

**LEE COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

BLUE SHEET NO: 20020958

1. REQUESTED MOTION:

ACTION REQUESTED: Approve award of Proposal #P-020546, Aircraft Hull & Liability Insurance on the EMS helicopter, for the Risk Management office, to the sole vendor who submitted a proposal, NationAir Insurance Agency Inc. The total cost for insurance for one year is \$98,754.00 and the coverage would be effective from 10/1/02 to 9/30/03. Also, request authority to renew this coverage through this vendor for four additional one-year periods, upon mutual agreement of both parties.

WHY ACTION IS NECESSARY: To provide continuous insurance coverage on the EMS helicopter for physical damage and liability.

WHAT ACTION ACCOMPLISHES: The EMS helicopter provides a valuable service to the County and is a substantial asset that should be insured against loss and liability.

2. DEPARTMENTAL CATEGORY:
COMMISSION DISTRICT #:

CIA

3. MEETING DATE:

09-10-2002

4. AGENDA

- CONSENT
- ADMINISTRATIVE
- APPEALS
- PUBLIC
- TIME REQUIRED:

5. REQUIREMENT/PURPOSE

- (Specify)*
- STATUTE
 - ORDINANCE
 - ADMIN. CODE AC-4-1
 - OTHER

6. REQUESTOR OF INFORMATION

- A. COMMISSIONER:
- B. DEPARTMENT: County Administration
- C. DIVISION: Risk Management
- BY: _____

7. BACKGROUND: The Division of Purchasing received a request from the Risk Management office to solicit proposals for Aircraft Hull and Liability Insurance for the EMS helicopter. Proposal were solicited from approximately 27 vendors using a two-step process: "Step One" requested qualifications from interested vendors, and "Step Two" asked for pricing information from the vendors who qualified in "Step One".

Step One – Qualifications were received by Purchasing on July 23, 2002. On that date one response was received from NationAir Insurance Agency Inc. and that vendor was found to be qualified. NationAir Insurance Agency is the incumbent agency that specializes in aviation insurance. Response to the solicitation were limited because aircraft hull and liability for helicopters involved in emergency medical response is considered "high risk" and there are very few underwriters willing to write this coverage.

Step Two – The pricing envelope for NationAir Insurance Agency was opened on July 25, 2002. After review by the Risk Management office and Emergency Medical Services Division, it was determined that the proposal should be awarded to NationAir Insurance Agency Inc. choosing the following coverage options:

(BACKGROUND CONTINUED ON PAGE 2)

8. MANAGEMENT RECOMMENDATIONS:

9. RECOMMENDED APPROVAL

DEPARTMENT DIRECTOR	Purchasing	Human Resources	County Administration				OTHER	COUNTY ATTORNEY	COUNTY MANAGER
<i>Adm. Serv. 8/20/02</i>	<i>Jane Stuckert 8-20-02</i> <i>E. Flaumen</i>	<i>N/A</i>	<i>OA 9/20/02</i>	<i>PM 8/20/02</i>	<i>Risk 8/20/02</i>	<i>GC 8/20/02</i>			

10. COMMISSION ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER

RECEIVED BY COUNTY ADMIN.
8-23-02

COUNTY ADMIN. FORWARDED TO:

REC'D. by CO. ATTY.
8/23/02

CO. ATTY. FORWARDED TO:
8/23/02

RECEIVED BY COUNTY ADMIN.
8-20-02

COUNTY ADMIN. FORWARDED TO:
8-20-02

7. BACKGROUND (Continued from page 1)

The coverages would remain the same as the current contract, and they are as follows:

<u>COVERAGE OPTION</u>	<u>PREMIUM COST</u>
Liability: Option C – \$5M per occurrence	\$20,420.00
Physical Damage RIM: Option B – \$1M hull value	\$71,500.00
War Risk Liability: Option C - \$5M per occurrence	\$4,084.00
War Risk Hull: Option B - \$1M hull value	\$1,500.00
Guest Voluntary Settlement:	\$1,250.00
Total Premium Cost	<hr/> \$98,754.00

Account String # KF5260100100.504520.71, Public Safety, EMS Services, General Fund, Insurance, Helicopter, upon approval of the Fiscal Year 2003 budget.

ATTACHMENTS:

1. Tabulation Sheet for Step One
2. Tabulation Sheet for Step Two
3. Specifications
4. NationAir Insurance Agency's Proposal – Step One
5. NationAir Insurance Agency's Proposal – Step Two
6. Department Recommendation

PROPOSAL NO.: P-020546	LEE COUNTY, FLORIDA TABULATION SHEET			
OPENING DATE: July 26, 2002	FOR AIRCRAFT HULL & LIABILITY INSURANCE			
BUYER: EARL PFLAUMER	STEP TWO - PRICES			
	NATIONAIR	NATIONAIR	NATIONAIR	
	INSURANCE	INSURANCE	INSURANCE	
VENDORS	AGENCIES	AGENCIES	AGENCIES	
	INC.	INC.	INC.	
Any Modifications	Yes	Yes	Yes	
Is Proposal Signed	Yes	Yes	Yes	
Submitted in Triplicate	Yes	Yes	Yes	
LIABILITY COVERAGES:				
Bodily Injury and Property Damage Liability (including passengers);				
Limits of Liability: \$1M, \$3M, \$5M	Option A- \$1M	Option B- \$3M	Option C- \$5M	
Net Premium	\$12,750.00	\$15,053.00	\$17,357.00	
Percentage Commissions	15%	15%	15%	
Dollar Amt. Commissions	\$2,250.00	\$2,657.00	\$3,063.00	
Total Premium (Including commissions)	\$15,000.00	\$17,710.00	\$20,420.00	
Medical Payments (including crew);				
Limits of Liability-\$10,000 each person, \$50,000 each occurrence:				
Net Premium	N/A			
Percentage Commissions	N/A			
Dollar Amt. Commissions	N/A			
Total Premium (Including commissions)	Included			

PHYSICAL DAMAGE COVERAGES:			
All Risk Physical Damage-RNIM;Hull			
Value: \$800,000 and \$1,000,000	Option A-\$800,000	Option B- \$1M	
Deductible	\$5,000.00	\$5,000.00	
Net premiums	N/A	N/A	
Percentage Commissions	N/A	N/A	
Dollar Amt. Commissions	N/A	N/A	
Total Premium (Including Commissions)	Included	Included	
All Risk Physical Damage-RIM; Hull			
Value: \$800,000 and \$1,000,000	Option A-\$800,000	Option B- \$1M	
Deductible	\$40,000.00	\$50,000.00	
New premiums	\$48,620.00	\$60,775.00	
Percentage Commissions	15%	15%	
Dollar Amt. Commissions	\$8,580.00	\$10,725.00	
Total Premium (Including Commissions)	\$57,200.00	\$71,500.00	
War Risk Liability: \$1M, \$3M,\$ 5M			
	Option A- \$1M	Option B- \$3M	Option C- \$5M
Net premiums	\$2,250.00	\$3,011.00	\$3,471.00
Percentage Commissions	15%	15%	15%
Dollar Amount Commissions	\$450.00	\$531.00	\$613.00
Total Premium (Including Commissions)	\$3,000.00	\$3,542.00	\$4,084.00
War Risk Hull: \$800,000 & \$1,000,000			
	Option A-\$800,000	Option B- \$1M	
Net premiums	\$1,020.00	\$1,275.00	
Percentage Commissions	15%	15%	
Dollar Amount Commissions	\$180.00	\$225.00	
Total Premium (Including Commissions)	\$1,200.00	\$1,500.00	
Guest Voluntary Settlement:			
Net premiums	\$1,062.00		
Percentage Commissions	15%		
Dollar Amount Commissions	\$188.00		
Total Premium (Including Commissions)	\$1,250.00		

ATTACHMENT # 3



LEE COUNTY
S O U T H W E S T F L O R I D A

PROJECT NO.: P-020546

CLOSING DATE: JULY 23, 2002

AND TIME: 2:30 P.M.

PRE-PROPOSAL MEETING:

DATE: N/A

TIME: N/A

LOCATION: N/A

REQUEST FOR PROPOSALS

TITLE:

AIRCRAFT HULL AND LIABILITY INSURANCE

REQUESTER: LEE COUNTY BOARD OF COUNTY COMMISSIONERS
DIVISION OF PURCHASING
3434 HANCOCK BRIDGE PKWY., 3RD FLOOR
P.O. BOX 398
FORT MYERS, FL 33902-0398

BUYER: EARL PFLAUMER, C.P.PB
PURCHASING AGENT
PHONE NO.: (239) 689-7394

GENERAL CONDITIONS

Sealed Quotations will be received by the DIVISION OF PURCHASING, until 2:30pm on the date specified on the cover sheet of this "Request for Proposals", and opened immediately thereafter by the Purchasing Director or designee.

Any question regarding this solicitation should be directed to the Buyer listed on the cover page of this solicitation, or by calling the Division of Purchasing at (239) 689-7385.

1. SUBMISSION OF PROPOSAL:

- a. Quotations shall be sealed in an envelope, and the outside of the envelope should be marked with the following information:
 - 1. Marked with the words "Sealed Proposal"
 - 2. Name of the firm submitting the quotation
 - 3. Title of the proposal
 - 4. Proposal number

- b. The Proposal shall be submitted in triplicate as follows:
 - 1. The original consisting of the Lee County proposals forms completed and signed.
 - 2. A copy of the original proposal forms for the Purchasing Director.
 - 3. A second copy of the original proposal forms for use by the requesting department.

- c. The following should be submitted along with the proposal in a separate envelope. This envelope should be marked as described above, but instead of marking the envelope as "Sealed Proposal", please indicate the contents; i.e., literature, drawings, submittals, etc. This information should be submitted in duplicate.
 - 1. Any information (either required or in addition to that asked for by the specifications) necessary to analyze your proposal; i.e., required submittals, literature, technical data, financial statements.
 - 2. Warranties and guarantees against defective materials and workmanship.

- d. **ALTERNATE PROPOSAL:** If the vendor elects to submit more than one proposal, then the proposals should be submitted in separate envelopes and marked as indicated above. The second, or alternate proposal should be marked as "Alternate".

- e. **PROPOSALS RECEIVED LATE:** It is the proposer's responsibility to ensure that his proposal is received by the Division of Purchasing Services prior to the opening date and time specified. Any proposal received after the opening date and time will be promptly returned to the proposer unopened. Lee County will not be responsible for proposals received late because of delays by a third party delivery service; i.e., U.S. Mail, UPS, Federal Express, etc.

- f. **PROPOSAL CALCULATION ERRORS:** In the event there is a discrepancy between the total quoted amount or the extended amounts and the unit prices quoted, the unit prices will prevail and the corrected sum will be considered the quoted price.

- g. **PAST PERFORMANCE:** All vendors will be evaluated on their past performance and prior dealings with Lee County (i.e., failure to meet specifications, poor workmanship, late delivery, etc.).

- h. **WITHDRAWAL OF PROPOSAL:** No proposal may be withdrawn for a period of 90 days after the scheduled time for receiving proposals. A proposal may be withdrawn prior to the proposal-opening date and time. Such a request to withdraw should be made in writing to the Purchasing Director, who will approve or disapprove of the request.
- i. **COUNTY RESERVES THE RIGHT:** The County reserves the right to waive minor informalities in any proposal; to reject any or all proposals with or without cause; and/or to accept the proposal that in its judgment will be in the best interest of the County of Lee.
- j. **EXECUTION OF PROPOSAL:** All proposals shall contain the signature of an authorized representative of the proposer in the space provided on the proposal form. All proposals shall be typed or printed in ink. The bidder may not use erasable ink. All corrections made to the proposal shall be initialed.

2. **ACCEPTANCE**

The materials and/or services delivered under the proposal shall remain the property of the seller until a physical inspection and actual usage of these materials and/or services is accepted to the County and is to be in compliance with the terms herein, fully in accord with the specifications and of the highest quality. In the event the materials and/or services supplied to the County are found to be defective or do not conform to specifications, the County reserves the right to cancel the order upon written notice to the seller and return such product to the seller at the seller's expense.

3. **SUBSTITUTIONS**

Whenever in these specifications a brand name or make is mentioned, it is the intention of the County only to establish a grade or quality of materials and not to rule out other brands or makes of equality. However, if a product other than that specified is proposed, it is the vendor's responsibility to name such product with his proposal and to prove to the County that said product is equal to the product specified. Lee County shall be the sole judge as to whether a product being offered by the proposer is actually equivalent to the one being specified by the detailed specifications. (Note: This paragraph does not apply when it is determined that the technical requirements of this solicitation require only a specific product as stated in the detailed specifications.

4. **RULES, REGULATIONS, LAWS, ORDINANCES & LICENSES**

The awarded vendor shall observe and obey all laws, ordinances, rules, and regulations, of the federal, state, and local government, which may be applicable to the supply of this product or service.

- a. Occupational License – Vendor shall submit within 10 calendar days after request.
- b. Specialty License(s) – Vendor shall possess at the time of the opening of the proposal all necessary permits and/or license required for the sale of this product and/or service and upon the request of the County provide copies of licenses and/or permits within 10 calendar days after request.

5. **RECYCLED PRODUCTS**

It is the Lee County Board of County Commissioners' stated policy objective to "Ensure all departments are aware of the availability of recycled products..." (Administrative Code #AC-10-4). In an effort to provide the utmost opportunity for the use of recycled products by Lee County, vendors should list on their letterhead, all necessary information regarding any applicable recycled products they have available. Recycled products should meet all other specifications listed and have a minimum of 50%-recycled content. Whenever fiscally feasible, available recycled products will be purchased.

6. WARRANTY/GUARANTY (unless otherwise specified)

All materials and/or services furnished under this proposal shall be warranted by the vendor to be free from defects and fit for the intended use.

7. PRE-BID CONFERENCE

A pre-bid conference will be held at the location, date, and time specified on the cover of this solicitation. Pre-bid conferences are generally non-mandatory, but it is highly recommended that everyone planning to submit a proposal attend.

In the event a pre-bid conference is classified as mandatory, it will be so specified on the cover of this solicitation and it will be the responsibility of the proposer to ensure that they are represented at the pre-bid. Only those proposers who attend the pre-bid conference will be allowed to proposal on this project.

8. BIDDERS LIST MAINTENANCE

A bidder should respond to "Request for Quotations" in order to be kept on the Bidder's List. Failure to respond to three different "request for quotations" may result in the vendor being removed from the Bidder's List. A bidder may do one of the following, in order to respond properly to the request:

- a. Submission of a quotation prior to the proposal receipt deadline.
- b. Submission of a "no bid" notice prior to the proposal receipt deadline.

9. LEE COUNTY PAYMENT PROCEDURES

All vendors are requested to mail one original invoice and one invoice copy to:

Lee County Finance Department
Post Office Box 2238
Fort Myers, FL 33902-2238

All invoices will be paid as directed by the Lee County payment procedure unless otherwise differently stated in the detailed specification portion of this proposal.

