



ANDREINI & COMPANY  
Insurance / Risk Management / Employee Benefits

May 4, 2007

Mr. Charles H. Mount, Jr.  
1621 Hampton Place  
Orange Park, FL 32003

Re: Aircraft Insurance - 1968 Cessna 177, N3212T (4-Place, Tied-down at HEG)  
Global Aerospace, Inc. Policy Number: 10088316  
Policy Term: March 31, 2007 to March 31, 2008

Dear Charles:

Thank you for returning the completed Global Aerospace, Inc. Application. We are pleased to enclose your policy covering your Cardinal. Please read it carefully.

Please be certain to carefully review and understand the pilot warranty as stated in Item 7 of the Declarations. Let us know if you have any questions on the pilot warranty or if anything is not clear.

We sent a certificate of insurance directly to Jacksonville Airport Authority. Your copy is attached to the policy.

Many thanks for placing this coverage through Andreini & Company.

Sincerely,

Alison Barker  
Aviation Department  
Direct voice line: (650) 378-4208  
Direct fax line: (650) 378-4394  
E-mail: [abarker@andreini.com](mailto:abarker@andreini.com)



## GLOBAL AEROSPACE, INC.

C E R T I F I C A T E O F I N S U R A N C E

THIS CERTIFICATE IS GIVEN AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE ADDRESSEE.

Date: March 31, 2007

This is to certify to:

that the policies listed below have been issued to the following for the period indicated by One or More Member Companies of Global Aerospace Pool through Global Aerospace, Inc:

Jacksonville Airport Authority  
P.O. Box 18018  
Jacksonville, FL 32229-0018

Charles H Mount, Jr.  
1621 Hampton Place  
Orange Park, FL, 32003

Policy No: 10088316

Policy Period: from March 31, 2007 to March 31, 2008

### COVERAGE:

#### Aircraft Liability

Single Limit Bodily Injury and Property Damage  
Liability Including Passengers

#### Limits of Liability

\$1,000,000	\$100,000
Each Occurrence	Each Passenger

### AIRCRAFT:

#### Year, Make and Model of Aircraft

1968 CESSNA 177

#### Identification No.

N3212T

It is agreed that only as respects any written agreement between the Named Insured and the certificate addressee and entered into as a prerequisite to the use of an airport by the Named Insured:

1. Solely as respects liability arising out of acts or omissions of the Named Insured relating to aircraft storage or other use of the airport, the certificate addressee shall be included as an additional Insured under Liability Coverage D - Single Limit Bodily Injury and Property Damage Liability.
2. Unless otherwise indicated in this policy, the policy shall not apply to any assumption of the liability of the certificate addressee by the Named Insured for bodily injury or property damage caused by an occurrence arising out of any service performed by or on behalf of such governmental authority.
3. In the event the policy is cancelled by the Company, thirty (30) days prior written notice shall be given to the certificate addressee.

Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. This certificate does not amend, extend or otherwise alter the coverages afforded by the policies described herein. Limits may have been reduced by paid claims.

Global Aerospace, Inc. has made provision for prompt notice to the certificate addressee in the event of cancellation of the policies described herein, but except as otherwise stated in this certificate, Global Aerospace, Inc. assumes no legal responsibility for any failure to do so.

GLOBAL AEROSPACE, INC.

BY:

Lewis K. Quinn



# Your Key to Claims Service

Your insurance agent or broker is the key to obtaining professional claims service from Global Aerospace. They can assist you in prompt reporting of all claims to expedite quick settlement and assure proper protection of your interests.

The real value of the Global Aerospace insurance product is evident after a loss occurs. Global Aerospace maintains branch offices across the country which are staffed with aviation professionals. Global Aerospace branch claims personnel have either engineering, maintenance or legal backgrounds, and all are pilots. In event of a loss, their expert advice and assistance are immediately available to expedite repairs to damaged aircraft and to advise regarding any legal liability. Global Aerospace claims staff has the expertise, experience and authority to handle your claim.

Your insurance agent or broker and the Pleasure and Business Aircraft Operations Unit should be notified immediately of the full details of any loss:

**Claims: 888-228-2281      Fax: 913-327-7041**



The attached card is provided to assist you in reporting a claim. It is not part of your policy, and neither this card nor prompt reporting guarantees coverage or compliance with the terms and conditions of your policy. You are therefore urged to read your entire policy, and consult with your agent or broker for a full explanation of coverage.

North American Home Office  
51 JFK Parkway, Short Hills, NJ 07078  
973-379-0800

Midwest Region	847-885-2250
Northeast Region	973-379-0800
Northwest Region	425-576-4015
Pleasure and Business	913-696-1577
Southeast Region	404-262-3335
Southwest Region	972-980-9988
Western Region	818-883-4100



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.

POLICY NUMBER:  
**10088316**

#### THE COMPANIES

New

National Indemnity Company of the South	Jacksonville, Florida	43.375%
American Alternative Insurance Corporation	Wilmington, Delaware	40.875%
Tokio Marine + Nichido Fire Insurance Company, Ltd. (USB)	New York, New York	9.000%
Mitsui Sumitomo Insurance Company of America	New York, New York	6.750%

#### DECLARATIONS

Item 1. Charles H Mount, Jr.  
NAMED 1621 Hampton Place  
INSURED Orange Park, FL 32003  
AND  
ADDRESS

Item 2. POLICY PERIOD:  
From: March 31, 2007  
To: March 31, 2008  
12:01 A.M., local time at the address of the  
**Named Insured** as stated herein

Item 3. Insurance is provided only with respect to the following Coverages for which a limit of liability is specified, subject to all conditions of this policy.

COVERAGE(S)		LIMIT(S) OF LIABILITY	
LIABILITY			
D.	Single limit <b>Bodily Injury and Property Damage</b> Liability including <b>Passengers</b>	\$ 1,000,000 Each <b>Occurrence</b>	\$ 100,000 Each <b>Passenger</b>
MEDICAL EXPENSE			
E.	<b>Medical Expenses</b> Including Crew	\$ 5,000 Each Person	
PHYSICAL DAMAGE			
F.	All Risks Basis	The Insured Value of the <b>aircraft</b> subject to the following deductibles:	
		While the <b>aircraft</b> is in motion	\$ 250
		While the <b>aircraft</b> is not in motion	\$ 50
		PREMIUM	\$871.00
		FL Surcharge	\$ 9

Item 4. DESCRIPTION OF THE AIRCRAFT :

Year, Make and Model	Registration Number	Seating Crew	Capacity Other	Land, Sea or Amphibian	Insured Value
1968 CESSNA 177	N3212T	1	3	Land	\$50,000

Item 5. OWNERSHIP AND ENCUMBRANCES. The **Named Insured** is, and shall remain, the sole and unconditional owner of the **aircraft** described in Item 4, unless otherwise indicated herein.

Item 6. AIRCRAFT USE. The policy shall not apply to any **Insured** while the **aircraft** is being used with the knowledge and consent of such **Insured** for any purpose involving a charge intended to result in financial profit to such **Insured** unless otherwise indicated herein. Also, please refer to endorsement E001 entitled "ADDITIONAL COMMON POLICY EXCLUSIONS".

NAMED INSURED: Charles H Mount, Jr.

POLICY NUMBER:  
10088316

Item 7. PILOTS. The policy shall not apply while the **aircraft** is in **flight** unless the **pilot in command** is any of the following:

For 1968 CESSNA 177, N3212T

PART A: Charles H Mount, Jr.

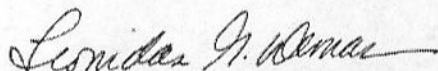
Prior to acting as **pilot in command** of the **aircraft** during the policy period, any of the foregoing who have not logged 5 hours in this make and model aircraft must have satisfactorily completed a checkout from a Certified Flight Instructor in this make and model aircraft. This training must have occurred within the one year period immediately preceding the pilot's first **flight** as **pilot in command** of the **aircraft** during the policy period.

