAIVER OF GOVERNMENTAL IMMUNITY/ Allows for insured to control whether to invoke a governmental immunity defense/ This form is the equivalent of ISO form CG 24 14 11 85	AGLC021 (DECEMBER 2007)
LIABILITY AND MEDICAL EXPENSES COVERAGE (Applicable to the WAR, HI-JACKING AND OTHER PERILS Exclusion)/ To the extent permitted and on terms 'required' by reinsurors, the endorsement affords coverage for perils excluded by GENERAL POLICY EXCLUSION 1 (Section II).	AGLC022 (DECEMBER 2007)
SCHEDULED UNDERLYING INSURANCE/ Allows for the policy to provide excess insurance over policies described in the schedule.	AGLC024 (DECEMBER 2007)
ELECTRONIC DATE RECOGNITION – LIMITED COVERAGE/ To the extent permitted and on terms 'required' by reinsurors, the endorsement affords coverage for perils excluded by GENERAL POLICY EXCLUSION 2 (Section II).	AGLC025 (DECEMBER 2007)
GARAGEKEEPERS LIABILITY/ The endorsement affords coverage damage to autos in the care, custody or control of the insured.	AGLC050 (DECEMBER 2007)
TERRORISM RISK INSURANCE ACT OF 2002 COVERAGE (As	AGLC054

modified and Extended by the Terrorism Risk Insurance Extension Act of 2005)/ This endorsement is issued to reflect that the insured has purchased the terrorism coverage we are required to offer by the Act.	(DECEMBER 2007)
EXCLUSION – PERSONAL AND ADVERTISING INJURY/ Allows for the removal of Coverage B when the underwriting agreement is that it is not to apply/ This form is the equivalent of ISO form CG 21 38 11 85	AGLE007 (DECEMBER 2007)
EXCLUSION – PRODUCTS-COMPLETED OPERATIONS HAZARD/ Allows for the removal of protection for this hazard under Coverage A when the underwriting agreement is that it is not to apply/ This form is the equivalent of ISO form CG 21 04 11 85	AGLE009 (DECEMBER 2007)
EXCLUSION – DESIGNATED PRODUCTS/ Allows for the removal of protection for specific products under the products-completed operations hazard that Coverage A would normally apply to when the underwriting agreement is that coverage for these products is not to apply/ This form is the equivalent of ISO form CG 21 33 11 85	AGLE010 (DECEMBER 2007)
EXCLUSION – DESIGNATED WORK/ Allows for the removal of protection for specific work under the products-completed operations hazard that Coverage A would normally apply to when the underwriting agreement is that coverage for that work is not to apply/ This form is the equivalent of ISO form CG 21 34 01 87	AGLE011 (DECEMBER 2007)
EXCLUSION – ALL HAZARDS IN CONNECTION WITH DESIGNATED PREMISES/ Allows for the removal of protection at a specific premises under all coverages when the underwriting agreement is that coverage at the designated premises is not to apply/ This form is the similar to ISO form CG 21 00 07 98	AGLE012 (DECEMBER 2007)
EXCLUSION – DAMAGE TO PREMISES RENTED TO YOU/ Allows for the removal of protection for damage to rented premises that coverage a would normally apply to when the underwriting agreement is that coverage for such damage is not to apply/ This form is the equivalent of ISO form CG 21 45 07 98	AGLE013 (DECEMBER 2007)
EXCLUSION – MEDICAL PAYMENTS/ Allows for the removal of protection under Coverage C when the underwriting agreement is that such coverage is not to apply/ This form is the equivalent of ISO form CG 21 35 10 01	AGLE014 (DECEMBER 2007)
EXCLUSION – HANGARKEEPER'S LIABILITY/ Allows for the removal of protection under Coverage D when the underwriting agreement is that such coverage is not to apply	AGLE015 (DECEMBER 2007)
EXCLUSION – SERVICES FURNISHED BY HEALTH CARE PROVIDERS/ Allows for the removal of protection under Coverages A and B as respects health care services when the underwriting agreement is that such coverage is not to apply/ This form is the equivalent of ISO form CG 22 44 07 98	AGLE016 (DECEMBER 2007)
EXCLUSION – NEW ENTITIES/ Allows for the removal of protection for new entities under all coverages when the underwriting agreement is that such coverage is not to apply/	AGLE017 (DECEMBER 2007)

This form is the equivalent of ISO form CG 21 36 03 05	
EXCLUSION – LAW ENFORCEMENT ACTIVITIES/ Allows for the removal of protection for law enforcement activities under all coverages when the underwriting agreement is that such coverage is not to apply/ This form is the equivalent of ISO form CG 22 51 07 98	AGLE026 (DECEMBER 2007)
EXCLUSION – LIABILITY ASSUMED BY ANY GOVERNMENT / Allows for the removal of protection for liability when that liability is assumed by a government.	AGLE027 (DECEMBER 2007)
LIMITATION – CONTRACTUAL LIABILITY/ Amends the definition of 'insured contract' making it a condition of coverage that contracts not described in the first five subparagraphs must be: a. written contracts or agreements; and b. described in the schedule.	AGLL005 (DECEMBER 2007)
LIMITATION – CONTRACTUAL LIABILITY (Reporting Feature)/ Amends the definition of 'insured contract' making it a condition of coverage that contracts not described in the first five subparagraphs must be: a. described in the schedule if they were executed prior to the policy period; or b. reported for underwriting review within 30 days of their execution during the policy period.	AGLL006 (DECEMBER 2007)
LIMITATION – DESIGNATED PREMISES ONLY/ Limits coverage to operations at the premises described in the schedule/ This form is the similar to ISO form CG 21 44 07 98	AGLL007 (DECEMBER 2007)
NON-OWNED AIRCRAFT LIABILITY/ Renders portions of the definition of 'Ground operations hazard' inapplicable to 'use by you or on your behalf' of the aircraft described in the schedule thereby allowing for coverage to apply to the operation of such aircraft.	AGLN004 (DECEMBER 2007)
ARKANSAS CHANGES/ Consolidates appropriate change provisions contained in the following ISO forms: CG 26 08 04 90 IL 01 99 07 02 IL 02 31 02 07 Makes the content of discontinued form AAU SS 94-01 (1/1/94) specific to this state.	AGLS016 (DECEMBER 2007)

ADDENDUM NO #1 - SYNDICATE MEMBERS OF GLOBAL AEROSPACE, INC.

GROUP INFORMATION

GROUP NAME: Global Aerospace, Inc. (A Joint Underwriting Association)

GROUP FILING # AA-9995137 FEIN# 22-3259042

DATE OF FILING 01/18/08

SYNDICATE INFORMATION

SYNDICATE MEMBER NAMES	NAIC #	FEIN#	DOMICILE STATE
American Alternative Insurance Corporation (AAIC)	19720	52-2048110	DE
Mitsui Sumitomo Insurance Company of America (MSIG)	20362	22-3818012	NY
National Indemnity Company	20087	47-0355979	NE
Tokio Marine & Nichido Fire Insurance Co. (U.S. Branch)	12904	13-6108722	NY