Lee county will not be liable for request of payment deriving from aid, assistance, or help by any individual, vendor, proposer, or bidder for the preparation of these specifications.

Lee County is generally a tax-exempt entity subject to the provisions of the 1987 legislation regarding sales tax on services. Lee County will pay those taxes for which it is obligated, or it will provide a Certificate of Exemption furnished by the Department of Revenue. All contractors or proposers should include in their proposal all sales or use taxes, which they will pay when making purchases of material or subcontractor's services.

10. LEE COUNTY BID PROTEST PROCEDURE

Any contractor/vendor/firm that has submitted a formal bid/proposal/proposal to Lee County, and who is adversely affected by an intended decision with respect to the award of the formal bid/proposal/proposal, shall file with the County's Purchasing Director or Public Works Director a written "Notice of Intent to File a Protest" not later than seventy-two (72) hours (excluding Saturdays, Sundays and Legal Holidays) after receipt of a "Notice of Intended Decision" from the County with respect to the proposed award of the formal bid/proposal/proposal.

The "Notice of Intent to File a Protest" is one of two documents necessary to perfect Protest. The second document is the "Formal Written Protest", both documents are described below.

PROPOSAL NO.: P-020546

The "Notice of Intent to File a Protest" document shall state all grounds claimed for the Protest, and clearly indicate it as the "Notice of Intent to File a Protest". Failure to clearly indicate the Intent to file the Protest shall constitute a waiver of all rights to seek any further remedies provided for under this Protest Procedure.

The "Notice of Intent to File a Protest" shall be received ("stamped in") by the Purchasing Director or Public Works Director not later than Four o'clock (4:00) PM on the third working day following the day of receipt of the County's Notice of Intended Decision.

The affected party shall then file its Formal Written Protest within ten (10) calendar days after the time for the filing of the Notice of Intent to File a Protest has expired. Except as provided for in the paragraph below, upon filing of the Formal Written Protest, the contractor/vendor/firm shall post a bond, payable to the Lee County Board of County Commissioners in an amount equal to five percent (5%) of the total bid/proposal/proposal, or Ten Thousand Dollars (\$10,000.00), whichever is less. Said bond shall be designated and held for payment of any costs that may be levied against the protesting contractor/vendor/firm by the Board of County Commissioners, as the result of a frivolous Protest.

A clean, Irrevocable Letter of Credit or other form of approved security, payable to the County, may be accepted. Failure to submit a bond, letter of credit, or other approved security simultaneously with the Formal Written Protest shall invalidate the protest, at which time the County may continue its procurement process as if the original "Notice of Intent to File a Protest" had never been filed.

Any contractor/vendor/firm submitting the County's standard bond form (CSD: 514), along with the bid/proposal/proposal, shall not be required to submit an additional bond with the filing of the Formal Written Protest.

The Formal Written Protest shall contain the following:

- County bid/proposal/proposal identification number and title.
- Name and address of the affected party, and the title or position of the person submitting the Protest.
- A statement of disputed issues of material fact. If there are no disputed material facts, the Formal Protest must so indicate.
- A concise statement of the facts alleged, and of the rules, regulations, statues, or constitutional provisions, which entitle the affected party to relief.
- All information, documents, other materials, calculations, and any statutory or case law authority in support of the grounds for the Protest.
- A statement indicating the relief sought by the affected (protesting) party.
- Any other relevant information that the affected party deems to be material to Protest.

Upon receipt of a timely filed "Notice of Intent to File a Protest", the Purchasing Director or Public Works Director (as appropriate) may abate the award of the formal bid/proposal/proposal as appropriate, until the Protest is heard pursuant to the informal hearing process as further outlined below, except and unless the County Manager shall find and set forth in writing, particular facts and circumstances that would require an immediate award of the formal bid/proposal/proposal for the purpose of avoiding a danger to the public health, safety, or welfare. Upon such written finding by the County Manager, the County Manager may authorize an expedited Protest hearing procedure. The expedited Protest hearing shall be held within ninety-six (96) hours of the action giving rise to the contractor/vendor/firm's Protest, or as soon as may be practicable for all parties. The "Notice of Intent

to File a Protest” shall serve as the grounds for the affected party’s presentation and the requirements for the submittal of a formal, written Protest under these procedures, to include the requirement for a bond, shall not apply.

The Dispute Committee shall conduct an informal hearing with the protesting contractor/vendor/firm to attempt to resolve the Protest, within seven working days (excluding Saturdays, Sundays and legal holidays) from receipt of the Formal Written Protest. The Chairman of the Dispute Committee shall ensure that all affected parties may make presentations and rebuttals, subject to reasonable time limitations, as appropriate. The purpose of the informal hearing by the Dispute Committee, the protestor and other affected parties is to provide and opportunity: (1) to review the basis of the Protest; (2) to evaluate the facts and merits of the Protest; and (3) to make a determination whether to accept or reject the Protest.

Once a determination is made by the Dispute Committee with respect to the merits of the Protest, the Dispute Committee shall forward to the Board of County Commissioners its recommendations, which shall include relevant background information related to the procurement.

Upon receiving the recommendation from the Dispute Committee, the Board of County Commissioners shall conduct a hearing on the matter at a regularly scheduled meeting. Following presentations by the affected parties, the Board shall render its decision on the merits of the Protest.

If the Board’s decision upholds the recommendation by the Dispute Committee regarding the award, and further finds that the Protest was either frivolous and/or lacked merit, the Board, at its discretion, may assess costs, charges, or damages associated with any delay of the award, or any costs incurred with regard to the protest. These costs, charges or damages may be deducted from the security (bond or letter of credit) provided by the contractor/vendor/firm. Any costs, charges or damages assessed by the Board in excess of the security shall be paid by the protesting contractor/vendor/firm within thirty (30) calendar days of the Board’s final determination concerning the award.

All formal bid/proposal/proposal solicitations shall set forth the following statement:

“FAILURE TO FOLLOW THE BID PROTEST PROCEDURE REQUIREMENTS WITHIN THE TIMEFRAMES AS PRESCRIBED HEREIN AND ESTABLISHED BY LEE COUNTY BOARD OF COUNTY COMMISSIONERS, FLORIDA, SHALL CONSTITUTE A WAIVER OF YOUR PROTEST AND ANY RESULTING CLAIMS.”

11. **PUBLIC ENTITY CRIME**

Any person or affiliate as defined by statute who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid or a contract to provide any goods or services to the County; may not submit a bid on a contract with the County for the construction or repair of a public building or a public work; may not submit bids or leases of real property to the County; may not be awarded or perform works as a contractor, supplier, subcontractor, or consultant under a contract with the County, and may not transact business with the County in excess of \$25,000.00 for a period of 36 months from the date of being placed on the convicted vendor list.

12. **QUALIFICATION OF PROPOSERS** (unless otherwise noted)

Proposals will be considered only from firms normally engaged in the sale and distribution or provision of the services as specified herein. Proposers shall have adequate organization, facilities, equipment, and personnel to ensure prompt and efficient service to Lee County. The County reserves the right before recommending any award to inspect the facilities and organization; or to take any other action necessary to determine ability to perform is satisfactory, and reserves the right to reject proposals where evidence submitted or investigation and evaluation indicates an inability of the proposer to perform.

13. **MATERIAL SAFETY DATA SHEETS**

In accordance with Chapter 443 of the Florida Statutes, it is the vendor's responsibility to provide Lee County with Materials Safety Data Sheets on proposed materials, as may apply to this procurement.

14. **MISCELLANEOUS**

If a conflict exists between the General Conditions and the detailed specifications, then the detailed specifications shall prevail.

15. **WAIVER OF CLAIMS**

Once this contract expires, or final payment has been requested and made, the awarded contractor shall have no more than 30 days to present or file any claims against the County concerning this contract. After that period, the County will consider the Contractor to have waived any right to claims against the County concerning this agreement.

16. **AUTHORITY TO PIGGYBACK**

It is hereby made a precondition of any proposal and a part of these specifications that the submission of any proposal in response to this request constitutes a proposal made under the same conditions, for the same price, and for the same effective period as this proposal, to any other governmental entity.

17. **COUNTY RESERVES THE RIGHT**

a) **State Contract**

If applicable, the County reserves the right to purchase any of the items in this proposal from State Contract Vendors if the prices are deemed lower on State Contract than the prices we receive in this quotation.

b) **Any Single Large Project**

The County, in its sole discretion, reserves the right to separately proposal any project that is outside the scope of this proposal, whether through size, complexity, or dollar value.

c) **Disadvantaged Business Enterprises**

The County, in its sole discretion, reserves the right to purchase any of the items in this proposal from Disadvantage Business Enterprise vendor if the prices are determined to be in the best interest of the County, to assist the County in the fulfillment of any of the County's grant commitments to federal or state agencies.

The County further reserves the right to purchase any of the items in this proposal from DBE's to fulfill the County's state policy toward DBE's as outlined in County Ordinance 88-45 and 90-04, as amended.

d) **Anti-Discrimination**

The vendor for itself, its successors in interest, and assignees, as part of the consideration there of covenant and agree that:

In the furnishing of services to the County hereunder, no person on the grounds of race, religion, color, age, sex, national origin, handicap or marital status shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination.

The vendor will not discriminate against any employee or applicant for employment because of race, religion, color, age, sex, national origin, handicap or marital status. The vendor will make affirmative efforts to insure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, age, sex, national origin, handicap or marital status. Such action shall include, but not be limited to, acts of employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.

Vendor agrees to post in a conspicuous place, available to employees and applicants for employment, notices setting forth the provisions of this anti-discrimination clause.

Vendor will provide all information and reports required by relevant regulations and/or applicable directives. In addition, the vendor shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the County to be pertinent to ascertain compliance. The vendor shall maintain and make available relevant data showing the extent to which members of minority groups are beneficiaries under these contracts.

Where any information required of the vendor is in the exclusive possession of another who fails or refuses to furnish this information, the vendor shall so certify to the County its effort made toward obtaining said information. The vendor shall remain obligated under this paragraph until the expiration of three (3) years after the termination of this contract.

In the event of breach of any of the above anti-discrimination covenants, the County shall have the right to impose sanctions as it may determine to be appropriate, including withholding payment to the vendor or canceling, terminating, or suspending this contract, in whole or in part.

Additionally, the vendor may be declared ineligible for further County contracts by rule, regulation or order of the Board of County Commissioners of Lee County, or as otherwise provided by law.

The vendor will send to each union, or representative of workers with which the vendor has a collective bargaining agreement or other contract of understanding, a notice informing the labor union of worker's representative of the vendor's commitments under this assurance, and shall post copies of the notice in conspicuous places available to the employees and the applicants for employment.

The vendor will include the provisions of this section in every subcontract under this contract to insure its provisions will be binding upon each subcontractor. The vendor will take such actions with respect to any subcontractor, as the contracting agency may direct, as a means of enforcing such provisions, including sanctions for non-compliance.

18. **AUDITABLE RECORDS**

The awarded vendor shall maintain auditable records concerning the procurement adequate to account for all receipts and expenditures, and to document compliance with the specifications. These records shall be kept in accordance with generally accepted accounting methods, and Lee County reserves the right to determine the record-keeping method required in the event of non-conformity. These records shall be maintained for two years after completion of the project and shall be readily available to County personnel with reasonable notice, and to other persons in accordance with the Florida Public Disclosure Statues.

19. **DRUG FREE WORKPLACE**

Whenever two or more proposals/proposals, which are equal with respect to price, quality and service, are received for the procurement of commodities or contractual services, a proposal/proposal received from a business that certifies that it has implemented a drug-free workplace program shall be given preference in the award process. In order to have a drug-free workplace program, a business shall comply with the requirements of Florida Statutes 287.087.

20. **REQUIRED SUBMITTALS**

Any submittals requested should be returned with the proposal response. This information may be accepted after opening, but no later than 10 calendar days after request.

21. **TERMINATION**

Any agreement as a result of this proposal may be terminated by either party giving thirty (30) calendar days advance written notice. The County reserves the right to accept or not accept a termination notice submitted by the vendor, and no such termination notice submitted by the vendor shall become effective unless and until the vendor is notified in writing by the County of its acceptance.

The Purchasing Director may immediately terminate any agreement as a result of this proposal for emergency purposes, as defined by the Lee County Purchasing and Payment Procedure Manual.

Any vendor who has voluntarily withdrawn from a formal proposal/proposal without the County's mutual consent during the contract period shall be barred from further County procurement for a period of 180 days. The vendor may apply to the Board of Lee County Commissioners for waiver of this debarment. Such application for waiver of debarment must be coordinated with and processed by Purchasing.

22. **CONFIDENTIALITY**

Vendors should be aware that all submittals (including financial statements) provided with a proposal/proposal are subject to public disclosure and will not be afforded confidentiality.

23. **ANTI-LOBBYING CLAUSE**

All firms are hereby placed on formal notice that neither the County Commissioners nor candidates for County Commission, nor any employees from the Lee County Government, Lee County staff members, nor any members of the Qualification/Evaluation Review Committee are to be lobbied, either individually or collectively, concerning this project. Firms and their agents who intend to submit qualifications, or have submitted qualifications, for this project are hereby placed on *formal notice* that they are *not* to contact County personnel for such purposes as holding meetings of introduction, meals, or meetings relating to the selection process outside of those specifically scheduled by the County for negotiations. Any such lobbying activities may cause immediate disqualification for this project.

24. **INSURANCE (AS APPLICABLE)**

Insurance shall be provided, per the attached insurance guide. Upon request, an insurance certificate complying with the attached guide may be required prior to award.

TWO-STEP PROPOSAL PROCESS

Lee County is utilizing a two-step process; which first evaluates the qualifications of the proposers, and then will open only the qualified firm's pricing envelopes.

"STEP ONE" will require interested vendors to submit the qualifications of their firm as outlined on page 14 of this package (Required Submittals) and also include the signature page (page 15). All information requested must be submitted in a separate envelope and marked **"Step One", and include your company's name and the proposal number**

"STEP TWO" will require the pricing information. Only those firms that are declared as qualified will be viewed. All others will remain unopened and will be retained by Lee County. The pricing information (page 16) and the signature pages (17 & 18) will be submitted in a separate envelope and marked **"Step Two", and include your company's name and the proposal number.**

STEP ONE - REQUEST FOR QUALIFICATIONS

Please submit the requested information to the specified address on the cover sheet of this proposal. The deadline for receipt of this information is also specified on the cover sheet of this proposal.

The information received will be reviewed and evaluated by the Lee County Office of Risk Management and a decision made as to which vendors are or are not qualified. The Office of Risk Management alone will determine whether a vendor is or is not qualified, and submission of your proposal indicates your acceptance of this. Each vendor submitting qualifications will receive a letter stating whether they are qualified or not. Only those vendors found to be qualified in "Step One" will be allowed to proceed to "Step Two" and have their pricing information reviewed.

In order for a vendor to be considered responsive in "Step One", they must submit all the information requested (required submittals, and signature page). Failure to meet these requirements may cause the vendor to be declared non-responsive.