PART B: (1) Any Certified Flight Instructor who has a minimum of 5 hours in this make and model aircraft, provided in **flight** operation is necessary in connection with training requirements set forth in PART A above; or (2) Any pilot designated by a **Federal Aviation Administration** certificated Repair Station or other aircraft repair or maintenance facility which is exercising care, custody or control of the **aircraft**, provided in **flight** operation is necessary in connection with work being performed on the **aircraft** by the station or facility.

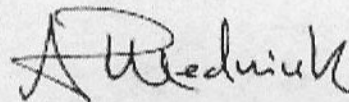
PART C: Any person holding a currently effective certificate issued by the **Federal Aviation Administration** designating him or her a private, commercial or airline transport pilot, airplane category, with a single engine land rating, who has a minimum of 300 total logged flying hours of which not less than 25 hours shall have been in this make and model aircraft.

ENDORSEMENTS: C002, C003, C004, C007, C008, C009, E001, L001, L002, A010

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.



Leonidas G. Demas, Secretary



A.J. Medniuk, President & C.E.O.



For Global Aerospace, Inc.

**Producer :**  
ANDREINI AND CO  
CA95000157  
220 WEST 20TH AVENUE  
SAN MATEO, CA 94403  
Fax: 650 378 4394  
Tel: 650 378 4313



In consideration of the payment of the premium, in reliance upon the statements in the Declarations made a part hereof, subject to all of the terms of this policy including the applicable limits of liability, the Company agrees with the **Named Insured** with respect to those coverages indicated in Item 3 of the Declarations:

## INSURING AGREEMENTS

### I. LIABILITY COVERAGES

**Coverage A - Bodily Injury Liability Excluding Passengers** To pay on behalf of the **Insured** all sums which the **Insured** shall become legally obligated to pay as damages because of **bodily injury** sustained by any person excluding any **passenger**,

**Coverage B - Passenger Bodily Injury Liability** To pay on behalf of the **Insured** all sums which the **Insured** shall become legally obligated to pay as damages because of **bodily injury** sustained by any **passenger**,

**Coverage C - Property Damage Liability** To pay on behalf of the **Insured** all sums which the **Insured** shall become legally obligated to pay as damages because of **property damage**,

**Coverage D - Single Limit Bodily Injury and Property Damage Liability** To pay on behalf of the **Insured** all sums which the **Insured** shall become legally obligated to pay as damages because of **bodily injury** sustained by any person (excluding any **passenger** unless the words "including **passengers**" appear in Item 3 of the Declarations) and **property damage**,

caused by an **occurrence** and arising out of the ownership, maintenance or use of the **aircraft**; or, only with respect to Coverages A, C and D, caused by an **occurrence** and arising out of the maintenance or use of the **premises** in or upon which the **aircraft** is stored.

### II. MEDICAL EXPENSE COVERAGE

**Coverage E - Medical Expenses** To pay all reasonable **medical expenses** incurred within one year from the date of injury, to or for each **passenger** (excluding any crew member unless the words "including crew" appear in Item 3 of the Declarations) who sustains **bodily injury** caused by an **occurrence**, provided the **aircraft** is being used by or with the permission of the **Named Insured**.

### III. PHYSICAL DAMAGE COVERAGES

**Coverage F - All Risk Basis** To pay for any **physical damage** loss to the **aircraft**, including **disappearance** of the **aircraft**.

**Coverage G - All Risk Basis Not in Flight** To pay for any **physical damage** loss to the **aircraft** sustained while the **aircraft** is not in **flight** and which is not the result of fire or explosion following crash or collision while the **aircraft** was in **flight**.

**Coverage H - All Risk Basis Not in Motion** To pay for any **physical damage** loss to the **aircraft** sustained while the **aircraft** is not in **motion** and which is not the result of

fire or explosion following crash or collision while the **aircraft** was in **motion**.

### IV. DEFENSE, SETTLEMENT AND SUPPLEMENTARY PAYMENTS

Coverages A, B, C and D

The Company shall have the right and duty to defend any suit against the **Insured** seeking damages on account of such **bodily injury** or **property damage**, even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and settlement of any claim or suit as it deems expedient, but the Company shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of the Company's liability has been exhausted by payment of judgments or settlements.

During such time as the Company is obligated to defend a claim or claims under the provisions of the preceding paragraph, the Company will pay with respect to such claim, in addition to the applicable limit of liability:

- (a) all expenses incurred by the Company, all costs taxed against the **Insured** in any suit defended by the Company and all interest on the entire amount of any judgment therein which accrues after entry of the judgment and before the Company has paid or tendered or deposited in court that part of the judgment which does not exceed the limit of the Company's liability thereon;
- (b) premiums on appeal bonds required in any such suit, premiums on bonds to release attachments in any such suit for an amount not in excess of the applicable limit of liability of this policy, and the cost of bail bonds required of the **Insured** because of an **occurrence** or violation of law or a regulation for civil aviation arising out of the use of the **aircraft**, not to exceed \$2,500 per bail bond, but the Company shall have no obligation to apply for or furnish any such bonds;
- (c) expenses incurred by the **Insured** for first aid to others at the time of an accident, for **bodily injury** to which this policy applies;
- (d) all reasonable expenses incurred by the **Insured** at the Company's request, other than for loss of earnings or for wages or salaries of employees of the **Insured**.

### V. TEMPORARY USE OF SUBSTITUTE AIRCRAFT

Coverages A, B, C, D and E

While an **aircraft** described in Item 4 of the Declarations is withdrawn from normal use because of its breakdown, repair, servicing, loss or destruction, such insurance as is afforded

under Coverages A, B, C, D and E is extended to apply with respect to the use, by or on behalf of the **Named Insured** of any other **aircraft** not owned in whole or in part by the **Named Insured**, while temporarily used as a substitute therefor.

#### VI. SPECIAL NON-OWNERSHIP COVERAGE Coverages A, B, C, D and E

The coverage provided by this Agreement applies only if the **Named Insured** is one individual or one individual and spouse. Such insurance as is afforded under Coverages A, B, C, D and E with respect to the **aircraft** described in Item 4 of the Declarations, is extended to apply with respect to the use, by or on behalf of the **Named Insured**, of any other aircraft not owned in whole or in part by, or furnished for regular use to, such **Named Insured** or spouse. The insurance provided by this Agreement shall apply only to the **Named Insured** and spouse, if any, and their employers, if any.

#### VII. AUTOMATIC INSURANCE FOR NEWLY ACQUIRED AIRCRAFT All Coverages

If the **Named Insured** acquires ownership of an **aircraft** in addition to the **aircraft** described in Item 4 of the Declarations and within thirty days thereafter reports such acquisition to the Company, then the insurance afforded by this policy shall apply to such additional **aircraft** as of the time of such acquisition, provided that the Company insured all other **aircraft** owned in whole or in part by the **Named Insured** on such acquisition date. Unless the **Named Insured** and the Company agree otherwise, the Coverages and limits of liability pertaining to said additional **aircraft** shall be the same as is

provided for that **aircraft** which is described in Item 4 of the Declarations as having the greatest **passenger** carrying capacity, and the Insured Value of the additional **aircraft** shall be the actual cost of the **aircraft** to the **Named Insured** but not exceeding 150% of the highest Insured Value of any **aircraft** described in Item 4 of the Declarations. The **Named Insured** shall pay any additional premium required because of the application of the insurance to such other **aircraft**.

#### VIII. DEPARTMENT OF DEFENSE INSURANCE REQUIREMENTS Coverages A, B, C and D

Upon issuance of a Department of Defense Certificate of Insurance DD Form 2400 or any substitute or replacement thereof by Global Aerospace, Inc. the insurance policy provisions required by the regulations referred to in the Certificate of Insurance shall be incorporated into this policy and substituted for any conflicting policy provisions.

#### IX. TWO OR MORE AIRCRAFT All Coverages

When two or more **aircraft** are insured under this policy, the terms of this policy shall apply separately to each.

#### X. POLICY PERIOD, TERRITORY All Coverages

This policy applies only to **bodily injury** or **property damage** which occurs, and to **physical damage** losses to the **aircraft** which are sustained during the policy period, while the **aircraft** is within the United States of America, Canada, Mexico or the Bahama Islands or while en route between points therein.

### EXCLUSIONS

(See also Items 5, 6 and 7 of the Declarations)

This policy does not apply:

- (a) Under Coverages A, B, C and D, to liability assumed by the **Insured** under any contract or agreement, but this exclusion (a) does not apply to the assumption by the **Named Insured** of the liability of others for **bodily injury** or **property damage** in any written hold harmless agreement required by a military or governmental authority as a prerequisite to the use of an airport or an airport facility;
- (b) Under Coverages A, B and D, to any obligation for which the **Insured** or any carrier as his insurer may be held liable under any worker's compensation, unemployment compensation or disability benefits law, or under any similar law;
- (c) Under Coverages A, B, and D, to **bodily injury** to any employee of the **Insured** arising out of and in the course of his employment by such **Insured**; but this exclusion (c) does not apply to liability assumed by the **Named Insured** under any military or governmental agreement referred to in Exclusion (a) above;
- (d) Under Coverages C and D, to **property damage** to property owned, occupied, rented or used by the **Insured** or in the care, custody or control of the **Insured** or as to which the **Insured** is for any purpose exercising physical control, but this exclusion (d) shall not apply to:
  - (i) personal effects of passengers, but not exceeding \$3,000 for each **passenger** in each **occurrence**, or
  - (ii) an aircraft hangar or contents thereof but not exceeding \$25,000 in any one **occurrence**;
- (e) Under Coverage E, to **medical expense** incurred by or for any employee of the **Insured** to the extent that such expense is payable under any worker's compensation law or under any similar law;
- (f) Under Coverages F, G and H, to **physical damage**
  - (i) to tires caused by any peril other than fire, theft, vandalism or malicious mischief.



(ii) caused by and confined to:

- (1) wear and tear,
- (2) deterioration, or
- (3) mechanical or electrical breakdown, failure or malfunction.

When used in this exclusion (ii) in connection with an aircraft engine or auxiliary power unit, the breakdown, failure or malfunction of any component, accessory or part thereof shall be considered breakdown, failure or malfunction of the entire engine or unit and any resulting **physical damage** to the engine or unit shall also be considered to be "mechanical or electrical breakdown, failure or malfunction."

(iii) to aircraft engines and auxiliary power units caused by:

- (1) foreign object damage (damage caused by object(s) not a part of the engine or unit or the accessories of either) whether resulting from ingestion or otherwise; or
- (2) heat which results from the operation, attempted operation or shutdown of the engine or unit.

Paragraph (1) of this exclusion (iii) does not apply if such **physical damage** is the result of a single incident sustained during the policy period which is of sufficient severity, when such **physical damage** is discovered, to require immediate repairs in compliance with the requirements of the aircraft engine or auxiliary power unit manufacturer.

Subparagraphs (i), (ii) and (iii) of this exclusion (f) do not apply if such **physical damage** is coincident with and the direct result of other **physical damage** covered by this policy.

(g) War, Hi-Jacking and Other Perils Exclusion.

Under all Coverages to claims caused by:

- (i) 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;
- (ii) 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;

(iii) strikes, riots, civil commotions or labor disturbances;

(iv) 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;

(v) any malicious act or act of sabotage;

(vi) 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; or

(vii) 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 **Named Insured**.

Furthermore this policy does not cover claims arising while the aircraft is outside the control of the **Named Insured** by reason of any of the above perils. The aircraft shall be deemed to have been restored to the control of the **Named Insured** on the safe return of the aircraft to the **Named 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);

(h) to **bodily injury** or **property damage** arising out of:

(i) noise, whether or not it is audible to the human ear, or vibration, including sonic boom or similar phenomena caused by the movement or operation of an aircraft or any of its parts; or

(ii) any interference with the quiet enjoyment of property of others caused by the operation of an aircraft or any of its parts.

(i) to **bodily injury** or **property damage** arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**:

(i) that are in or upon an aircraft;

(ii) that are contained in any property that is in or upon an aircraft.

Paragraphs (h) and (i) do not apply to **bodily injury** or **property damage** caused by or resulting from an aircraft crash, fire, explosion, collision or a recorded in-flight emergency causing abnormal aircraft operation.

(j) to **bodily injury** or **property damage** arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**:

- (i) at or from any premises, site or location that is or was at any time owned or occupied by, or rented or loaned to, any **Insured**;
- (ii) at or from any premises, site or location that is or was at any time used by or for any **Insured** or others for the handling, storage, disposal, processing or treatment of waste;
- (iii) which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any **Insured** or any person or organization for whom any **Insured** may be legally responsible; or
- (iv) 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:
  - (a) if the **pollutants** are brought on or to the premises, site or location in connection with such operations by such **Insured**, contractor or subcontractor; or
  - (b) 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**.

Subparagraphs (j)(i) and (j)(iv)(a) do not apply to **bodily injury or property damage** arising out of heat, smoke or fumes from a hostile fire. In this exclusion, a hostile fire

means one that becomes uncontrollable or breaks out from where it is intended to be.

(k) any loss, cost, or expense arising out of any:

- (i) request, demand or order 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
- (ii) 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**,

unless resulting from an **aircraft** crash, fire, explosion or collision or a recorded in-flight emergency causing abnormal **aircraft** operation.

In exclusion (k) above "**aircraft**" means the aircraft described in Item 4 of the Declarations (and when appropriate any aircraft qualifying under the provisions of the Insuring Agreements V, VI, VII or Non-owned Aircraft Endorsement, if any, attached to and forming part of the policy).

In exclusions (i), (j) and (k) above "**pollutants**" means 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.

## LIMIT OF THE COMPANY'S LIABILITY

### ALL COVERAGES (Other Insurance)

Except with respect to insurance afforded by Insuring Agreements V and VI and to insurance specifically purchased by the **Named Insured** to apply in excess of this policy, if there is other insurance in the **Insured's** name or otherwise, against loss, liability or expense covered by this policy, the Company shall not be liable under this policy for a greater proportion of such loss, liability or expense than the applicable limit of the Company's liability bears to the total applicable limit of liability of all valid and collectible insurance against such loss, liability or expense. Insurance afforded by Insuring Agreements V and VI shall be excess insurance over any other valid and collectible insurance available to the **Insured**, either as an insured under a policy applicable to the aircraft or otherwise. When the insurance afforded by this policy is excess over any other insurance, then the Company's limits of liability in this policy shall be reduced by the applicable limits of such other insurance if such other insurance shall have been written through Global Aerospace Underwriting Managers Limited or any of its subsidiaries or subsidiaries thereof.

### COVERAGES A, B, C and D (Total Liability)

Regardless of the number of (1) **Insureds** under this policy, (2) persons or organizations who sustain **bodily injury** or **property damage**, (3) claims made or suits brought on account of **bodily injury** or **property damage**, or (4) **aircraft** to which this policy applies, the Company's liability is limited as follows:

Coverages A and B. The total liability of the Company for all damages, including damages for care and loss of services, because of **bodily injury** sustained by any one person as the result of any one **occurrence** shall not exceed the limit of liability stated in the Declarations as applicable to "each person". Subject to the above provision respecting "each person," the total liability of the Company for all damages, including damages for care and loss of services, because of **bodily injury** sustained by two or more persons as the result of any one **occurrence** shall not exceed the limit of liability stated in the Declarations as applicable to "each **occurrence**."

Coverage C. The total liability of the Company for all damages because of all **property damage** sustained by one or



more persons or organizations as the result of any one **occurrence** shall not exceed the limit of the liability stated in the Declarations as applicable to "each **occurrence**."