STEP TWO - REQUEST FOR PRICES

Please submit the requested information to the specified address on the cover sheet of this proposal. The deadline for receipt of this information is specified on the cover sheet of this proposal (it is the same date as "Step One").

Vendors found to be qualified in "Step One" will then be reviewed for price. The firm with the lowest cost will be declared the awarded vendor.

**LEE COUNTY, FLORIDA
DETAILED SPECIFICATIONS FOR:
THE PURCHASE OF
AIRCRAFT HULL AND LIABILITY INSURANCE**

SCOPE

The Lee County Board of County Commissioners are soliciting proposals from licensed insurance agents and/or insurance brokerage firms, who are experienced in writing aviation insurance for an emergency medical response helicopter, for the purchase of Aircraft Hull and Liability Insurance, which would take effect October 1, 2002.

BACKGROUND INFORMATION

Lee County operates an emergency medical response helicopter which is operated by the Division of Public Safety and used for the sole purpose of medical transportation of passengers/patients and cargo related to the operation of medical transportation.

GENERAL INFORMATION

Lee County currently insures the helicopter for physical damage and liability at the following limits:

Hull Value		\$1 Million
Bodily Injury and Property Damage Liability (including Passengers)		\$5 Million/occurrence
Medical Payments (including crew)		\$10,000 each passenger
		\$50,000 per occurrence
Deductibles	Rotors In Motion	\$50,000
	Rotors Not In Motion	\$5,000

EVALUATION OF PROPOSAL/BASIS OF AWARD

The Lee County Risk Management Office will evaluate the proposals based upon, but not limited to, the criteria listed below:

STEP ONE - QUALIFICATIONS:

<u>Category</u>	<u>Maximum Percentage</u>
1. Qualifications and experience of the agent/firm	20%
2. The degree and extent of coverages offered	40%
3. Insurer financial Rating - Financial strength of the insurer	40%

STEP TWO - PRICES: (only those firms selected in “Step One” will be reviewed, all others will remain unopened)

1. The lowest cost of coverage

DESIGNATED CONTACT

The awarded vendor shall appoint a person or persons to act as a primary contact with Lee County in the servicing of this insurance coverage. This person or back-up shall be readily available during normal work hours by phone or in person, and shall be knowledgeable of the coverage terms and conditions.

1. SPECIFICATIONS:

1.1 **NAMED INSURED**

The named insured on the policy shall read Lee County Board of County Commissioners.

1.2 **MAILING ADDRESS**

The mailing address on all policies shall be:

Lee County Board of County Commissioners
Risk Management Office
PO Box 398
Ft. Myers, FL 33902-0398

1.3 **COVERAGE TERM**

Coverage is to commence on October 1, 2002. Policy terms exceeding one year are acceptable, but offers must clearly show how anniversary premium would be determined. Coverage may be renewed for four additional one-year periods upon mutual agreement of both parties.

1.4 **SPECIMEN POLICIES**

Complete specimen copies of policy (ies) and endorsements for the requested coverage must be included with the proposal. If a coverage is provided by more than one insurer, the lead underwriters specimen policy shall be submitted and each additional insurers percentage of coverage shall be clearly identified.

1.5 **CANCELLATION AND NON-RENEWAL**

Insurers must give Lee County at least 90 days notice prior to cancellation, non-renewal or reduction in coverage. Unless otherwise indicated in the proposal, this condition will be presumed to be included in all submissions.

1.6 **PREMIUM DETERMINATION**

Proposers shall clearly show all amounts of insurance including any separate limits or sublimits. The proposer shall clearly show the annual premium, and premium payment terms.

1.7 INSURER FINANCIAL RATING

Insurers must be acceptable to Lee County. All insurers must be identified by:

- a. Full Name
- b. Rating, according to the latest edition of Best's Key Rating Guide
- c. Status as insurers admitted or non-admitted in Florida

If a company is not rated, current financial information must accompany the proposal.

1.8 AGENTS COMMISSIONS AND FEES

Any commissions or fees paid to the agent and/or brokerage firm shall be fully disclosed and clearly identifiable in the proposal. Commissions shall be identified by percentage and dollar amount. If fees will be accepted in lieu of or in combination with commissions, the amount of fees and the method of their determination should be shown.

1.9 LOSSES

Lee County has not incurred any losses related to the operation of an emergency response helicopter.

1.10 PILOTS

Complete pilot history forms are included as Attachment "A" for all pilots employed by Lee County to operate the emergency response helicopter.

1.11 AIRCRAFT

Complete aircraft information, including make and model, are included as Attachment "B" for the helicopter.

1.12 ITEMIZED PRICE PAGE

The itemized price page must be completed and the applicable deductibles identified (see page 16).

REQUIRED SUBMITTALS FOR “STEP ONE”

The proposers must submit the requested information as listed below. The information will be used in the evaluation process of this proposal by the Lee County Risk Management Office:

1. QUALIFICATIONS AND EXPERIENCE OF THE AGENT/FIRM

The Lee County Board of County Commissioners wish to engage the services of a qualified insurance agent/firm who is technically knowledgeable and experienced in writing aviation insurance for emergency medical response helicopters. Proposers shall provide the following:

- a. Names, titles, professional qualifications, and educational background for the principal and staff responsible for the Lee County account. This shall include the length of service in their present position, with your firm, and in the same industry.
- b. List of your firms experience with public entities within the past five (5) years, indicating the name and size of the entity, length of time worked with client, and type of services and coverage provided

2. THE DEGREE AND EXTENT OF COVERAGES OFFERED

- a. Complete specimen copies of policy (ies) and endorsements for the requested coverage must be included with the proposal. If a coverage is provided by more than one insurer, the lead underwriters specimen policy shall be submitted and each additional insurers percentage of coverage shall be clearly identified.

3. INSURER FINANCIAL RATING - FINANCIAL STRENGTH OF THE INSURER

Insurers must be acceptable to Lee County. All insurers must be identified by:

- a. Full Name
- b. Rating, according to the latest edition of Best’s Key Rating Guide
- c. Status as insurers admitted or non-admitted in Florida

PLEASE NOTE: If a company is not rated, current financial information must accompany the proposal.

SIGNATURE PAGE
LEE COUNTY, FLORIDA
AIRCRAFT HULL AND LIABILITY INSURANCE
STEP ONE - QUALIFICATIONS

DATE SUBMITTED: _____

VENDOR NAME: _____

TO: The Lee County Board of County Commissioners
Fort Myers, Florida

The undersigned acknowledges
receipt of addenda numbers: _____

ANTI-COLLUSION STATEMENT

THE BELOW SIGNED QUOTER HAS NOT DIVULGED TO, DISCUSSED OR COMPARED HIS QUOTE WITH OTHER QUOTERS AND HAS NOT COLLUDED WITH ANY OTHER QUOTER OR PARTIES TO A QUOTE WHATSOEVER. NOTE: NO PREMIUMS, REBATES OR GRATUITIES TO ANY EMPLOYEE OR AGENT ARE PERMITTED EITHER WITH, PRIOR TO, OR AFTER ANY DELIVERY OF MATERIALS. ANY SUCH VIOLATION WILL RESULT IN THE CANCELLATION AND/OR RETURN OF MATERIAL (AS APPLICABLE) AND THE REMOVAL FROM THE MASTER BIDDERS LIST.

FIRM NAME _____

BY (Printed): _____

BY (Signature): _____

FEDERAL ID# or S.S.#: _____

TITLE: _____

ADDRESS: _____

PHONE NO.: _____

FAX NO.: _____

CELLULAR PHONE/PAGER NO.: _____

LEE COUNTY OCCUPATIONAL LICENSE NO.: _____

E-MAIL ADDRESS: _____

PRICE PAGE

**LEE COUNTY BOARD OF COUNTY COMMISSIONERS
AIRCRAFT HULL AND LIABILITY INSURANCE
STEP TWO - PRICES**

Name of Firm: _____

Liability Coverages	Limits of Liability	Net Premium	Percentage Commissions	Dollar Amt. Commissions	Total Premium (Inc.Commissions)
Bodily Injury and Property Damage Liability (including passengers)	Option A: \$1M per occurrence	\$	%	\$	\$
	Option B: \$3M per occurrence	\$	%	\$	\$
	Option C: \$5M per occurrence	\$	%	\$	\$
Medical Payments (including crew)	\$10,000 each person \$50,000 each occurrence	\$	%	\$	\$

Physical Damage Coverages	Hull Value	Deductible	Net Premiums	Percentage Commissions	Dollar Amt. Commissions	Total Premium (Inc.Commissions)
All Risk Physical Damage-RNIM*	Option A: \$800,000	\$	\$	%	\$	\$
	Option B: \$1,000,000	\$	\$	%	\$	\$
All Risk Physical Damage-RJM**	Option A: \$8000,00	\$	\$	%	\$	\$
	Option B: \$1,000,00	\$	\$	%	\$	\$

Additional coverage options and pricing may be provided on a separate sheet for the County to consider.

*RNIM = Rotors Not In Motion

**RIM = Rotors In Motion

LEE COUNTY, FLORIDA
PROPOSAL QUOTE FORM FOR THE
AIRCRAFT HULL AND LIABILITY INSURANCE
STEP TWO - PRICES

DATE SUBMITTED: _____

VENDOR NAME: _____

TO: The Board of County Commissioners
Lee County
Fort Myers, Florida

Having carefully examined the "General Conditions", and the "Detailed Specifications", all of which are contained herein, the Undersigned proposes to furnish the following which meet these specifications:

The undersigned acknowledges
receipt of Addenda numbers: _____

Proposers should carefully read all the terms and conditions of the specifications. Any representation of deviation or modification to the proposal may be grounds to reject the proposal.

Are there any modifications to the proposal or specifications?
Yes _____ No _____

Failure to clearly identify any modifications in the space below or on a separate page may be grounds for the proposer being declared nonresponsive or to have the award of the proposal rescinded by the County.

MODIFICATIONS:

Proposer shall submit his/her proposal on the County's Proposal Price Form, including the firm name and authorized signature. Any blank spaces on the Proposal Price Form, qualifying notes or exceptions, counter offers, lack of required submittals, or signatures, on Lee County's Form may result in the Proposer/Proposal being declared non-responsive by the County.

ANTI- COLLUSION STATEMENT

THE BELOW SIGNED PROPOSER HAS NOT DIVULGED TO, DISCUSSED OR COMPARED HIS PROPOSAL WITH OTHER PROPOSERS AND HAS NOT COLLUDED WITH ANY OTHER PROPOSER OR PARTIES TO A PROPOSAL WHATSOEVER. NOTE: NO PREMIUMS, REBATES OR GRATUITIES TO ANY EMPLOYEE OR AGENT ARE PERMITTED EITHER WITH, PRIOR TO, OR AFTER ANY DELIVERY OF MATERIALS. ANY SUCH VIOLATION WILL RESULT IN THE CANCELLATION AND/OR RETURN OF MATERIAL (AS APPLICABLE) AND THE REMOVAL FROM THE MASTER BIDDERS LIST.

FIRM NAME _____

BY (Printed): _____

BY (Signature): _____

TITLE: _____

FEDERAL ID# or S.S.#: _____

ADDRESS: _____

PHONE NO.: _____

FAX NO.: _____

CELLULAR PHONE/PAGER NO.: _____

LEE COUNTY OCCUPATIONAL LICENSE NO.: _____

E-MAIL ADDRESS: _____

ATTACHMENT "A"

PILOT INFORMATION

ASSOCIATED AVIATION UNDERWRITERS

RENEWAL QUESTIONNAIRE/PILOT



USE ONLY FOR POLICY RENEWAL AND ONLY IF A COMPLETE PILOT QUESTIONNAIRE HAS BEEN SUBMITTED PREVIOUSLY.

NAME OF POLICYHOLDER/AIRCRAFT OWNER: Lee County Board of County Commissioners

NAME OF PILOT: Ricky K. Tackett Sr. Date of Birth: 5/3/55

Address of Pilot: _____

Name of Pilot's employer: Lee County Emergency Medical Services

Pilot Certificate: ATP Commercial Private Student Instructor
 Ratings: ASEL ASES AMEL AMEL-CLT AMES
 Mechanics: Helicopter Instrument Airframe Powerplant Inspection Authority
 Type Ratings: BO-105

F.A.A. Certificate No. 548-94-2366 F.A.A. Medical Class II Date 09/27/2001

Waivers or Limitations Corrective lenses available for near vision

FLIGHT PROFICIENCY:

Most recent Biennial Flight Review: Date 02/19/2002 Type of aircraft used: BO-105 Helicopter

Other proficiency check (If Applicable): Date 11/25/2001 Inst. _____ Type of aircraft used: BO-105 Helicopter

Recent formal training: Name of facility 02/19/2002 Factory Bi-Annual Flight & Ground Review

Date 02/19/2002 Type of aircraft used: BO-105 Helicopter

Course: Ground School Simulator Flight Refresher

Current Crew Position Aircraft Type: BO-105 Helicopter Captain Copilot

(Professional Pilots) Aircraft Type: _____ Captain Copilot

Aircraft Type: _____ Captain Copilot

Flight Experience	Number of Logged Flying Hours in Last 90 Days			Number of Logged Flying Hours in Last 12 Months			Estimated Flight Hours Next 12 Months		
Make & Model of Aircraft	B0105			B0105			B0105		
As Pilot in Command	17.9			67.6			67.6		
As Copilot*									

*Log co-pilot time only if aircraft certification requires cockpit crew of two or regulations for flight require a co-pilot.

TOTAL LOGGED FLYING HOURS: _____

Explain circumstances if:

1. You have any: (a) physical impairments, B) Corrective Lenses available for near vision

(b) waivers, limitations, conditions on your medical certificate or on your Pilot certificate none of pilot certificate

2. An FAA, Transport Canada, Military or other pilot certificate held by you has ever been suspended or revoked NO

3. You have ever been cited for violation of any aviation regulation in any country NO

4. You have ever been involved in any aircraft accident NO

5. You have ever been convicted of or pleaded guilty to a felony or driving while intoxicated NO

All particulars herein are declared to be true and complete to the best of my/our knowledge and no further information has been withheld or suppressed. I hereby authorize the insurer to investigate all or any qualifications or statements contained herein.

Date May 5, 2002 Pilot's Signature Signature on file

Policyholder's Signature(s) _____

ASSOCIATED AVIATION UNDERWRITERS

RENEWAL QUESTIONNAIRE/PILOT



USE ONLY FOR POLICY RENEWAL AND ONLY IF A COMPLETE PILOT QUESTIONNAIRE HAS BEEN SUBMITTED PREVIOUSLY.