Coverage D. The total liability of the Company for all damages, including damages for care and loss of services, because of **bodily injury** or **property damage** sustained by one or more persons or organizations as the result of any one **occurrence** shall not exceed the limit of liability stated in the Declarations as applicable to "each **occurrence**."

For the purpose of determining the limit of the Company's liability, all **bodily injury** and **property damage** arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **occurrence**.

#### COVERAGES A, B, C and D (Severability of Interests)

The insurance afforded applies separately to each **Insured** against whom claim is made or suit is brought, except with respect to the limits of the Company's liability.

#### COVERAGE E (Total Liability)

The total liability of the Company for all **medical expenses** incurred by or on behalf of each **passenger** who sustains **bodily injury** as the result of any one **occurrence** shall not exceed the limit of liability stated in the Declarations as applicable to "each person."

#### COVERAGES F, G and H (Total Liability)

In the event of a **total loss** the Company shall pay the Insured Value of the **aircraft** less any applicable deductible whereupon the Company's liability with respect to such

**aircraft** shall terminate. In addition, the Company shall refund the pro rata unearned premium for such **aircraft**.

In the event of a **partial loss** the Company's liability shall not exceed the "cost to repair" the **aircraft** as specified herein, less any applicable deductible, but in no event shall the Company's liability for a **partial loss** exceed the amount for which the Company would be liable if the **aircraft** were a **total loss**.

The "cost to repair" shall consist of (a) transportation charges as specified herein and (b) the actual cost to repair the damaged property with materials and parts of like kind and quality with charges for labor at straight time rates. Transportation charges shall consist of the cost, where necessary, of transporting new or damaged parts or of transporting the damaged **aircraft** to the place of repair and return to the place of accident or home airport, whichever is nearer, by the least expensive reasonable means.

The Company shall have the right to return stolen property anytime before the loss is paid with payment for any resultant **physical damage**.

The amount specified as a deductible does not apply to losses caused by fire, lightning, explosion, transportation, theft, robbery or pilferage; however, loss caused by fire or explosion resulting directly or indirectly from collision of the **aircraft** while **in motion** shall be subject to the "**in motion**" deductible, if any.

In the event that two or more **aircraft** are insured hereunder, the applicable deductible shall apply separately to each.

## DEFINITIONS

When appearing in this policy in **bold face print**:

"**Aircraft**" means the aircraft described in Item 4 of the Declarations (and when appropriate any aircraft qualifying under the provisions of Insuring Agreements V, VI, or VII) including the propulsion system and equipment usually installed in the aircraft (1) while installed in the aircraft, (2) while temporarily removed from the aircraft and (3) while removed from the aircraft for replacement until such time as replacement by a similar item has commenced; also tools and equipment in the aircraft which have been specifically designed for the aircraft and which are ordinarily carried therein;

"**Bodily Injury**" means bodily injury, sickness, disease or mental anguish sustained by any person which occurs during the policy period, including death at any time resulting therefrom;

"**Disappearance**" means missing and not reported for sixty days after commencing a **flight**;

"**Federal Aviation Administration**" means the duly constituted authority of the United States of America having jurisdiction over civil aviation, or its duly constituted equivalent in any other country;

"**Flight**" means the time commencing with the actual take-off run of the **aircraft** and continuing thereafter until it has completed its landing roll or, if the **aircraft** is a rotorcraft, from the time the rotors start to revolve under power for the purpose of **flight** until they subsequently cease to revolve;

"**In Motion**" means while the **aircraft** is moving under its own power or the momentum generated therefrom or while it is in **flight** and, if the **aircraft** is a rotorcraft, any time that the rotors are rotating;

"**Insured**" The unqualified word "insured" means, (1) with respect to all Coverages, the **Named Insured** and (2) with respect to Coverages A, B, C and D only (a) any person while using the **aircraft** with the permission of the **Named Insured**

provided the actual use is within the scope of such permission and (b) any other person or organization, but only with respect to his or its liability because of acts or omissions of the **Named Insured** or of an Insured under (a) above, provided, however, that the insurance afforded under this subsection (2) does not apply to

- (i) any person or organization, or agent or employee thereof (other than employees of the **Named Insured**) engaged in the manufacture, maintenance, repair, or sale of aircraft, aircraft engines, components or accessories, or in the operation of any airport, hangar, flying schools, flight service, or aircraft or piloting service, with respect to any **occurrence** arising out of such activity, or
- (ii) any employee with respect to injury or death of another employee of the same employer injured in the course of such employment in an **occurrence** arising out of the maintenance or use of the **aircraft** or **premises** in the business of such employer, or
- (iii) the owner or lessor, or any agent or employee thereof, of any **aircraft** which is the subject of the extended insurance provisions of Insuring Agreements V or VI;

**"Medical Expenses"** means expenses for necessary medical, surgical, x-ray and dental services, including prosthetic devices, and necessary ambulance, hospital, professional nursing and funeral services;

**"Named Insured"** means the person or organization named in Item 1 of the Declarations;

**"Occurrence"** means an accident, including continuous or repeated exposure to conditions, which results in **bodily injury** or **property damage** neither expected nor intended from the standpoint of the **Insured**, but this definition shall not

be construed so as to preclude coverage for **bodily injury** or **property damage** resulting from the efforts to prevent dangerous interference with the operation of the **aircraft**;

**"Partial Loss"** means any **physical damage** loss which is not a **total loss**;

**"Passenger"** means any person in, on or boarding the **aircraft** for the purpose of riding or flying therein, or alighting therefrom after a ride, **flight** or attempted **flight** therein;

**"Physical Damage"** means direct and accidental physical loss of or damage to the **aircraft**, hereinafter called loss, but does not include loss of use or any residual depreciation in value, if any, after repairs have been made;

**"Pilot in Command"** means the pilot responsible for the operation and safety of the **aircraft** during **flight**;

**"Premises"** means such portions of airports as are designated and used for the parking or storage of **aircraft** exclusive of premises owned by, or leased for more than thirty days to, the **Insured**;

**"Property Damage"** means (a) physical injury to or destruction of tangible property which occurs during the policy period, including loss of use thereof at any time resulting therefrom, or (b) loss of use of tangible property which has not been physically injured or destroyed provided such loss of use is caused by an **occurrence** during the policy period;

**"Total Loss"** means any **physical damage** loss for which the "cost to repair" will equal or exceed the Insured Value of the **aircraft** as set forth in Item 4 of the Declarations. **Disappearances** or theft of the entire **aircraft** shall be considered as a **total loss**.

## CONDITIONS

(Applicable to all Coverages unless Otherwise Indicated)

### 1. INSURED'S DUTIES IN THE EVENT OF OCCURRENCE OR LOSS

(a) In the event of an **occurrence** or loss, notice containing particulars sufficient to identify the **Insured** and also reasonably obtainable information with respect to the time, place, and circumstances thereof, and the names and addresses of the injured and of available witnesses, shall be given by or for the **Insured** to Global Aerospace, Inc. at any of the offices listed on the policy jacket as soon as reasonably possible. In the event of theft, robbery or pilferage, the **Named Insured** shall also promptly give notice to the police.

(b) If claim is made or suit is brought against the **Insured**, the **Insured** shall immediately forward to Global Aerospace, Inc. every demand, notice, summons, or other process received by him or his representatives.

(c) The **Insured** shall cooperate with the Company and upon request will assist in making settlements, in the conduct of suits and in enforcing any right of subrogation, contribution or indemnity against any person or organization who may be liable to the **Insured** because of loss, injury or damage with respect to which insurance is afforded under this policy; and the **Insured** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The **Insured** shall not, except at his own cost, voluntarily make any payment, assume any obligation or incur any expenses other than for first aid to others at the time of accident.



## 2. FINANCIAL RESPONSIBILITY LAWS

### Coverages A, B, C and D

When this policy is certified as proof of financial responsibility for the future under the provisions of any aircraft financial responsibility law, such insurance as is afforded by this policy for **bodily injury** liability and **property damage** liability shall comply with the provisions of such law to the extent of the coverage and limits of liability required by such law, but in no event in excess of liability stated in this policy. The **Insured** agrees to reimburse the Company for any payment made by the Company which it would not have been obligated to make under the terms of this policy except for the agreement contained in this paragraph.