NAME OF POLICYHOLDER/AIRCRAFT OWNER: Lee County Board of County Commissioners

NAME OF PILOT: Diana Tackett Date of Birth: 2/14/61

Address of Pilot: _____

Name of Pilot's employer: Lee County EMS

Pilot Certificate: ATP Commercial Private Student Instructor
 Ratings: ASEL ASES AMEL AMEL-CLT AMES
 Helicopter Instrument Type Ratings _____
 Mechanics: Airframe Powerplant Inspection Authority

F.A.A. Certificate No. 488600945 F.A.A. Medical Class II Date 2/25/2002

Waivers or Limitations None

FLIGHT PROFICIENCY:

Most recent Biennial Flight Review: Date 2/2002 Type of aircraft used: B0105

Other proficiency check (If Applicable): Date _____ Type of aircraft used: _____

Recent formal training: Name of facility _____

Date _____ Type of aircraft used: _____

Course: Ground School Simulator Flight Refresher

Current Crew Position Aircraft Type: B0105 Captain Copilot

(Professional Pilots) Aircraft Type: _____ Captain Copilot

Aircraft Type: _____ Captain Copilot

Flight Experience	Number of Logged Flying Hours in Last 90 Days			Number of Logged Flying Hours in Last 12 Months			Estimated Flight Hours Next 12 Months		
Make & Model of Aircraft	B0105			B0105			B0105		
As Pilot in Command	11.2			49			50		
As Copilot*									

*Log co-pilot time only if aircraft certification requires cockpit crew of two or regulations for flight require a co-pilot.

TOTAL LOGGED FLYING HOURS: 5220

Explain circumstances if:

1. You have any: (a) physical impairments, None

(b) waivers, limitations, conditions on your medical certificate or on your Pilot certificate _____

2. An FAA, Transport Canada, Military or other pilot certificate held by you has ever been suspended or revoked no

3. You have ever been cited for violation of any aviation regulation in any country no

4. You have ever been involved in any aircraft accident no

5. You have ever been convicted of or pleaded guilty to a felony or driving while intoxicated no

All particulars herein are declared to be true and complete to the best of my/our knowledge and no further information has been withheld or suppressed. I hereby authorize the insurer to investigate all or any qualifications or statements contained herein.

Date 5/5/02 Pilot's Signature Signature on file

Policyholder's Signature(s) _____

ASSOCIATED AVIATION UNDERWRITERS

RENEWAL QUESTIONNAIRE/PILOT



USE ONLY FOR POLICY RENEWAL AND ONLY IF A COMPLETE PILOT QUESTIONNAIRE HAS BEEN SUBMITTED PREVIOUSLY.

NAME OF POLICYHOLDER/AIRCRAFT OWNER: Lee County Board of County Commissioners

NAME OF PILOT: Fred R. Ungerer Date of Birth: October 1, 1946

Address of Pilot: _____

Name of Pilot's employer: Lee County Emergency Medical Service

Pilot Certificate: ATP Commercial Private Student Instructor
 Ratings: ASEL ASES AMEL AMEL-CLT AMES
 Helicopter Instrument Type Ratings S-58T, DC-3, LR Jet
 Mechanics: Airframe Powerplant Inspection Authority

F.A.A. Certificate No. 1775710 F.A.A. Medical Class II Date 12-03-2001

Waivers or Limitations Must have corrective lenses available for near vision.

FLIGHT PROFICIENCY:

Most recent Biennial Flight Review: Date Feb 20, 2002 Type of aircraft used: Helicopter

Other proficiency check (If Applicable): Date Instrument Currency Type of aircraft used: Helicopter

Recent formal training: Name of facility American Eurocopter Bi Annual Flight Review

Date Feb 20, 2002 Type of aircraft used: Helicopter

Course: Ground School Simulator Flight Refresher

Current Crew Position Aircraft Type: MBB BO 105 Captain Copilot

(Professional Pilots) Aircraft Type: _____ Captain Copilot

Aircraft Type: _____ Captain Copilot

Flight Experience	Number of Logged Flying Hours in Last 90 Days			Number of Logged Flying Hours in Last 12 Months			Estimated Flight Hours Next 12 Months		
	Make & Model of Aircraft	BO105		BO105	DC-3	Cessna140	BO 105	DC-3	Cessna140
As Pilot in Command		7.3		73.7	15.9	12.5	25	10	40
As Copilot*									

*Log co-pilot time only if aircraft certification requires cockpit crew of two or regulations for flight require a co-pilot.

TOTAL LOGGED FLYING HOURS: 13,401.6

Explain circumstances if:

1. You have any: (a) physical impairments, NONE

(b) waivers, limitations, conditions on your medical certificate or on your Pilot certificate Eyeglass for near vision

2. An FAA, Transport Canada, Military or other pilot certificate held by you has ever been suspended or revoked NO

3. You have ever been cited for violation of any aviation regulation in any country NO

4. You have ever been involved in any aircraft accident NO

5. You have ever been convicted of or pleaded guilty to a felony or driving while intoxicated _____

All particulars herein are declared to be true and complete to the best of my/our knowledge and no further information has been withheld or suppressed. I hereby authorize the insurer to investigate all or any qualifications or statements contained herein.

Date 5/7/02 Pilot's Signature Signature on file

Policyholder's Signature(s) _____

ASSOCIATED AVIATION UNDERWRITERS

RENEWAL QUESTIONNAIRE/PILOT



USE ONLY FOR POLICY RENEWAL AND ONLY IF A COMPLETE PILOT QUESTIONNAIRE HAS BEEN SUBMITTED PREVIOUSLY.

NAME OF POLICYHOLDER/AIRCRAFT OWNER: Lee County Board of County Commissioners

NAME OF PILOT: Carmen A Trunk Jr Date of Birth: 2/21/45

Address of Pilot: _____

Name of Pilot's employer: Lee County Dept Public Safety

Pilot Certificate: ATP Commercial Private Student Instructor
 Ratings: ASEL ASES AMEL AMEL-CLT AMES
 Helicopter Instrument Type Ratings Bell 206, Bell 222
 Mechanics: Airframe Powerplant Inspection Authority

F.A.A. Certificate No. 202-34-0687 F.A.A. Medical Class II Date Feb 2002

Waivers or Limitations Must have reading glasses at all times

FLIGHT PROFICIENCY:

Most recent Biennial Flight Review: Date Feb 2002 Type of aircraft used: BO 105

Other proficiency check (If Applicable): Date Instructor Renewal Type of aircraft used: Feb 2002

Recent formal training: Name of facility American Eurocopter at Fort Myers

Date 2/18/02 Type of aircraft used: BO 105

Course: Ground School Simulator Flight Refresher

Current Crew Position Aircraft Type: BO 105 Captain Copilot

(Professional Pilots) Aircraft Type: _____ Captain Copilot

Aircraft Type: _____ Captain Copilot

Flight Experience	Number of Logged Flying Hours in Last 90 Days			Number of Logged Flying Hours in Last 12 Months			Estimated Flight Hours Next 12 Months		
Make & Model of Aircraft	BO105			BO105			BO105		
As Pilot in Command	13.3			83.9			90-100		
As Copilot*									

*Log co-pilot time only if aircraft certification requires cockpit crew of two or regulations for flight require a co-pilot.

TOTAL LOGGED FLYING HOURS: _____

Explain circumstances if:

- You have any: (a) physical impairments, no
 (b) waivers, limitations, conditions on your medical certificate or on your Pilot certificate must carry reading glasses
- An FAA, Transport Canada, Military or other pilot certificate held by you has ever been suspended or revoked yes-medical- Oct 1975-Feb 1976 head injury
- You have ever been cited for violation of any aviation regulation in any country no
- You have ever been involved in any aircraft accident yes 1975 Engine Failure Philadelphia PA
- You have ever been convicted of or pleaded guilty to a felony or driving while intoxicated no

All particulars herein are declared to be true and complete to the best of my/our knowledge and no further information has been withheld or suppressed. I hereby authorize the insurer to investigate all or any qualifications or statements contained herein.

Date 5/6/02 Pilot's Signature Signature on file

Policyholder's Signature(s) _____

ASSOCIATED AVIATION UNDERWRITERS

RENEWAL QUESTIONNAIRE/PILOT



USE ONLY FOR POLICY RENEWAL AND ONLY IF A COMPLETE PILOT QUESTIONNAIRE HAS BEEN SUBMITTED PREVIOUSLY.

NAME OF POLICYHOLDER/AIRCRAFT OWNER: Lee County Board of County Commissioners

NAME OF PILOT: McAllister Arnold A Date of Birth: 7/12/62

Address of Pilot: _____

Name of Pilot's employer: Lee County EMS

Pilot Certificate: ATP Commercial Private Student Instructor
 Ratings: ASEL ASES AMEL AMEL-CLT AMES
 Helicopter Instrument Type Ratings _____
 Mechanics: Airframe Powerplant Inspection Authority

F.A.A. Certificate No. ATP 466-31-9027 F.A.A. Medical Class I Date Feb 2002

Waivers or Limitations None

FLIGHT PROFICIENCY:

Most recent Biennial Flight Review: Date Feb 2002 Type of aircraft used: BO 105

Other proficiency check (If Applicable): Date _____ Type of aircraft used: _____

Recent formal training: Name of facility American Eurocopter at Ft Myers

Date 02/18/02 Type of aircraft used: BO 105

Course: Ground School Simulator Flight Refresher

Current Crew Position Aircraft Type: BO 105 Captain Copilot

(Professional Pilots) Aircraft Type: _____ Captain Copilot

Aircraft Type: _____ Captain Copilot

Flight Experience	Number of Logged Flying Hours in Last 90 Days			Number of Logged Flying Hours in Last 12 Months			Estimated Flight Hours Next 12 Months		
	BO105	AS350		BO105	AS350		BO105		
Make & Model of Aircraft	BO105	AS350		BO105	AS350		BO105		
As Pilot in Command	29.0	0		29.0	+300		90-100		
As Copilot*									

*Log co-pilot time only if aircraft certification requires cockpit crew of two or regulations for flight require a co-pilot.

TOTAL LOGGED FLYING HOURS: +7000

Explain circumstances if:

1. You have any: (a) physical impairments, no

(b) waivers, limitations, conditions on your medical certificate or on your Pilot certificate None

2. An FAA, Transport Canada, Military or other pilot certificate held by you has ever been suspended or revoked no

3. You have ever been cited for violation of any aviation regulation in any country no

4. You have ever been involved in any aircraft accident no

5. You have ever been convicted of or pleaded guilty to a felony or driving while intoxicated no

All particulars herein are declared to be true and complete to the best of my/our knowledge and no further information has been withheld or suppressed. I hereby authorize the insurer to investigate all or any qualifications or statements contained herein.

Date 5/04/2002 Pilot's Signature Signature on file

Policyholder's Signature(s) _____

ATTACHMENT "B"
AIRCRAFT INFORMATION

AIRCRAFT INFORMATION

Aircraft Owner: Lee County Board of County Commissioners

Aircraft Base: Lee County Helicopter Operations
4682 Terminal Drive, SE
Paige Field
Ft. Myers, FL 33907

Hangered: Yes

Year/Make/Model: 1989 MBB BO-105
Registration: N5417J

Lienholder (s): None

Aircraft Use: Air Ambulance; Commercial transportation of passengers and patients or cargo for related operations of medical transport and industrial aid.

Area of Operation: Lee County

Date of Last 100 hr. inspection: Currently down for 6,000 hr./12 year inspection – anticipate completion on or about 7/10/02.

Estimated flight hours/year: 300 hours for time sensitive - critical flights; 360 calls a year.

Landings: Most sites are marked; building top landing pads used daily – as needed to land at hospitals: Lee Memorial Hospital, Ft. Myers; Shands, Gainesville; Bayfront/Tampa General.

Over water flights: Yes; daily – as needed to get to local islands.

Night flights: Yes; as needed. 30% of the time.

ATTACHMENT # 4

P-020546

STEP ONE

AVIATION BUSINESS INSURANCE PROPOSAL

FOR

LEE COUNTY BOARD OF COUNTY COMMISSIONERS

Prepared by:

*The Staff of NationAir Insurance Agencies, Inc.
700 S. Babcock Street, Suite 400
Melbourne, FL 32901*

PETER W. TORELL

JULY 19th, 2002

Carrier:

ASSOCIATED AVIATION UNDERWRITERS

PROPOSING AGENT - GENERAL SPECIFICATIONS

Background of Firm: NATION AIR INSURANCE AGENCIES, INC.

Years in Business: 18+ years

Locations: Nine regional offices across the United States

Vice President & Team Leader: Peter W. Torell

*Customer Service
Representatives: Yvonne M. Johnston
Patsy F. Kendall*

Accounting: Susan Smith

Experience with Florida Government Insurance Program.

A Partial Listing of Florida Government Clients:

*Lee County Sheriff's Department
St. Lucie County Sheriff's Department
Lee County Board of County Commissioners
Sarasota County Sheriff's Department
Pasco County Sheriff's Department
Manatee County Mosquito Control District
Brevard County Board of County Commissioners
Palm Beach County Sheriff's Department*

EXPERIENCE PAST 5 YEARS

LEE COUNTY SHERIFF'S DEPARTMENT
*14750 Six Mile Cypress Parkway
Fort Myers, FL 33912
Over Ten years of Service with client
Customer Service of endorsements to add and delete aircraft,
add and delete pilots, issue Certificates of Insurance and report claims.
Coverage Provided: Aircraft Hull and Liability Insurance
Size: Two Helicopters, Two Aircraft & Three Pilots*

ST. LUCIE COUNTY SHERIFF'S DEPARTMENT

4700 West Midway Road

Fort Pierce, FL 34981

Over Ten Years of Service

Customer Service of endorsements to add and delete aircraft, add and delete pilots, report claims and issue Certificates of Insurance

Coverage Provided: Aircraft Hull and Liability Insurance

Size: Four Helicopters and Five Pilots

LEE COUNTY BOARD OF COUNTY COMMISSIONERS

P.O. Box 348

Fort Myers, FL 33902

Over Nine Years of service

Customer Service, processing endorsement to add and delete pilots, add and delete aircraft, Certificates of Insurance as required and report claims.

Coverage Provided: Aircraft Hull & Liability Insurance

Size: One Helicopter and Three Pilots

SARASOTA COUNTY SHERIFF'S DEPARTMENT

1660 Ringling Blvd, 1st Floor

Sarasota, FL 34236

Over 10 Years of Service

Customer Service, endorsements, adding and deleting aircraft, adding and deleting pilots, issuing Certificates of Insurance and reporting claims

Coverage provided: Aircraft Hull & Liability Insurance

Size: One Helicopter and Five Pilots

PASCO COUNTY SHERIFF'S DEPARTMENT

8700 Citizens Drive

New Port Richey, FL 34654

Five+ Years of Service

Customer Service, endorsements to add and delete pilots, add and delete aircraft, issue Certificates of Insurance and report claims

Coverage provided: Aircraft Hull & Liability Insurance

Size: Four Helicopters, Three Aircraft and Six Pilots

MANATEE COUNTY MOSQUITO CONTROL DISTRICT

P.O. Box 386

Palmetto, FL 34220

Nine Years of Service

Customer Service, endorsements to add and delete pilots, add and delete aircraft, issue Certificate of Insurance and report claims.

Coverage provided: Aircraft Hull & Liability Insurance

Size: Two Helicopters, One Aircraft and Three Pilots

PALM BEACH COUNTY SHERIFF'S DEPARTMENT

3228 Gun Club Drive

West Palm Beach, FL 33406

Two Years of Service

Customer Service, endorsements to add & delete pilots, add & delete aircraft, issue Certificates of Insurance as required and report claims.

Coverage provided: Aircraft Hull & Liability & Airport Premises Liability

Size: Two Helicopters, One Aircraft & Seven Pilots

BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

2725 Judge Fran Jamison Way, Building B

Viera, FL 32940

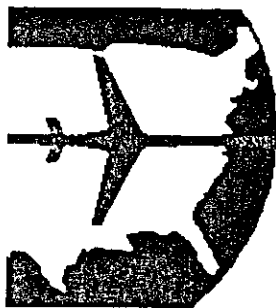
Customer Service, endorsements to add & delete pilots, add & delete aircraft, issue Certificates of Insurance as required and report claims

Three Years of Service

Coverage provided: Aircraft Hull & Liability Insurance

Airport Liability at Valkaria & Space Coast Regional Airport

Size: Two Helicopters, Three Aircraft & Four Pilots



NationAir

insurance agencies

Insurance Ideas That Fly.

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With nine regional offices linked to form a strong national organization, NationAir is a responsive, high-quality coordinator of insurance coverage for the entire aviation community. Our Branch Managers collectively have over 150 years of aviation insurance experience. We proudly list as clients Fortune 500 flight departments, airports, product manufacturers, commercial operators, aerial applicators, and individual owners of every type of aircraft imaginable.

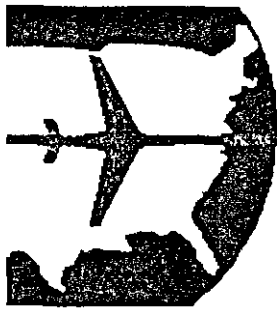
The professionals at NationAir use their combined skills to deliver measurable advantages for each client. Competitive pricing and broad coverage are important to you, and those issues comprise our primary focus. When dealing with underwriters, NationAir is your advocate and together we will create an aviation insurance program that works.

You are about to enjoy a level of honest, exceptional service unmatched in the industry. Our business relationship will have its foundation in a consistent professional approach. No matter where you are located, NationAir can and will be a partner on whom you can rely.



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About NationAir

Founded in 1978, NationAir provides insurance brokerage and risk management services for the entire general aviation community. We serve our clients from the company's national headquarters at Spirit of St. Louis Airport (Chesterfield, Missouri), and through our nine branch offices located at major airports throughout the United States. The regional office system allows us to develop personal relationships with our clients and to truly understand their business on a local level. At the same time, our national presence in the aviation insurance marketplace makes it possible for us to coordinate the most competitive premiums and coverage available anywhere in the country.

Our Mission -

NationAir's mission is simple and direct. Everything we do will be focused on a single goal: provide the highest level of risk management service to each of our clients. Four principles guide us as we work to accomplish this mission.

NationAir recognizes that general aviation is a specialized industry. We are focused 100% on that industry. The Company employs only individuals who have aviation experience. Our branch managers and their associates possess unique skills which are harnessed collectively to create innovative solutions applicable to any aviation risk management problem. Our clients are confident that the NationAir professionals have the competence and expertise to persuasively convey their concerns to the aviation insurance underwriters.

We realize that successful business relationships are grounded in personal relationships. We are convinced that the cornerstone of each of these relationships is mutual trust. You must believe, without doubt, that we are committed to your best interests. Our brokers and staff will honor that trust.

We know that we work for you. An effective broker must be independent from the insurance underwriting community. We do not

develop or support "sweetheart" deals with any underwriter. This independence allows us to assure our clients that we are always working in their best interests...not the insurance company's.

We understand that "knowing your business" is more than a slogan; it actually comes from active involvement in the complicated world of general aviation. NationAir is a member of national, state and local organizations working to improve aviation safety and commerce.

Our managers regularly offer their expertise as speakers, authors, and committee members to organizations such as the NBAA, NAAA, HAI, FSF, etc. We further support these organizations by exhibiting at their national and regional conventions and meetings.

Count on the professionals at NationAir to provide the kind of service and expertise you deserve. We will improve your current program and, in the process, improve your bottom line.

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PETER W. TORELL
1835 North Highway A1A, #201
Indialantic, FL 32903

OBJECTIVE: To educate and service the clients best interests.

EDUCATION: UNIVERSITY OF MINNESOTA, MN, B.S. Business, 1978.
Special emphasis lies in financial management. A considerable amount of course work in marketing was also completed.

EXPERIENCE:

1982 to
PRESENT Vice President: NATIONAIR INSURANCE AGENCIES, INC.,
Melbourne, Florida

Full managerial responsibilities for agency operations in addition to Sales Management. Area of specialization held in Aviation Insurance. While the agency serves Clients in a broad spectrum of aviation insurance from two-seat single engine aircraft to wide body jets, we have developed a niche in Government operated aircraft. I am an active member in the following organizations:

National Aviation Trades Association
National Business Aircraft Association
Aircraft Owners and Pilots Association
Florida Agricultural Aviation Association
Aviation Insurance Association
Helicopter Association International
Airborne Law Enforcement Association

1981 To
1982 Underwriter: RELIANCE INSURANCE COMPANY.

Duties concern casualty lines underwriting with concentration in large general contractors. Current emphasis is underwriting with a market approach. Approximately 20% of time entailed agency visitations for development of low producers.

1980 to
1981 Underwriter: NEW HAMPSHIRE INSURANCE COMPANY.

Duties included casualty lines underwriting for main street type business and the designated schedule and experience rating coordinator. Approximate territory size was \$3,000,000 with 1,500 accounts. Have successfully experienced a total annual premium growth of 32% with an acceptable loss ratio.

Peter W. Torell

Page 2

1979 to Management Trainee:
1980 FLAGSHIP FIRST NATIONAL BANK OF TITUSVILLE

Duties included installment loan collection, loan evaluation and recommendation and special cost analysis projects concerning services provided.

1978 to Underwriter: LIBERTY MUTUAL INSURANCE COMPANY.
1979

Duties included casualty lines underwriting for accounts of annual premium size starting at \$10,000 ranging to \$750,000. Formulation of retrospective plans. Holding risk management meetings with sales, loss prevention and the claims department.

REFERENCES: Will be furnished upon request.

Susan Smith

100 Inez St. S.E.
Palm Bay, FL 32909

EDUCATION

High School - Half Hollow Hills High School East, Dix Hills, NY
State University - SUNY at Farmingdale, NY
Major - Computer
Minor - Business

SPECIFIC EXPERIENCE

Twenty Two years experience in Customer Service-Data Entry with the following firms:

- 1998 – Present NationAir Insurance Agencies, Inc. – Melbourne, FL – Bookkeeper
Enter all data into the computer system for renewals and new business. Keep track of commercial accounts and overdue payments. Process Account Current reports for the Insurance Companies. Print and process company reports. Answer telephone, process invoices and order checks for customers returned premium. Prepare statements, check invoices and post them to computer system. Prepare and process deposit every week.
- 1992 – 1998 Mr. Auto Insurance Agency – Sebastian, FL – Customer Service
Wrote and processed insurance applications. Provided help to customers with insurance policies and gave phone quotes via phone calls to clients and insurance companies. Helped customers with cancelled policies.
- 1987 – 1988 Charles Clark Co. – Bohemia, NY – Customer Service
Processed and entered all data entry information. Printed all company reports. Kept all computer information updated and current. Performed clerical and telephone duties.
- 1986 – 1987 Primages, Inc. – Ronkonkoma, NY – Administrative Associate
Working with the Technical Support Dept., kept written log of returned material. Provided customers with up to date status of material returned for repair. Entered all data for repair work done on a personal computer. Printed weekly and monthly statistical reports. Kept up to date files on all customers with returned material.
- 1983 – 1986 Analytab Products – Plainview, NY – Customer Service
Independently coordinated multi-function data entry procedures on an IBM 3278 system. Trained subordinates in the data entry functions. Maintained daily, weekly and monthly statistical reports of order status. Received and processed telephone and mail orders. Provided telephone and written follow-up to assure customer satisfaction.
- 1980 – 1983 National Westminster Bank, USA – Huntington, NY – Data Entry
Utilizing the Sperry-Univac and IBM 3278 systems, provided direct data entry from written copy. Provided direct hands on training for new personnel.

YVONNE M. JOHNSTON

114 Normandy Place
Melbourne Beach, FL 32951

OBJECTIVE: To obtain responsible position that utilizes my knowledge of office procedures. A determined self-starter who can get a job done. Enjoy communicating with people to provide meaningful assistance. Quick and eager to learn new tasks.

EDUCATION: **EALING HIGH SCHOOL, Ealing, London, England.**
1993 Customer Service Representative License.
Continuing Education
Ground School for Aviation 1996

EXPERIENCE:

1992 to
PRESENT **NATION AIR INSURANCE AGENCIES, INC.** Melbourne, FL
Customer Service Representative. Obtained customer service 440 license.
Responsibilities include all areas of customer service by answering telephones.
Assisting agents whenever necessary, checking policies for accuracy, typing letters,
working on renewal business. Use Microsoft Word. Updating all information and
All aspects of insurance required for office.

1981 to
1992 **PUDNOS-BORRUS INSURANCE AGENCY, New Jersey**
Customer Service Representative. Handled all aspects of insurance
Secretarial duties included typing letters and answering telephones. Completed
applications for personal lines insurance including commercial insurance policies.
Typed policies for homeowners' closings. Handled all types of claims. Dealt with
public in person on the telephone and by mail regarding insurance.
Trained new employees and filed and handled all mail.

1980 to
1981 **GALES HARDWARE, Keyport, New Jersey.**
Accounts Receivable Clerk. Maintained accounts receivable for company
including filing, typing and answering the telephone.

REFERENCES: Furnished upon Request.

*Patsy F. Kendall
301 Cinnamon Dr.
Satellite Beach, FL 32937
321-779-3971*

- Education: Franklin Central High School, Acton, IN
2001- 440 License for Customer Service Representative
- 3/2002 to Present NationAir Insurance Agencies, Inc., Melbourne, FL
Customer Service Representative. Responsibilities include customer service, answering telephones, checking policies for accuracy, typing letters, applications, new business and renewal business.
- 2000 to 2002 Ranew Insurance Agency, Inc., Indian Harbour Beach, FL
Receptionist to Customer Service Representative. All aspects of customer service including answering telephones, letters, Acord applications, renewals, filing, maintaining office supplies.
- 1988 to 1998 C & T Design and Equipment Company, Inc., Indianapolis, IN
Office manager and assistance to owner. Performed duties ranging from placing orders, liaison between unhappy customers and sales, to working in the warehouse. Duties: Inventory of used and new stock equipment, expediting equipment orders, maintenance of the building and just making sure the office ran smoothly when the owner was out of the building.
- 1989 to 1990 D-Tech Corporation, Indianapolis, IN
Purchased all MRO supplies, electronic components and a minimal amount of fabricated items. Duties: Sourcing suppliers, follow-up telephone work, typing quotes, filing, tracking inventory, collating sales binders, responsible for all air shipments and tracked all truck freight. Computer work consisted of entering purchase orders, tracking inventory, setting up vendors and all aspects of maintaining up-to-date purchase orders.
- 1984 to 1986 Biosound, Inc., Indianapolis, IN
Purchased all MRO supplies, electronic components and a minimal amount of fabricated items. Hired as clerk-typist, then was promoted to Expediter and then to Buyer. While employed at Biosound, I implemented an inventory control system for office supplies, which reduced the in-house inventory by \$7,500, along with control of printed forms that was reduced by an additional \$7,100 within one year.
- 1982 IGW Systems, Inc., Indianapolis, IN
Duties include: placing and typing purchase orders, typing and tracking quotes and shippers, expediting and maintaining the MRP system and shortage sheet, update weekly commitment reports. Checking accuracy of monthly minority reports, then filing quarterly report to Minority Business Council. Processing, filing receivers and acknowledgements. Helping with the workload of Machining Buyer.

SIGNATURE PAGE
LEE COUNTY, FLORIDA
AIRCRAFT HULL AND LIABILITY INSURANCE
STEP ONE - QUALIFICATIONS

DATE SUBMITTED: 07/19/2002

VENDOR NAME: NationAir Insurance Agencies, Inc.

TO: The Lee County Board of County Commissioners
Fort Myers, Florida

The undersigned acknowledges receipt of addenda numbers: N/A

ANTI-COLLUSION STATEMENT

THE BELOW SIGNED QUOTER HAS NOT DIVULGED TO, DISCUSSED OR COMPARED HIS QUOTE WITH OTHER QUOTERS AND HAS NOT COLLUDED WITH ANY OTHER QUOTER OR PARTIES TO A QUOTE WHATSOEVER. NOTE: NO PREMIUMS, REBATES OR GRATUITIES TO ANY EMPLOYEE OR AGENT ARE PERMITTED EITHER WITH, PRIOR TO, OR AFTER ANY DELIVERY OF MATERIALS. ANY SUCH VIOLATION WILL RESULT IN THE CANCELLATION AND/OR RETURN OF MATERIAL (AS APPLICABLE) AND THE REMOVAL FROM THE MASTER BIDDERS LIST.

FIRM NAME NationAir Insurance Agencies, Inc.

BY (Printed): Peter W. Torell

BY (Signature): 

FEDERAL ID# or S.S.#: 431 188 120

TITLE: Vice-President

ADDRESS: 700 South Babcock Street, Suite 400
Melbourne, Florida 32901

PHONE NO.: (321) 259-4800

FAX NO.: (321) 255-1471

CELLULAR PHONE/PAGER NO.: (321) 258-2233

LEE COUNTY OCCUPATIONAL LICENSE NO.: N/A

E-MAIL ADDRESS: nationins@aol.com

Named
Insured

NAMED INSURED

Policy No.

FHL SPECIMEN

THE COMPANIES

The Continental Insurance Company 50%
Concord, New Hampshire

Federal Insurance Company 50%
Indianapolis, Indiana

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



Leonidas G. Demas, Secretary
Associated Aviation Underwriters, Inc.



A. J. Medniuk, President & C.E.O.
Associated Aviation Underwriters, Inc.

For Associated Aviation Underwriters, Inc.

STATUS OF THE INSURANCE COMPANIES LISTED ABOVE ARE ADMITTED IN THE STATE OF FLORIDA

02118 - Continental Insurance Company

Member of CNA Insurance Companies

A.M. Best #: 02118 NAIC #: 35289

View a [list of group members](#) or [the group's rating](#)**Best's Rating**

A (Excellent)*

Financial Size Category

XV (\$2 billion or more)

*Ratings as of 7/15/02 4:29:17 PM E.S.T.

or purchase the complete [Best's Company Report](#) for in-depth analysis.