## 3. MEDICAL REPORTS: PROOF AND PAYMENT OF CLAIM

### Coverage E

As soon as practicable the injured person or someone on his behalf shall give to the Company written proof of claim, under oath if required, and shall, after each request from the Company, execute authorization to enable the Company to obtain medical reports and copies of records. The injured person shall submit to physical examination by physicians selected by the Company when and as often as they may reasonably require.

The Company may pay the injured person or any person or organization rendering the services and such payment shall reduce the amount payable hereunder for such injury. Payment hereunder shall not constitute an admission of liability of any person or organization or of the Company.

## 4. ADDITIONAL DUTIES OF NAMED INSURED

### Coverages F, G and H

In the event of loss, the **Named Insured** shall

(a) protect the **aircraft**, whether or not the loss is covered by this policy and any further loss due to the **Named Insured's** failure to protect shall not be recoverable under this policy; reasonable expenses incurred in affording such protection shall be deemed incurred at the Company's request;

(b) file with the Company within 91 days after loss, sworn proof of loss in such form and including such information as the Company may reasonably require and shall, upon the Company's request, submit to examination under oath, exhibit the damaged property and produce for the Company's examination all pertinent records and invoices, permitting copies thereof to be made, all at such reasonable times and places as the Company shall designate;

(c) do all things necessary to transfer title to any salvage, including the insured **aircraft** if it is a **total loss**, to the Company or its nominee.

## 5. APPRAISAL

### Coverages F, G and H

If the **Named Insured** and the Company fail to agree as to the amount of loss, either may, within 60 days after proof of loss is filed, demand an appraisal of the loss. In such event, the **Named Insured** and the Company shall each select a

competent appraiser, and the appraisers shall select a competent and disinterested umpire. The appraisers shall appraise the amount of the loss and failing to agree shall submit their differences to the umpire. An award in writing of any two shall determine the amount of loss. The **Named Insured** and the Company shall each pay his chosen appraiser and shall bear equally the other expenses of the appraisal and the umpire. The Company shall not be held to have waived any of its rights by any act relating to appraisal.

## 6. SALVAGE

### Coverages F, G and H

The value of all salvaged property shall inure to the benefit of the Company, however, there shall be no abandonment without the consent of the Company.

## 7. AUTOMATIC REINSTATEMENT

### Coverages F, G and H

In the event of a **partial loss**, whether or not such loss is covered by this policy, the Insured Value of the **aircraft** as shown in Item 4 of the Declarations shall be reduced as of the time of loss by the amount of such loss. Upon the commencement of repairs the Insured Value shall be increased by the value of the completed repairs until the Insured Value of the **aircraft** as shown in Item 4 of the Declarations is fully restored or this policy terminates whichever shall first occur.

## 8. NO BENEFIT TO OTHERS

### Coverages F, G and H

The insurance afforded by this policy shall not inure directly or indirectly to the benefit of any carrier or bailee liable for loss to the insured **aircraft**.

## 9. SUBROGATION

### Coverages A, B, C, D, F, G and H

In the event of any payment under this policy the Company shall be subrogated to all of the **Insured's** rights of recovery therefor against any person or organization and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to enforce such rights. The **Insured** shall do nothing after loss to prejudice such rights.

## 10. ACTION AGAINST THE COMPANY

No action shall lie against the Company unless, as a condition precedent thereto, the **Insured** shall have fully complied with all of the terms of this policy.

With respect to Coverages A, B, C and D, no action shall lie against the Company until the amount of the **Insured's** obligation to pay shall have been finally determined either by judgment against the **Insured** after actual trial or by written agreement of the **Insured**, the claimant and the Company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join the Company as a party to any action against the **Insured** to determine the **Insured's** liability, nor shall the Company be

impleaded by the **Insured** or his legal representative. Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate shall not relieve the Company of any of its obligations hereunder.

With respect to Coverages F, G and H, no action shall lie against the Company until sixty days after proof of loss is filed and the amount of loss is determined as provided in this policy.

#### 11. CHANGES

Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this policy or stop the Company from asserting any right under the terms of this policy; nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy signed by Global Aerospace, Inc.

#### 12. ASSIGNMENT

Assignment of interest under this policy shall not bind the Company until its consent is endorsed hereon; if, however, the **Named Insured** shall die or be adjudged bankrupt or insolvent within the policy period, the policy unless canceled, shall, if written notice be given to the Company within 60 days after the date of such death or adjudication, cover (1) the **Named Insured's** legal representative as **Named Insured** but only while acting within the scope of his duties as such, and (2) under Coverages A, B, C and D, any person having proper temporary custody of the **aircraft** as an **Insured**, until the appointment and qualification of such legal representative but in no event for a period of more than 60 days after the date of such death or adjudication.

#### 13. CANCELLATION

This policy may be canceled by any **Named Insured** by mailing to the Company or to Global Aerospace, Inc. at any of the offices listed on the policy jacket, written notice stating when thereafter the cancellation shall be effective. This policy may be canceled by the Company by mailing to the **Named Insured** at the first address shown in Item 1 of the Declarations, notice stating when, not less than 30 days thereafter, such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The effective date and hour of cancellation stated in the notice shall become the end of the policy period.

In the event that the **Named Insured** fails to pay any premium when due, this policy may be canceled by the Company by mailing to the **Named Insured** at the address shown in Item 1 of the Declarations, notice stating when, not less than 10 days thereafter, such cancellation shall be effective.

If this policy is cancelled, the Company will send the **Named Insured** a refund. If the Company cancels, the refund will be pro rata. If the **Named Insured** cancels, the refund may be less than pro rata. Premium adjustments may be made either at the time cancellation is effective or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

#### 14. DECLARATIONS

By acceptance of this policy, the **Named Insured** agrees that the statements in the Declarations are his agreements and representations, that this policy is issued in reliance upon the truth of such representations and that this policy embodies all agreements existing between himself and the Company or any of its agents relating to this insurance.



## SPECIAL PROVISIONS

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

### 1. ELECTRONIC DATE RECOGNITION EXCLUSION LIMITED COVERAGE

To the extent such coverage is afforded by the policy, the Electronic Date Recognition Exclusion shall not apply to:

- (a) any of the Physical Damage coverages provided by the policy; or
- (b) 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 1(b) above, this endorsement shall not apply to:

- (1) any coverage for loss of use caused by an **occurrence** during the policy period arising out of subparagraph (a) or (b) of the Electronic Date Recognition Exclusion unless such loss of use also arises out of additional injury in the form of physical injury to or destruction of tangible property; or
- (2) any coverage for grounding; or
- (3) any coverage applying in excess of any scheduled underlying insurance.

### 2. HURRICANES: RELOCATION EXPENSE REIMBURSEMENT AND AMENDED DEDUCTIBLE

If:

- (a) the U.S. National Weather Service issues a Hurricane Watch or Hurricane Warning and the Watch or Warning area includes the airport last reported to the Company as the airport where the **aircraft** is normally based, hereinafter referred to as the primary airport,
- (b) Physical Damage Coverage F, G or H applies to the **aircraft**, and
- (c) the **Named Insured** relocates the **aircraft** to an airport that is at least 75 nautical miles from the primary airport and is not included in a Hurricane Watch or Hurricane Warning area,

the Company will reimburse the **Named Insured** for reasonable expenses incurred, including expenses for pilot services, in the relocation of the **aircraft**, subject to the following:

- (1) the Company's maximum expense reimbursement limit shall not exceed \$500. per hurricane, subject to a policy period aggregate limit of \$1,000, and
- (2) proper documentation of relocation expenses are required for reimbursement and must be received by the Company within 90 days of the relocation from the primary airport.