Rating Category (Excellent): Assigned to companies which have, on balance, excellent financial strength, operating performance and market profile when compared to the standards established by the A.M. Best Company. These companies, in our opinion, have a strong ability to meet their ongoing obligations to policyholders.

Best's Ratings reflect our opinion based on a comprehensive quantitative and qualitative evaluation of a company's financial strength, operating performance and market profile. These ratings are not a warranty of an insurer's current or future ability to meet its contractual obligations. (Best's Ratings are proprietary and may not be reproduced without permission from A.M. Best.)

The rating symbols "A++", "A+", "A", "A-", "B++", and "B+" are registered certification marks of the A.M. Best Company, Inc.

Best's Security Icons are awarded to Secure rated (A++, A+, A, A-, B++, B+) companies. This special emblem displays their rating and category (Superior, Excellent, or Very Good), helping you discern industry leaders at a glance. Insurance Companies interested in placing a Best's Security Icon on their web site are required to [register online](#).

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02084 - Federal Insurance Company

Member of Chubb Group of Insurance Companies

A.M. Best #: 02084 NAIC #: 20281

View a [list of group members](#) or [the group's rating](#)



Best's Rating

A++ (Superior)*

Financial Size Category

XV (\$2 billion or more)

*Ratings as of 7/15/02 4:29:17 PM E.S.T.

or purchase the complete [Best's Company Report](#) for in-depth analysis.

Rating Category (Superior): Assigned to companies which have, on balance, superior financial strength, operating performance and market profile when compared to the standards established by the A.M. Best Company. These companies, in our opinion, have a very strong ability to meet their ongoing obligations to policyholders.

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Issued By **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 No.
FHL SPECIMEN

Producer and Code Number
AGENT'S NAME
AGENT'S ADDRESS
AGENT'S CIT, STATE ZIP CODE
???????

New

DECLARATIONS

Item 1. NAMED INSURED
Named 123 ANY STREET
Insured ANYTOWN, GA 12345
and
Address

SPECIMEN

2. Policy Period:
From EFFECTIVE DATE
To EXPIRATION DATE

12:01 A.M., standard time at the address of the insured as stated herein.

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. This policy is completed by attachment of form EHL and the Schedule(s) of Aircraft mentioned in Item 4.

LIABILITY COVERAGE	LIMITS OF LIABILITY	PREMIUM
D. SINGLE LIMIT BODILY INJURY AND PROPERTY DAMAGE INCLUDING PASSENGERS	\$SPECIMEN. EACH OCCURRENCE	INCLUDED
PHYSICAL DAMAGE COVERAGE		
F. ALL RISK BASIS	The Insured Value of the Aircraft subject to the deductibles set forth in the Schedule(s) of Aircraft	INCLUDED
	TOTAL OF ABOVE PREMIUMS PLUS PREMIUM ENDORSEMENTS	INCLUDED \$SPECIMEN
	TOTAL PREMIUM	\$SPECIMEN

Endorsements attached to this policy when issued SPECIMEN

- DESCRIPTION OF AIRCRAFT. The insurance afforded is only with respect to the aircraft described in the Schedule(s) of Aircraft attached to and forming part of this policy which are SPECIMEN
- CERTIFICATION AND OWNERSHIP. The Named Insured represents that, except as may be otherwise noted in the policy, each aircraft described in Item 4 is licensed under a Standard Airworthiness Certificate and that the Named Insured is and will remain the sole and unconditional owner of said aircraft unless otherwise indicated herein.
- PURPOSE OF USE. The aircraft will be used for the following purpose(s): SPECIMEN
- PILOTS. The coverage afforded by this policy shall not apply while the aircraft is operated in flight by other than the pilots approved with respect thereto as set forth in the applicable Schedule of Aircraft.

Named Insured NAMED INSURED

Policy No.
FHL SPECIMEN

THE COMPANIES

The Continental Insurance Company 50%
Concord, New Hampshire

Federal Insurance Company 50%
Indianapolis, Indiana

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



Leonidas G. Demas, Secretary
Associated Aviation Underwriters, Inc.



A. J. Medniuk, President & C.E.O.
Associated Aviation Underwriters, Inc.

For Associated Aviation Underwriters, Inc.

In consideration of the payment of the premium and in reliance upon the statements in the Declarations and subject to all of the terms of this policy, the Company agrees with the **Named Insured**:

PART I - LIABILITY

Coverage A-Bodily Injury, Excluding Passengers

Coverage B-Passenger Bodily Injury

Coverage C-Property Damage

Coverage D-Single Limit Bodily Injury and Property Damage

To pay on behalf of the **Insured** all sums which the **Insured** shall become legally obligated to pay as damages because of:

- A. bodily injury, sickness, disease or mental anguish, including death resulting therefrom, hereinafter called "bodily injury," sustained by any person, excluding any passenger;
- B. bodily injury, sickness, disease or mental anguish, including death resulting therefrom, hereinafter called "bodily injury," sustained by any passenger;
- C. injury to or destruction of property, including loss of use thereof, hereinafter called "property damage";
- D. bodily injury, sickness, disease or mental anguish, including death resulting therefrom, hereinafter called "bodily injury," sustained by any person (excluding any passenger unless the words "including passengers" are included in the Declarations), and injury to or destruction of property, including loss of use thereof, hereinafter called "property damage";

caused by an occurrence and arising out of the ownership, maintenance or use of the aircraft, and the Company shall defend any suit alleging such bodily injury or property damage and seeking damages which are payable under the terms of this policy, even if any of the allegations of the suit are groundless, false or fraudulent; but the Company may make such investigation and settlement of any claim or suit as it deems expedient.

Supplementary Payments

To pay, in addition to the applicable limit of liability:

- (a) all expense incurred by the Company, all costs taxed against the **Insured** in any such suit 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 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 without any obligation to apply for or furnish any such bonds;
- (c) expenses incurred by the **Insured** for such immediate medical and surgical relief to others as shall be imperative at the time of an occurrence involving the aircraft;
- (d) all reasonable expenses, other than loss of earnings, incurred by the **Insured** at the Company's request.

Persons and Organizations Insured

The following are **Insureds** under Part I:

The **Named Insured** and any person while using or riding

in the aircraft and any person or organization legally responsible for its use provided the actual use is by or with the permission of the **Named Insured**. Subject to the exclusions.

The insurance afforded under Part I applies separately to each **Insured** against whom claim is made or suit is brought, but the inclusion herein of more than one **Insured** shall not operate to increase the limits of the Company's liability.

Definitions

Under Part I:

"Aircraft" means the aircraft described in the Declarations;

"Commercial" means, with respect to the purpose of use of the aircraft, all operations in the business of the **Named Insured** except crop dusting, spraying, seeding or any form of hunting;

"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 takeoff 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;

"Insured" means a person or organization described under "Persons and Organizations Insured";

"Limited commercial" means, with respect to the purpose of use of the aircraft, all operations in the business of the **Named Insured** except transportation of passengers for hire or reward, crop dusting, spraying, seeding or any form of hunting;

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

"Occurrence" means an accident or a continuous or repeated exposure to conditions, which results in injury during the policy period, provided the injury is accidentally caused;

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

"Passenger capacity" means the passenger capacity specified in the schedule of aircraft or if not specified then the total number of seats actually installed in the aircraft less one.

Exclusions

This policy does not apply under Part I:

- (a) to bodily injury to any employee of the **Insured** injured in the course of his employment or to any obligation for which the **Insured** or any company as his Insurer may be liable under any worker's compensation, occupational disease, disability benefit, unemployment compensation, or similar act, plan or law;
- (b) to bodily injury to any fellow employee of the **Insured** injured in the course of his employment if such injury arises out of the use of the aircraft in the business of his

employer, but this exclusion does not apply to the **Named Insured** with respect to injury sustained by any such fellow employee;

- (c) to **bodily injury** sustained by any **Named Insured**;
- (d) to liability assumed by the **Insured** under any contract or agreement;
- (e) to injury to or destruction of property owned, rented, occupied or used by, or in the care, custody or control of the **Insured** or a **Named Insured** or carried in or on any aircraft with respect to which insurance is afforded by this policy;
- (f) to the liability of any **Insured** or any agent or employee thereof engaged in the manufacture of aircraft, aircraft engines, aircraft accessories or parts or engaged in the operation of an aircraft repair shop, airport, hangar, aircraft sales agency, aircraft rental or flying service or flying school with respect to any **bodily injury** or **property damage** arising out of such manufacture or operation but this exclusion does not apply to the **Named Insured** or any employee of the **Named Insured**;
- (g) to the liability of the owner or any agent or employee of the owner of an aircraft not owned by the **Named Insured**;
- (h) to the liability of any person acting as a pilot of the aircraft except, the **Named Insured** or any officer or employee of the **Named Insured** while acting within the scope of his duties as such or any pilot under contract to serve the **Named Insured**, as a pilot, while in the course of such service;
- (i) to the liability of any **Insured** who operates or who permits the operation of the aircraft for the purpose of crop dusting, spraying, seeding or any form of hunting, unless such use is included in the purpose of use stated in the Declarations;
- (j) to the handling or use of or the existence of any condition in or the provision of any goods or services in connection with, any aircraft not owned by the **Named Insured** if the **bodily injury** or **property damage** happens while the aircraft is not being used in the business of the **Named Insured**;
- (k) to **bodily injury** or **property damage** due to:
 - 1. the rendering of or failure to render
 - (i) medical, surgical, dental, X-ray or nursing service or treatment, or the furnishing of food or beverages in connection therewith;
 - (ii) any service or treatment conducive to health or of a professional nature;
 - (iii) any cosmetic or tonsorial service or treatment;
 - 2. the furnishing or dispensing of drugs or dental or surgical supplies or appliances;
 - 3. the handling of or performing of autopsies on corpses;
 - 4. any physical or mental pain or suffering resulting from the delay, damage or destruction of human parts in transit unless arising out of an **occurrence** otherwise covered by this policy; or
 - 5. damage to or destruction of human organs or parts in transit, unless arising out of an **occurrence** otherwise covered by this policy;
- (l) to **bodily injury** or **property damage** caused by or arising out of or in consequence of a breakdown, failure or interruption of any power or service of a power line or pipe line or fuel conduit of any nature, due to or on account of an **occurrence** resulting from an aircraft used for inspection, observation or survey of that power line or pipe line or fuel conduit.

Financial Responsibility Laws

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** 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 the limit 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.

Limits of Liability

For coverages A and B, the limit of **bodily injury** liability stated in the Declarations as applicable to "each person" is the limit of the Company's liability for all damages, including damages for care and loss of services, arising out of **bodily injury** sustained by one person as the result of any one **occurrence**; the limit of such liability stated in the Declarations as applicable to "each **occurrence**" is, subject to the above provision respecting each person, the total limit of the Company's liability for all such damages arising out of **bodily injury** sustained by two or more persons as the result of any one **occurrence**.

For coverage C, the limit of **property damage** liability stated in the Declarations as applicable to "each **occurrence**" is the total limit of the Company's liability for all damages arising out of injury to or destruction of property of one or more persons or organizations, including the loss of use thereof, as the result of any one **occurrence**.

For coverage D, the limit of **bodily injury** and **property damage** liability stated in the Declarations as applicable to "each **occurrence**" is the total limit of the Company's liability for all such damages arising out of all **bodily injury** and **property damage** to all persons and property as the result of any one **occurrence**.

All damages arising out of exposure to substantially the same general conditions shall be deemed to arise out of one **occurrence**.

Other Insurance

If the **Named Insured** has other insurance against a loss covered by Part I of this policy the Company shall not be liable under this policy for a greater proportion of such loss than the limit of liability stated in the Declarations bears to the total applicable limits of liability of all valid and collectible insurance against such loss; provided, however, the insurance with respect to a temporary substitute aircraft shall be excess insurance over any other valid and collectible insurance.

If an **Insured** other than the **Named Insured** has other insurance against a loss covered by Part I of this policy this insurance shall be excess insurance only over any other valid and collectible insurance with respect to such **Insured** and then only to the extent necessary so that the total applicable limits of all valid and collectible insurance for the benefit of such **Insured** shall be not less than the limits of liability stated in the Declarations.

PART II - PHYSICAL DAMAGE

Coverage F-All Risk Basis

Coverage G-All Risk Basis Not in Flight

Coverage II-All Risk Basis Not in Motion

To insure, subject to the applicable limit of liability and deductible, against:

- F. all risks of physical loss of or damage to the aircraft;
- G. all risks of physical loss of or damage to the aircraft sustained while the aircraft is not in flight and not the result of fire or explosion following crash or collision while the aircraft was in flight;
- II. all risks of physical loss of or damage to the aircraft sustained while the aircraft is not in motion under its own power or the resulting momentum thereof and not the result of fire or explosion following crash or collision while the aircraft was in motion under its own power or the resulting momentum thereof;

hereinafter called "loss."

Definitions

The definitions of "Commercial," "Federal Aviation Administration," "Flight," "Limited commercial," "Named Insured" and "Passenger capacity" under Part I apply to Part II, and under Part II:

"Aircraft" means the aircraft described in the Declarations including its engines, propellers, instruments and equipment usually and ordinarily attached to the aircraft excluding all personal effects;

"Disappearance" means missing and not reported for 60 days after commencing a flight;

"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;

"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. Disappearance or theft of the entire aircraft shall be considered as a total loss.

Exclusions

This policy does not apply under Part II:

- (a) to damage which is due and confined to wear and tear, deterioration, freezing, mechanical, structural or electrical breakdown or failure, unless such damage results from other damage covered by this policy;
- (b) to damage to tires, except where such damage results directly from other loss covered by this policy;
- (c) to loss to any aircraft while the Named Insured is not the sole and unconditional owner thereof unless the policy shall have been endorsed to specifically acknowledge the interest of a person or organization other than the Named Insured in such aircraft;
- (d) to loss due to conversion by any person in lawful possession of the aircraft or by any person whose possession of the aircraft would be lawful but for such conversion;

- (e) to loss occurring while the aircraft is used for the purpose of crop dusting, spraying, seeding or any form of hunting unless such use is included in the purpose of use stated in the Declarations.

Limit of Liability and Deductible

With respect to total loss the Company will pay the insured value of the aircraft as stated in the Declarations subject to any applicable deduction as hereinafter provided.

With respect to partial loss the Company will pay, subject to any applicable deductible, as hereinafter provided:

- (a) if repairs are made by other than the Named Insured, the cost to repair the damaged property with material of like kind and quality, plus the cost of the least expensive reasonable method of transporting new and/or damaged parts and/or the damaged aircraft to the place of repair and the return of the repaired aircraft to the place where loss occurred or home airport, whichever is nearer;
- (b) if repairs are made by the Named Insured, the total of the following items:
 1. actual cost of material of like kind and quality;
 2. actual wages paid for labor at current rates with no additional for overtime;
 3. 50% of Item 2 in lieu of all overhead including supervisory services;
 4. cost of the least expensive reasonable method of transporting new and/or damaged parts and/or the damaged aircraft to the place of repair and the return of the repaired aircraft to the place where loss occurred or home airport, whichever is nearer.