HOWEVER, while the **aircraft** remains at the primary airport during the effective period of any such Hurricane Watch or Hurricane Warning per paragraph (a) above, the "not **in motion**" deductible set forth in Item 3. of the Declarations shall be amended to read as follows: "While the **aircraft** is not **in motion**: 5% of the Insured Value"

### 3. AMENDED DEFINITION OF PREMISES

So much of the policy definition of "**Premises**" that reads "exclusive of premises owned by, or leased for more than thirty days to, the **Insured**" is deleted. The insurance afforded as the result of this amended definition shall be excess insurance over any other valid and collectible insurance available to the **Insured**.

### 4. AMENDED DEFINITION OF TOTAL LOSS

The policy definition of "**Total loss**" is deleted and replaced by the following:

"**Total Loss**" means any **physical damage** loss for which the "cost to repair" will equal or exceed 70% of the Insured Value of the **aircraft** as set forth in Item 4 of the Declarations. **Disappearance** or theft of the entire **aircraft** shall be considered as a **total loss**.

5. **AMENDMENTS TO DEFENSE, SETTLEMENT AND SUPPLEMENTAL PAYMENTS**

As respects Coverages A, B, C and D, Insuring Agreement IV is amended by the addition of the following paragraphs (e) and (f):

(e) Subject to the provisions of paragraph (f) below, the Company shall pay, as respects any aircraft for which insurance is afforded by Insuring Agreement I. LIABILITY COVERAGES of this policy:

- (1) expenses incurred by the **Insured** under emergency conditions for charges made by other than an **Insured** but limited to those expenses associated with labor, materials, rental of equipment, vehicles or tools for:
  - a. application of foam on a runway;
  - b. fire and crash control and rescue; or
  - c. any precautionary off-airport landing.
- (2) expenses incurred by the **Insured** for search and rescue operations connected with any such aircraft which is missing and presumed crashed, provided such expenditures are agreed to in advance by the Company.

(f) The amounts payable by the Company in accordance with paragraphs (e) (1) and (2) above:

- (1) do not include payments for:
  - a. any medical, hospital or funeral expense;
  - b. loss or damage to equipment used in search and rescue operations;
  - c. **bodily injury** sustained by any person;
  - d. expense incurred after it has been reasonably established that there are no survivors; or
  - e. any expense for salvage of all or part of such aircraft;
- (2) are payable in addition to the Company's Limits of Liability and subject to the following limits:
  - a. As respects expenses incurred under emergency conditions:

\$10,000 each **occurrence**
  - b. As respects expenses incurred for search and rescue operations:

\$10,000 each **occurrence**.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: March 31, 2007

Endorsement Premium: Included

Attached to and made part of Policy No.: 10088316

Issued to: Charles H Mount, Jr.

Global Aerospace, Inc.

BY: Luis K. Remo

Endorsement No. 1

GW\_C002

Page 2 of 2



## ADDITIONAL LIABILITY COVERAGES

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

1. **LIABILITY FOR THE SALE OF OWNED AIRCRAFT.** If an aircraft which is owned by the **Named Insured** and described in Item 4 of the Declarations is sold by the **Named Insured** during the policy period, then (Insuring Agreement X notwithstanding) for a period of not more than one year from the date of the sale, the insurance applying under Coverage D on the date of sale shall apply on an aggregate basis and the Company shall pay on behalf of the **Named Insured** all sums up to the limit(s) set forth in the Declarations, restated as aggregate, which the **Named Insured** shall become legally obligated to pay as damages because of **bodily injury** sustained by any person and **property damage** sustained by any person or organization caused by an **occurrence** and arising out of the sale of the aircraft by the **Named Insured**. In the event that this policy is canceled prior to its expiration date by the **Named Insured**, the one year extension of coverage provided herein shall be reduced by an amount of time equal to the time between the cancellation date and the expiration date. The insurance afforded by this paragraph shall be excess insurance over any other valid and collectible insurance available to the **Named Insured**. When the insurance afforded by this policy is excess over any other insurance, then the Company's limits of liability in this policy shall be reduced by the applicable limits of such other insurance if such other insurance shall have been written through Global Aerospace Underwriting Managers Limited or any of its subsidiaries or subsidiaries thereof. This insurance shall not apply to **property damage** to the aircraft sold by the **Named Insured**.
2. **LIABILITY FOR DAMAGE TO NON-OWNED AIRCRAFT.** Provided Coverage F applies to all **aircraft** described in Item 4 of the Declarations, exclusion (d) shall not apply to **property damage** to any aircraft described in the schedule below for which insurance is afforded under Insuring Agreements V or VI while that aircraft is in the care, custody or control of the **Insured**, subject to the following:
  - (a) the coverage provided by Insuring Agreement VI applies only if the **Named Insured** is one individual or one individual and spouse.
  - (b) as respects the insurance afforded by this paragraph, the Company's Limit of Liability shall be equal to the lesser of the Limit of Liability for Coverage D set forth in the Declarations; or the Insured Value for that **aircraft** which is described in Item 4 of the Declarations as having the greatest Insured Value.
  - (c) this insurance shall be excess insurance over any other valid and collectible insurance available to the **Insured**, either as an insured under a policy applicable to the aircraft or otherwise. When the insurance afforded by this policy is excess over any other insurance, then the Company's limits of liability in this policy shall be reduced by the applicable limits of such other insurance if such other insurance shall have been written through Global Aerospace Underwriting Managers Limited or any of its subsidiaries or subsidiaries thereof.

### Schedule

Any fixed wing, land aircraft, powered by a reciprocating piston engine that is licensed under a "Standard" airworthiness certificate issued by the **Federal Aviation Administration** and has a seating capacity which is no greater than six (6) total seats.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: March 31, 2007

Endorsement Premium: Included

Attached to and made part of Policy No.: 10088316

Issued to: Charles H Mount, Jr.

Global Aerospace, Inc.

BY: Lewis K. Hemo

Endorsement No. 2

GW\_C003

Page 1 of 1

## AUTOMATIC INCREASE IN INSURED VALUE

In consideration of the payment of the premium for this policy, it is agreed that in the event the **aircraft** is modified or equipment is installed or replaced therein, the Insured Value of the **aircraft** shall automatically increase to reflect the additional cost to the **Named Insured**, if any, of such modification and/or installation, provided the **Named Insured** notifies the Company of such increase in the Insured Value within thirty (30) days following the completion of such modification and/or installation. The increased value of the **aircraft** shall not exceed 110% of the Insured Value described in Item 4 of the Declarations unless otherwise approved by the Company. The **Named Insured** agrees to pay pro-rata additional premium for any such increased value.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: March 31, 2007

Endorsement Premium: Included

Attached to and made part of Policy No.: 10088316

Issued to: Charles H Mount, Jr.

Global Aerospace, Inc.

BY: Lewis K. Adams

Endorsement No. 3

GW\_C004

Page 1 of 1



## VOLUNTARY SETTLEMENTS

In consideration of the payment of the premium for Passenger Bodily Injury Liability Coverage, it is agreed that the following coverage is added to Insuring Agreement I - Liability Coverages:

1. Coverage J - VOLUNTARY SETTLEMENTS (Crew excluded)

Irrespective of legal liability, the Company shall offer to pay on behalf of the **Insured** at the request of the **Named Insured**, benefits as set forth in paragraph 2 below, to or for the benefit of each **passenger** who sustains **bodily injury** caused by an **occurrence** arising out of the ownership, maintenance or use of the **aircraft** described in Item 4 of the Declarations and any aircraft for which insurance is afforded by Insuring Agreement V. TEMPORARY USE OF SUBSTITUTE AIRCRAFT or Insuring Agreement VII. AUTOMATIC INSURANCE FOR NEWLY ACQUIRED AIRCRAFT.