With respect to each loss (either total or partial) occurring while the aircraft is in motion under its own power or the resulting momentum thereof or resulting from fire or explosion following crash or collision while the aircraft was in motion under its own power or resulting momentum thereof the Named Insured shall bear first the deductible amount set forth in the Declarations as applicable "while the aircraft is in motion" and the Company shall pay only the amount by which its liability with respect to such loss as above provided exceeds such deductible amount. With respect to any other loss (either total or partial, except loss resulting from theft, robbery or pilferage or fire, lightning or explosion or while the aircraft is dismantled and being transported) the Named Insured shall bear first the deductible amount set forth in the Declarations as applicable "while the aircraft is not in motion" and the Company shall pay only the amount by which its liability with respect to such loss as above provided exceeds such deductible amount.

The amount due under this policy in respect to partial loss shall not, however, exceed the amount due were the loss payable as a total loss. In any event where the amount paid hereunder is equal to the amount payable as a total loss, any salvage value remaining shall inure to the benefit of the Company. There shall, however, be no abandonment without the consent of the Company.

If the loss is due to theft the Company shall have the right to return the stolen property at any time before actual payment of the claim hereunder, with payment for physical damage thereto sustained.

PART II (continued)

With respect to damage to aircraft engines (and auxiliary power units, if applicable) insured under this policy:

- (a) foreign object damage (damage caused by object(s) not a part of the engine or its accessories) whether resulting from ingestion or otherwise, shall be considered to be "wear and tear" unless such damage is the result of a single incident sustained during the policy period which is of sufficient severity, when such damage is sustained or upon its discovery, to require immediate repairs in compliance with the requirements of the engine manufacturer;
- (b) damage caused by heat which results from the operation, attempted operation or shutdown of the engine shall be considered to be "wear and tear";
- (c) damage which is not "wear and tear" shall be subject to the same deductible if any, as is applicable to "in motion" damage;
- (d) damage caused by the breakdown, failure or malfunction of any engine component, accessory or part shall be considered to be breakdown, failure or malfunctions of the entire engine.

When a part or component of the aircraft is removed and replaced with another part or component (either as a temporary or permanent

replacement), the replacement part or component shall be considered to be a part of the aircraft as of the moment installation of such part or component begins and the part or component replaced shall cease to be considered a part of such aircraft at the same time.

Automatic Reinstatement

In the event of loss, whether or not covered by this policy, the insured value of the aircraft shall thereafter be deemed to have been reduced by the amount of such loss. Upon completion of repairs, unless the Named Insured has made written request to the contrary to the Company, the insured value shall be deemed to be reinstated as of the date of such completion.

Other Insurance

If the Named Insured has other insurance against a loss covered by Part II of this policy, the Company shall not be liable under this policy for a greater proportion of such loss than the applicable limit of liability of this policy bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

GENERAL EXCLUSIONS

(Unless otherwise noted General Exclusions apply to all Parts. Other provisions of this policy may limit or exclude insurance coverage. You are therefore urged to read the entire policy carefully.)

1. **Environmental Hazards Exclusion.** This policy does not apply to:

- (a) **bodily injury or property damage** arising out of:
 1. 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
 2. any interference with the quiet enjoyment of property of others caused by the operation of an aircraft or any of its parts;
- (b) **bodily injury or property damage** arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**:
 1. that are in or upon an aircraft;
 2. that are contained in any property that is in or upon an aircraft.

Paragraphs (a) and (b) above 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;

- (c) **bodily injury or property damage** arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**
 1. 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;
 2. 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;
 3. 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
4. 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:
 - (i) 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
 - (ii) 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 (c)1. and (c)4.(i) 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;

- (d) any loss, cost, or expense arising out of any:
 1. 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
 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**, unless resulting from an aircraft crash, fire, explosion or collision or a recorded in-flight emergency causing abnormal aircraft operation.

In exclusion (d) above "aircraft" means the aircraft described in the Declarations (and when appropriate any aircraft qualifying under the provisions of a non-owned aircraft schedule or endorsement, if any, attached to and forming part of the policy.)

GENERAL EXCLUSIONS (Continued)

In this exclusion "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.

2. War, Hi-jacking and Other Perils Exclusion. This policy does not cover claims caused by:

- (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; or
- (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 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).

3. Rotorcraft Operations Exclusion. With respect to any rotorcraft insured hereunder, this policy does not apply during the operation of said rotorcraft where the purpose or intent of such operation is:

- (a) transporting persons or objects carried outside of the cabin or airframe, unless necessary to prevent loss of life in an emergency;
- (b) aerial application (dispensing of any substance from the rotorcraft);
- (c) fire patrol, fire fighting or control;
- (d) any form of hunting;
- (e) air ambulance;
- (f) power line or pipe line patrol;
- (g) offshore heliport landing;
- (h) heliskiing; or
- (i) flight instruction for hire or reward, but not including flight instruction of pilots who are employees or independent contractors of the Named Insured.

CONDITIONS

(Unless otherwise noted the Conditions apply to all Parts)

1. Policy Period, Territory. This policy applies only to occurrences and loss happening during the policy period and within the United States of America, Canada or Mexico or while the aircraft is dismantled and being transported between ports which lie within such limits.

2. Notice. In the event of an occurrence or loss, the Insured shall as soon as possible give notice thereof to Associated Aviation Underwriters, Inc. and shall as soon as practicable give written notice which shall contain sufficient particulars to identify the Insured and also reasonably obtainable information respecting the time, place and circumstances of the occurrence or loss, the names and addresses of the injured and of available witnesses. In the event of theft the Named Insured shall also promptly notify the police. If claim is made or suit is brought against the Insured, the Insured shall immediately forward to Associated Aviation Underwriters, Inc. every demand, notice, summons or other process received by him or his representative.

3. Two or More Aircraft. When two or more aircraft are insured hereunder, the terms of this policy shall apply separately to each.

4. Premiums and Reports, Inspection and Audit. The premiums, premium bases and rates for the aircraft described in the Declarations are stated therein.

Premiums stated in the Declarations as Minimum or Deposit premiums are estimated premiums only. Upon termination of this policy or at such other times as may be agreed, the earned premiums shall be computed in accordance with the Company's rules, rates, rating plans, premiums and minimum premiums applicable to this insurance. If the earned premium thus computed

exceeds the premiums paid, the Named Insured shall pay the excess to the Company; if less (upon final computation of all earned premium for the policy period) the Company shall return to the Named Insured the unearned portion paid by such Insured.

The Named Insured shall maintain records of the information necessary for premium computation on the basis stated in the Declarations and shall send copies of such records to the Company within 15 days after the end of each premium computation period (at the end of the policy period if no other period has been agreed) and at such other times as the Company may direct.

The Company shall be permitted to inspect the insured aircraft and operations and to examine and audit the Insured's books and records at any time during the policy period and any extension thereof and within three years after the final termination of this policy, as far as they relate to the premium bases or the subject matter of this insurance.

5. Assistance and Cooperation of the Insured. Parts I and II. The Insured shall cooperate with the Company and, upon the Company's request, attend hearings and trials and assist in making settlements, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of suits. The Insured shall not, except at his own cost, voluntarily make any payment, assume any obligation or incur any expense other than for such immediate medical and surgical relief to others as shall be imperative at the time of an occurrence.

6. Action Against the Company. Part I. No action shall lie against the Company unless as a condition precedent thereto, the Insured shall have fully complied with all the terms of this policy, nor until the amount of the Insured's obligation to pay shall have

CONDITIONS (Continued)

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.

Part II. No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this policy nor, under Part II, until 60 days after proof of loss is filed and the amount of loss is determined as provided in this policy.

7. Insured's Duties in Event of Loss. Part II. In the event of loss the **Insured** shall:

- (a) protect the aircraft, whether or not the loss is covered by this policy and any further loss due to the **Insured's** failure to protect shall not be recoverable under this policy; if such loss is payable under this policy then 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, his sworn proof of loss in such form and including such information as the Company may reasonably require and shall, upon such 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.

8. Appraisal. Part II. If the **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 **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 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 **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.

9. Subrogation. Parts I and II. In the event of any payment under this policy, the Company shall be subrogated to all 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 secure such rights. The **Insured** shall do nothing to prejudice such rights.

10. No Benefit to Persons Not Insured. Parts I and II. Any act or agreement by the **Insured**, prior or subsequent to the inception date of this policy, whereby any right of the **Insured** or the Company:

- (a) to recover all or any part of the damages payable under Part I of this policy from any person or organization liable to pay or to contribute to the payment of such damages, or
- (b) to recover the full value of, or amount of loss to, any property lost or damaged and insured under Part II of this policy from any person or organization liable therefor,

is released, impaired or lost shall relieve the Company of any liability under this policy for or on account of such damages or loss, but the Company's right to retain or recover the premium shall not be affected.

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 estop 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 Associated Aviation Underwriters, 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 Part I 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 the **Named Insured** by the surrender thereof or by mailing to the Company 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 address shown in Item 1. of the Declarations, written 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 time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the **Named Insured** or by the Company shall be equivalent to mailing.

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, written notice stating when, not less than 10 days thereafter, such cancellation shall be effective.

If the **Named Insured** cancels, earned premium shall be computed in accordance with the customary short rate table and procedure. If the Company cancels, earned premium shall be computed pro rata. The Company shall not in any event be liable to pay any return premium in respect to Part II of this policy with respect to any aircraft on which a loss under Part II of this policy, adjustable on the basis of total loss, has occurred. Premium adjustment 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.

CONDITIONS (Continued)

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.

15. **Department of Defense Insurance Requirements.** If Associated Aviation Underwriters, Inc. issues a Department of Defense certificate of insurance DD Form 2400 or any substitute or replacement thereof, then the insurance policy provisions required by the regulation referred to therein shall be deemed to be incorporated herein and substituted for any policy provisions inconsistent therewith.

16. **Terms of Policy Conformed to Statutes.** Terms of this policy which are in conflict with the statutes of the state wherein this policy is issued are hereby amended to conform to such statutes.

SPECIMEN

PHYSICAL DAMAGE COVERAGE
(Applicable to the War, Hi-jacking and Other Perils Exclusion)

In consideration of an additional premium of \$^C and solely as respects the aircraft described in the schedule of this endorsement, it is agreed that sub-paragraphs (a), (c), (d), (e), (f) and (g) of General Exclusion 2, the War, Hi-jacking and Other Perils Exclusion, of this policy are deleted as respects the Physical Damage Coverage 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. This insurance shall only apply to the extent that the loss or damage is not otherwise excluded by sub-paragraph (b) of General Exclusion 2, the War, Hi-jacking and Other Perils Exclusion.
2. The limits of the Company's liability as respects the insurance afforded by this endorsement shall not exceed, in the aggregate during the policy period, the lesser of:
 - (a) the sum of the Insured Values of the aircraft described in the schedule of this endorsement on the date of loss, or
 - (b) \$300,000,000.
3. (a) Amendment of Terms or Cancellation:

The Company may give 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 after which notice is issued, to review the rate of premium and/or the geographical limits. In the event of the review of the rate of premium and/or the geographical limits not being accepted by the **Named Insured** then at the expiry of the said seven (7) days, this endorsement shall become canceled at that date.

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- (b) Automatic Review of Terms or Cancellation:

Notwithstanding 3 (a) above, this endorsement is subject to automatic review by the Company of the rate of premium and/or conditions and/or geographical limits effective on the expiry of seven (7) days from the time of 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 wheresoever or whensoever such detonation may occur and whether or not an aircraft described in the schedule of this endorsement may be involved. In the event of the review of the rate of premium and/or conditions and/or the geographical limits not being accepted by the **Named Insured** then at the expiry of the said seven (7) days, this endorsement shall become canceled at that date.

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- (c) Cancellation by Notice:

This endorsement may be canceled by the Company or the **Named Insured** giving notice not less than seven (7) days prior to the end of each period of three (3) months from inception.

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4. Automatic Termination:

Whether or not such notice of cancellation has been given, this endorsement shall terminate automatically upon the outbreak of war (whether there be a declaration of war or not) between any of the following states: the United Kingdom, the United States of America, France, the Russian Federation, the People's Republic of China. Provided that if an aircraft described in the schedule of this endorsement is in **flight** when such outbreak of war occurs then this endorsement, subject to its terms and conditions and provided it is not otherwise canceled, terminated or suspended, will be continued as respects such aircraft until such aircraft has completed its first landing thereafter.

SCHEDULE

Year, Make and Model

Identification Number

1989 MBB BO-105

N5417J

SPECIMEN

LIABILITY AND MEDICAL EXPENSES COVERAGE
(Applicable to the War, Hi-jacking and Other Perils Exclusion)

In consideration of an additional premium of \$^C, it is agreed that sub-paragraphs (a), (c), (d), (e), (f) and (g) of General Exclusion 2, the War, Hi-jacking and Other Perils Exclusion, of this policy are deleted as respects the Liability Coverage and Medical Expense Coverage, if any, 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 Exclusion 2, 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.

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 \$5,000,000. any one **occurrence** and in the annual aggregate except with respect to **passengers** to whom the full policy limit(s) shall apply. 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 Exclusion 2, 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.

SPECIMEN

Endorsement No. , Page 1 of 2

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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 after 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 this endorsement by reference to sub-paragraphs (c), (d), (e), (f) and/or (g) of General Exclusion 2, 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 after 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 after which notice is given.

(d) Notices

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

SPECIMEN

AMENDATORY ENDORSEMENT

It is agreed that:

1. Under Part I - Liability - the insuring agreement for Coverages A, B, C and D is amended by the addition of the following:

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.

2. Policy Condition 7 - Insured's Duties in Event of Loss. Part II. is amended by the addition of the following:

In the event of loss, the Insured shall 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.

SPECIMEN

RADIOACTIVE CONTAMINATION EXCLUSION

This policy does not apply to:

1. (a) loss or destruction of or damage to any property (including aircraft) whatsoever or any loss or expense whatsoever resulting or arising therefrom
- (b) any legal liability or medical expense of whatsoever nature

directly or indirectly caused or contributed to by or arising from ionizing radiations or contamination by radioactivity from any source whatsoever.

2. Loss, destruction, damage, expense or legal liability which, but for the provisions of paragraph 1. 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:

- (a) 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;
- (b) 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;
- (c) in the case of any claim by virtue of this paragraph 2 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 (IAEA Health and Safety Regulations in accordance with the current ICAO Technical Instructions for the Safe Transport of Dangerous Goods by Air)	MAXIMUM PERMISSIBLE LEVEL OF NON-FIXED RADIOACTIVE SURFACE CONTAMINATION (Averaged over 300 cm ²)
Beta, gamma and low toxicity alpha emitters	Not exceeding 4 Bequerels/cm ² (10 ⁻⁴ microcuries/cm ²)
All other alpha emitters	Not exceeding 0.4 Bequerels/cm ² (10 ⁻⁵ microcuries/cm ²)

SPECIMEN

- (d) the coverage afforded by this paragraph 2 may be cancelled at any time by the Company giving seven days notice of cancellation.