2. If such **bodily injury**, directly and independently of all other causes shall result within one (1) year of the **occurrence**, in the death of the **passenger** or, if not in the death of the **passenger**, in injury involving two (2) or more of the following:

- (a) severance of a hand at or above the wrist,
- (b) severance of a foot at or above the ankle, or
- (c) entire and irrecoverable loss of sight in an eye,

then the Company shall offer to pay the sum requested by the **Named Insured** but not exceeding \$50,000. Should injury (as described in either (a), (b) or (c) above) be limited to only one hand, foot or eye, then the Company shall offer to pay the sum requested by the **Named Insured** but not exceeding \$25,000.

3. The amount otherwise due and payable as benefits set forth in paragraph 2 above shall be reduced by the amount of any payments previously made in accordance with the provisions of Coverage J to or for the same **passenger** as a result of any one **occurrence**

4. Coverage J is subject to the following provisions which are in addition to all other applicable provisions not amended in this endorsement:

### EXCLUSIONS (Applicable to Coverage J)

This insurance does not apply to or for the benefit of any person who is:

- (a) a **Named Insured**,
- (b) any parent, spouse, brother, sister, son or daughter (whether natural, adopted or step, and whether or not they reside in the same household) of any **Named Insured**,
- (c) any director, executive officer or stockholder of a **Named Insured** corporation, any member or manager of a **Named Insured** limited liability company or any partner of a **Named Insured** partnership, any employee of any such corporation, company or partnership, or any parent, spouse, brother, sister, son or daughter (whether natural, adopted or step, and whether or not they reside in the same household) of any such person, or
- (d) a crew member. As used in this exclusion (d), crew member means a person in, on or boarding the aircraft for the purpose of operating or assisting in the operation of the aircraft.

### LIMITS OF LIABILITY (Applicable to Coverage J)

The Coverage J Settlement Limits set forth in paragraph 2 of this endorsement are included in and are a part of the Company's Limits of Liability set forth in Item 3 of the Declarations for Coverage D and are not in addition thereto.

The Company's Coverage D Limit of Liability for each **passenger**, if any, shall be reduced by the amount of payments made in accordance with the provisions of this Coverage J to or for each **passenger** as the result of each **occurrence** and the Company's Coverage D Limit of Liability for each **occurrence** shall be reduced by the amount of payments made in accordance with the provisions of this Coverage J to or for all **passengers** as the result of each **occurrence**.

The total amount which the Company shall offer to pay to or for the benefit of any one injured **passenger** shall not exceed the amount set forth in paragraph 2 of this endorsement. The total amount which the Company shall offer to pay to or for the benefit of two (2) or more injured **passengers** in each **occurrence** shall not exceed the Company's Coverage D Limit of Liability for each **occurrence**. Payment of any amount to or for any injured **passenger** in accordance with the provisions of Coverage D shall operate to terminate the Company's obligations set out in this Coverage J as respects such **passenger**.

If any other Voluntary Settlement insurance (or Crew Member, Passenger or Guest Voluntary Settlement insurance) is available to or for the benefit of the injured **passenger** and shall have been written through Global Aerospace Managers Limited or any of its subsidiaries or subsidiaries thereof, the Coverage J Settlement Limits specified in paragraph 2 of this endorsement shall be reduced by the amount of such other insurance.

**CONDITIONS (Applicable to Coverage J)**

1. Liability Release Required: No payment shall be made until the injured **passenger** and all persons claiming by, through or under said **passenger** shall have executed, in a form acceptable to the Company, a full and final release of all claims for damages for which insurance is afforded by Coverage D.
2. No admission: No offer, payment or acceptance of benefits in accordance with the provisions of Coverage J shall constitute an admission of liability or any other type of admission whatsoever on the part of the Company or of the **Insured**.
3. Physical Examinations and Reports: The injured **passenger**, or someone on that person's behalf, shall at the request of the Company furnish reasonably obtainable information pertaining to the injuries and execute authorization to enable the Company to obtain medical reports and copies of records. The injured **passenger** shall submit to physical examination by physicians selected by the Company when and as often as the Company may reasonably require.
4. Policy Provisions: All policy provisions applicable to Coverage D shall apply to the insurance afforded by this Coverage J except the LIMIT OF LIABILITY section and Exclusion (c).
5. Refusal to Accept Offer: If the injured **passenger** and all persons having a claim by, through or under such **passenger** refuse to accept the sum offered, or fail to execute the required release within ninety (90) days of the date of the offer, or if claim is made or if suit is brought against an **Insured** for such **bodily injury**, then this Coverage J shall become null and void as respects such **passenger** and the provisions of Coverage D shall apply.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: March 31, 2007

Endorsement Premium: Included

Attached to and made part of Policy No.: 10088316

Issued to: Charles H Mount, Jr.

Global Aerospace, Inc.

BY: Luis R. Pina

Endorsement No. 4

GW\_C007

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## WAR AND EXTENDED LIABILITY AND MEDICAL EXPENSES COVERAGE

In consideration of payment of the premium for this policy and subject to the following provisions which apply only to the insurance afforded by this endorsement and which shall be in addition to all other applicable provisions not amended in this endorsement, it is agreed that:

1. All sub-paragraphs other than (ii) of the War, Hi-jacking and Other Perils Exclusion forming part of this policy are deleted solely as respects Liability Coverages and Medical Expenses Coverage, if any, afforded by this policy.
2. Exclusion applicable only to any insurance afforded in respect of the deletion of sub-paragraph (i) of the War, Hi-jacking and Other Perils Exclusion:

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.

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, 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 (i) of the War, Hi-jacking and Other Perils Exclusion
  - 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 seven (7) days from 12:01 A.M. local time at the address of the **Named Insured** set forth in the policy on the day on which notice is given.

- (b) Limited Cancellation (48 hours)

Following a hostile detonation as specified in 3 (b) above, the Company may give notice of cancellation of one or more parts of the insurance afforded by paragraph 1 of this endorsement by reference to sub-paragraphs (iii), (iv), (v), (vi) and/or (vii) of the War, Hi-jacking and Other Perils Exclusion - such notice to become effective on the expiry of forty-eight (48) hours from 12:01 A.M. local time at the address of the **Named Insured** set forth in the policy on the day on which notice is given.

(c) Cancellation (7 days)

The insurance afforded by this endorsement may be canceled by either the Company or the **Named Insured** giving notice to become effective on the expiry of seven (7) days from 12:01 A.M. local time at the address of the **Named Insured** set forth in the policy on the day on 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: March 31, 2007

Endorsement Premium: Included

Attached to and made part of Policy No.: 10088316

Issued to: Charles H Mount, Jr.

Global Aerospace, Inc.

BY: Louis K. Paine

Endorsement No. 5

GW\_C008

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## EXTENDED PHYSICAL DAMAGE COVERAGE

Notwithstanding the contents of the War, Hi-jacking and Other Perils Exclusion forming part of this policy, it is hereby understood and agreed that the Physical Damage Coverage afforded by this policy is extended to cover claims caused by the following risks:

strikes, riots, civil commotions or labor disturbances;

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;

any malicious act or act of sabotage; or

hi-jacking or any unlawful seizure or wrongful exercise of control of the aircraft or its 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 **Named Insured**.

provided always that the insurance afforded by this endorsement is subject to the following provisions which apply 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. the above extension shall only apply to the extent that the loss or damage is not otherwise excluded by (i) and (ii) of the War, Hi-jacking and Other Perils Exclusion.
2. the limits of the Company's liability in respect of any or all of the risks insured by this endorsement shall not exceed, in the aggregate during the policy period, the lesser of the sum of the Insured Values of the aircraft described in Item 4. DESCRIPTION OF AIRCRAFT of the Declarations on the date of loss or \$300,000,000.
3. the **Named Insured** has paid or has agreed to pay any additional premium required by the Company in respect of this extension.
4. the insurance afforded by this endorsement may be canceled by the Company giving notice effective on the expiry of seven (7) days from 12:01 A.M. local time at the address of the **Named Insured** set forth in the policy on the day on which notice is given.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: March 31, 2007

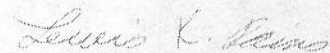
Endorsement Premium: Included

Attached to and made part of Policy No.: 10088316

Issued to: Charles H Mount, Jr.

Global Aerospace, Inc.

BY:



Endorsement No. 6

GW\_C009

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## ADDITIONAL COMMON POLICY EXCLUSIONS

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

### 1. ELECTRONIC DATE RECOGNITION EXCLUSION

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):

- (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.

### 2. RADIOACTIVE CONTAMINATION EXCLUSION

This policy does not apply to:

- (a)
  - (1) loss or destruction of or damage to any property (including aircraft) whatsoever or any loss or expense whatsoever resulting or arising therefrom
  - (2) any legal liability or medical expense of whatsoever naturedirectly or indirectly caused or contributed to by or arising from ionizing radiations or contamination by radioactivity from any source whatsoever.
- (b) Loss, destruction, damage, expense or legal liability which, but for the provisions of paragraph (a) of this Exclusion, would be covered by this policy, and is directly or indirectly caused or contributed to by or arises from ionizing radiations or contamination by radioactivity from any radioactive materials in the course of carriage as cargo under International Air Transport Association regulations or the regulations of the duly constituted governmental authority having jurisdiction over the transportation of radioactive materials, shall (subject to all the other provisions of this policy) be covered, provided that:
  - (1) it shall be a condition precedent to the liability of the Company that the carriage of any radioactive materials shall in all respects comply with the current regulations issued by the International Air Transport Association or the duly constituted governmental authority having jurisdiction relating to the carriage of restricted articles by air;
  - (2) this policy shall only apply to any claim made against the **Insured** arising out of any accident or incident occurring during the period of this insurance and any such claim by the **Insured** against the Company or by any claimant against the **Insured** shall have been made within three years after the date of the **occurrence** giving rise to the claim;

- (3) in the case of any claim by virtue of this paragraph (b) under Insuring Agreement III. PHYSICAL DAMAGE COVERAGES of this policy, the level of contamination shall have exceeded the maximum permissible level set out in the following scale:

EMITTER	MAXIMUM PERMISSIBLE LEVEL OF NON-FIXED RADIOACTIVE SURFACE CONTAMINATION
(IAEA Health and Safety Regulations in accordance with the current ICAO Technical Instructions for the Safe Transport of Dangerous Goods by Air)	(Averaged over 300 cm <sup>2</sup> )
Beta, gamma and low toxicity alpha emitters	Not exceeding 4 Bequerels/cm <sup>2</sup> (10 <sup>-4</sup> microcuries/cm <sup>2</sup> )
All other alpha emitters	Not exceeding 0.4 Bequerels/cm <sup>2</sup> (10 <sup>-5</sup> microcuries/cm <sup>2</sup> )

- (4) the coverage afforded by this paragraph (b) may be cancelled at any time by the Company giving seven days notice of cancellation.

### 3. ASBESTOS EXCLUSION

This policy does not apply to **bodily injury, property damage**, personal injury, or advertising injury relating to, arising out of or in consequence of:

- (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.

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

- 1. Any claim or suit excluded under paragraphs (a) or (b) above; or
- 2. Any such obligation, request, demand, order, or statutory or regulatory requirement described in paragraph (b) above.

4. **AIRCRAFT USAGE EXCLUSIONS**

The insurance afforded by this policy shall not apply during the operation of the **aircraft** where the purpose or intent of such operation is any of the following, regardless of whether any charge is made:

- (a) Skydiving or skydiving related activities.
- (b) Powerline, pipeline or highline patrol.
- (c) Aerial photography or cinematography, requiring a **Federal Aviation Administration** Certificate or Waiver.
- (d) Any form of hunting.
- (e) Animal herding.
- (f) Taxi, take off or alighting on water, while the **aircraft** is equipped with floats.
- (g) Taxi, take off or landing on snow or ice, while the **aircraft** is equipped with skis.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: March 31, 2007

Endorsement Premium: Included

Attached to and made part of Policy No.: 10088316

Issued to: Charles H Mount, Jr.

Global Aerospace, Inc.

BY: Lewie K. Davis

Endorsement No. 7

GW\_E001

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**EACH PASSENGER LIMITATION**  
**(Applicable to Coverage D)**

In consideration of payment of the premium for this policy, it is agreed that the portion of the LIMIT OF THE COMPANY'S LIABILITY section of the policy under the sub-heading COVERAGES A, B, C and D (Total Liability) that is applicable to Coverage D is amended to read as follows:

Coverage D. The total liability of the Company for all damages because of **bodily injury** sustained by any one **passenger** and by all other persons because of the **bodily injury** sustained by that **passenger** as the result of any one **occurrence** shall not exceed \$100,000. Subject to the above provision, the total liability of the Company for all damages because of **bodily injury** sustained by all **passengers** or by all other persons because of the **bodily injury** sustained by all **passengers** as the result of any one **occurrence** shall not exceed the lesser of (a) the product of \$100,000 times the total number of seats in the aircraft, or (b) the limit of liability stated in the Declarations as applicable to "each **occurrence**." Subject to both of the above provisions, the total liability of the Company for all damages because of **bodily injury** or **property damage** sustained by one or more persons or organizations as the result of any one **occurrence** shall not exceed the limit of liability stated in the Declarations as applicable to "each **occurrence**".

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: March 31, 2007

Endorsement Premium: Included

Attached to and made part of Policy No.: 10088316

Issued to: Charles H Mount, Jr.

Global Aerospace, Inc.

BY: *Steven K. Davis*

Endorsement No. 8

GW\_L001

Page 1 of 1

## PHYSICAL DAMAGE - UNHANGARED AIRCRAFT LIMITATION

In consideration of payment of the premium for this policy, it is agreed that when an aircraft described in Item 4. DESCRIPTION OF AIRCRAFT of the Declarations or an aircraft qualifying under the provisions of Insuring Agreement VII. AUTOMATIC INSURANCE FOR NEWLY ACQUIRED AIRCRAFT has, while not **in motion** and not hangared, sustained **physical damage** to which Physical Damage Coverage F, G or H applies and if the airworthiness of the **aircraft** is not affected as a consequence of the loss, the liability of the Company is limited to reasonable expense for restoration of appearance of the **aircraft**, not to exceed 10% of the Insured Value, which amount shall be subject to the deductible

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: March 31, 2007

Endorsement Premium: Included

Attached to and made part of Policy No.: 10088316

Issued to: Charles H Mount, Jr.

Global Aerospace, Inc.

BY: Luis K. Rains

Endorsement No. 9

GW\_L002

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## ADDITIONAL INSURED - GOVERNMENTAL AUTHORITY

In consideration of the payment of the premium for this policy, it is agreed that only as respects any written agreement between the **Named Insured** and the governmental authority described in paragraph 4 below and entered into as a prerequisite to the use of an airport by the **Named Insured**:

1. Solely as respects liability arising out of acts or omissions of the **Named Insured** relating to aircraft storage or other use of the airport, the governmental authority described in paragraph 4 below shall be included as an additional **Insured** under Liability Coverage D - Single Limit Bodily Injury and Property Damage Liability.
2. Unless otherwise indicated in this policy, the policy shall not apply to any assumption of the liability of the governmental authority described in paragraph 4 below by the **Named Insured** for **bodily injury** or **property damage** caused by an **occurrence** arising out of any service performed by or on behalf of such governmental authority.
3. In the event the policy is cancelled by the Company, thirty (30) days prior written notice shall be given to the governmental authority described in paragraph 4 below.
4. GOVERNMENTAL AUTHORITY:

Jacksonville Airport Authority  
P.O. Box 18018  
Jacksonville, FL 32229-0018

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement is effective: March 31, 2007

Endorsement Premium: Included

Attached to and made part of Policy No.: 10088316

Issued to: Charles H Mount, Jr.

Global Aerospace, Inc.

BY: Lewis K. Marino

Endorsement No. 10

GW\_A010

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