SPECIMEN

**ELECTRONIC DATE RECOGNITION EXCLUSION
LIMITED COVERAGE ENDORSEMENT**

In consideration of the premium charged and 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 afforded by this 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 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.

SPECIMEN

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):

1. the failure or inability to correctly recognize, process, distinguish, interpret or accept any change of year, date or time, including but not limited to:
 - (a) the change of year from 1999 to 2000; or
 - (b) 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
2. 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 1 above.

SPECIMEN

AIR AMBULANCE ENDORSEMENT

In consideration of the premium for which this policy is written, it is agreed that Paragraph 3.(c) of the GENERAL EXCLUSIONS is deleted.

SPECIMEN

**LIABILITY
PASSENGER VOLUNTARY SETTLEMENT ENDORSEMENT**

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

Coverage J - Passenger Voluntary Settlement

(Crew included excluded)

Irrespective of legal liability, to offer to pay on behalf of the **Insured** at the request of the **Named Insured**, benefits as set forth below, to or for the benefit of each **passenger** (excluding any crew member unless coverage for crew members is indicated above) who sustains **bodily injury** caused by an accident arising out of the ownership, maintenance or use of the **aircraft**.

2. Schedule of Benefits (applicable only when "X" is indicated on the appropriate line).

If such **bodily injury**, directly and independently of all other causes shall result:

- (a) within one year of the accident, in (i) the death of the **passenger**, or (ii) the loss of any two **members**, then the Company shall offer to pay the sum requested by the **Named Insured** but not exceeding the **settlement limit**; or (iii) the loss of any one **member**, then the Company shall offer to pay the sum requested by the **Named Insured** but not exceeding one half of the **settlement limit**,
- (b) in the injured **passenger** becoming **permanently totally disabled**, the Company shall offer to pay the sum requested by the **Named Insured** but not exceeding the **settlement limit**,
- (c) in the injured **passenger** becoming **totally disabled**, the Company shall, within thirty (30) days of payment, reimburse the **Named Insured** for payments made to the injured **passenger** for loss of earnings as a result of such disability, but not exceeding (i) eighty percent of the average weekly wage of the injured **passenger** based upon the twelve months period immediately preceding the date of accident, or (ii) one half of one percent of the **settlement limit** or (iii) \$250 per week, whichever is the least, for the period of such continuous **total disability** up to a maximum of fifty-two consecutive weeks.

The amount otherwise due and payable under any one of the foregoing benefits shall be reduced by the amount of any payments previously made under Coverage J to or for the same **passenger** as a result of any one accident.

3. Definitions Applicable Only to Coverage J

"Aircraft" means only the aircraft described in Paragraph 4. of this endorsement.

"Member" means a hand, foot or eye.

"Loss" means, with respect to a hand or foot, severance at or above the wrist or ankle; with respect to an eye, the entire and irrecoverable loss of sight.

SPECIMEN

Endorsement No. 3, Page 1 of 4

"Crew" means any person such as the pilot in command, co-pilot, flight engineer or flight attendant who is on board the aircraft for the purpose of assisting in the operation of the aircraft.

"Totally disabled" means the complete inability to perform each and every duty pertaining to one's occupation.

"Permanently totally disabled" means the inability of the injured passenger after twelve months of being continuously totally disabled, to perform each and every duty pertaining to any occupation or employment for wage or profit for the rest of his life.

"Settlement limit" means the amount set forth in Paragraph 4. as the settlement limit for each passenger.

4.	DESCRIPTION OF AIRCRAFT	SETTLEMENT LIMITS			
		<u>Each Passenger</u>			
	<u>Year, Make and Model</u>	<u>FAA Identification Number</u>	<u>Each Crew Member</u>	<u>Each Non-Crew Member</u>	<u>Each Accident</u>
	1989 MBB BO-105	N5417J	\$500,000.	\$500,000.	\$2,500,000.

5. Additional Exclusion applicable to Coverage J

Coverage J does not apply to **bodily injury** resulting directly or indirectly from war, invasion, civil war, revolution, rebellion, insurrection or warlike operations, whether there is a declaration of war or not.

6. Limits of the Company's Liability - Coverages B or D as applicable

The **settlement limits** set forth in Paragraph 4. of this endorsement are included in and are a part of the limits of liability specified for Coverage B or D and are not in addition thereto. The Company's limit of liability, if any, as set forth in Coverage B for "each person" shall be reduced by the amount of any payment made under Coverage J to or for "each **passenger**" and the Company's limit of liability as set forth in Coverage B or D for "each occurrence" shall be reduced by the amount of payments made under Coverage J to or for all **passengers** as the result of "each accident".

7. Limits of the Company's Liability - Coverage J

The total amount which the Company shall offer to pay with respect to any one injured **passenger** shall not exceed the amount set forth in Paragraph 4. as the **settlement limit** applicable to "each **passenger**". The total amount which the Company shall offer to pay with respect to two or more injured **passengers** in any one accident shall not exceed the amount set forth in Paragraph 4. as the **settlement limit** applicable to "each accident". Payment of any amount to or for any injured **passenger** under the provisions of Coverage B or D shall operate to terminate the Company's obligations under Coverage J with respect to such **passenger**.

SPECIMEN

8. Additional Conditions applicable to Coverage J

(a) Liability Release Required

Except with respect to Weekly Indemnity Benefits which may be afforded by Coverage J, 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 provided under Coverage B or D.

(b) 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 endorsement shall become null and void with respect to such **passenger** and the provisions of Coverage B or D shall apply as if this endorsement were not attached to the policy.

(c) Other Insurance

If any other Passenger Voluntary Settlement insurance (or Guest Voluntary Settlement insurance) which is available to or for the benefit of the injured **passenger** shall have been written through Associated Aviation Underwriters, the **settlement limits** specified in Paragraph 4. shall be reduced by the amount of such other insurance.

(d) Physical Examinations and Reports

The injured **passenger**, or someone on his 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.

(e) Any offer, payment or acceptance of benefits under Coverage J shall not constitute an admission of liability or any other type of admission whatsoever on the part of the Company or of the **Insured**.

(f) Employees of Named **Insured**

Benefits under Coverage J for any employee of the **Named Insured** shall be paid irrespective of whether such employee may be entitled to compensation or other benefits under Workers' Compensation law.

SPECIMEN

9. Policy Provisions

All policy provisions applicable to Coverages B and D shall apply to Coverage J except the Limit of the Company's Liability section and Exclusion (a).

SPECIMEN

MEDICAL PAYMENTS

In consideration of an additional premium (Included), it is agreed that:

1. Part I - Liability shall include the following coverage:

Coverage E To pay all reasonable expenses incurred within one year from the date of the **occurrence** for necessary medical, surgical, x-ray, and dental services including prosthetic devices, and necessary ambulance, hospital, professional nursing and funeral services to or for each **passenger**, including the pilot, who sustains **bodily injury**, sickness, disease or death resulting therefrom, hereinafter called "bodily injury", caused by an **occurrence**.

2. Solely with respect to the coverage afforded under Paragraph 1. of this endorsement:

- (a) Exclusion (a) is amended to read:

- (a) to **bodily injury** sustained by any **passenger** to the extent benefits are payable under any Workers' Compensation or Occupational Disease act, plan or law.

- (b) The Limits of Liability shall read:

The limit of the Company's liability under this endorsement for all expenses incurred by or on behalf of each **passenger** who sustains **bodily injury** as a result of any one **occurrence** is \$10,000., and subject to the foregoing limit with respect to each **passenger** the total limit of the Company's liability under this endorsement for all expenses incurred by two or more **passengers** who sustain **bodily injury** as a result of any one **occurrence** is the amount applicable above to each **passenger** multiplied by the **aircraft's** passenger capacity, as defined, but in no event more than \$50,000.

- (c) Other Insurance of Part I - Liability is amended to read:

Other Insurance

The insurance afforded under this endorsement shall be excess insurance over any other valid and collectible medical payments insurance.

- (d) Condition 6. - Action against the Company. Part I, is amended to read:

6. Action Against the Company. No action shall lie against the Company with respect to the insurance afforded under this policy unless as a precedent thereto there shall have been full compliance with all of the terms of this policy.

SPECIMEN

(e) Condition 4. - Premium and Reports, Inspection and Audit shall include:

Coverage E - Medical Reports, Proof and Payment of Claims 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 the Company may reasonably require.

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

SPECIMEN

ATTACHMENT "A"

PILOT INFORMATION

ASSOCIATED AVIATION UNDERWRITERS

RENEWAL QUESTIONNAIRE/PILOT



USE ONLY FOR POLICY RENEWAL AND ONLY IF A COMPLETE PILOT QUESTIONNAIRE HAS BEEN SUBMITTED PREVIOUSLY.

NAME OF POLICYHOLDER/AIRCRAFT OWNER: Lee County Board of County Commissioners

NAME OF PILOT: Ricky K Tackett Sr Date of Birth: 5/3/55

Address of Pilot: _____

Name of Pilot's employer: Lee County Emergency Medical Services

Pilot Certificate: ATP Commercial Private Student Instructor
 Ratings: ASEL ASES AMEL AMEL-CLT AMES
 Helicopter Instrument Airframe Powerplant
 Mechanics: Airframe Powerplant Inspection Authority
 Type Ratings: BO-105

F.A.A. Certificate No. 548-94-2366 F.A.A. Medical Class II Date 09/27/2001

Waivers or Limitations Corrective lenses available for near vision

FLIGHT PROFICIENCY:

Most recent Biennial Flight Review: Date 02/19/2002 Type of aircraft used: BO-105 Helicopter

Other proficiency check (If Applicable): Date 11/25/2001 Inst. _____ Type of aircraft used: BO-105 Helicopter

Recent formal training: Name of facility 02/19/2002 Factory Bi-Annual Flight & Ground Review

Date 02/19/2002 Type of aircraft used: BO-105 Helicopter

Course: Ground School Simulator Flight Refresher

Current Crew Position Aircraft Type: BO-105 Helicopter Captain Copilot

(Professional Pilots) Aircraft Type: _____ Captain Copilot

Aircraft Type: _____ Captain Copilot

Flight Experience	Number of Logged Flying Hours in Last 90 Days			Number of Logged Flying Hours in Last 12 Months			Estimated Flight Hours Next 12 Months		
Make & Model of Aircraft	BO105			BO105			BO105		
As Pilot in Command	17.9			67.6			67.6		
As Copilot*									

* Log co-pilot time only if aircraft certification requires cockpit crew of two or regulations for flight require a co-pilot.

TOTAL LOGGED FLYING HOURS: _____

Explain circumstances if:

- You have any: (a) physical impairments, B) Corrective Lenses available for near vision
 (b) waivers, limitations, conditions on your medical certificate or on your Pilot certificate none of pilot certificate
- An FAA, Transport Canada, Military or other pilot certificate held by you has ever been suspended or revoked NO
- You have ever been cited for violation of any aviation regulation in any country NO
- You have ever been involved in any aircraft accident NO
- You have ever been convicted of or pleaded guilty to a felony or driving while intoxicated NO

All particulars herein are declared to be true and complete to the best of my/our knowledge and no further information has been withheld or suppressed. I hereby authorize the insurer to investigate all or any qualifications or statements contained herein.

Date May 5, 2002 Pilot's Signature Signature on file

Policyholder's Signature(s) _____

ASSOCIATED AVIATION UNDERWRITERS

RENEWAL QUESTIONNAIRE/PILOT



USE ONLY FOR POLICY RENEWAL AND ONLY IF A COMPLETE PILOT QUESTIONNAIRE HAS BEEN SUBMITTED PREVIOUSLY.

NAME OF POLICYHOLDER/AIRCRAFT OWNER: Lee County Board of County Commissioners
 NAME OF PILOT: Diana Tackett Date of Birth: 2/14/61

Address of Pilot: _____

Name of Pilot's employer: Lee County EMS

Pilot Certificate: ATP Commercial Private Student Instructor
 Ratings: ASEL ASES AMEL AMEL-CLT AMES
 Helicopter Instrument Type Ratings _____
 Mechanics: Airframe Powerplant Inspection Authority

F.A.A. Certificate No. 488600945 F.A.A. Medical Class II Date 2/25/2002

Waivers or Limitations None

FLIGHT PROFICIENCY:

Most recent Biennial Flight Review: Date 2/2002 Type of aircraft used: B0105

Other proficiency check (If Applicable): Date _____ Type of aircraft used: _____

Recent formal training: Name of facility _____

Date _____ Type of aircraft used: _____

Course: Ground School Simulator Flight Refresher

Current Crew Position Aircraft Type: B0105 Captain Copilot

(Professional Pilots) Aircraft Type: _____ Captain Copilot

Aircraft Type: _____ Captain Copilot

Flight Experience	Number of Logged Flying Hours in Last 90 Days		Number of Logged Flying Hours in Last 12 Months			Estimated Flight Hours Next 12 Months		
Make & Model of Aircraft	B0105		B0105			B0105		
As Pilot in Command	11.2		49			50		
As Copilot*								

* Log co-pilot time only if aircraft certification requires cockpit crew of two or regulations for flight require a co-pilot.

TOTAL LOGGED FLYING HOURS: 5220

Explain circumstances if:

- You have any: (a) physical impairments, None
 (b) waivers, limitations, conditions on your medical certificate or on your Pilot certificate _____
- An FAA, Transport Canada, Military or other pilot certificate held by you has ever been suspended or revoked no
- You have ever been cited for violation of any aviation regulation in any country no
- You have ever been involved in any aircraft accident no
- You have ever been convicted of or pleaded guilty to a felony or driving while intoxicated no

All particulars herein are declared to be true and complete to the best of my/our knowledge and no further information has been withheld or suppressed. I hereby authorize the insurer to investigate all or any qualifications or statements contained herein.

Date 5/5/02 Pilot's Signature Signature on file
 Policyholder's Signature(s) _____

ASSOCIATED AVIATION UNDERWRITERS

RENEWAL QUESTIONNAIRE/PILOT



USE ONLY FOR POLICY RENEWAL AND ONLY IF A COMPLETE PILOT QUESTIONNAIRE HAS BEEN SUBMITTED PREVIOUSLY.

NAME OF POLICYHOLDER/AIRCRAFT OWNER: Lee County Board of County Commissioners

NAME OF PILOT: Fred R. Ungerer Date of Birth: October 1, 1946

Address of Pilot: _____

Name of Pilot's employer: Lee County Emergency Medical Service

Pilot Certificate: ATP Commercial Private Student Instructor
 Ratings: ASEL ASES AMEL AMEL-CLT AMES
 Helicopter Instrument Type Ratings: S-58T, DC-3, LR Jet
 Mechanics: Airframe Powerplant Inspection Authority

F.A.A. Certificate No. 1775710 F.A.A. Medical Class II Date 12-03-2001

Waivers or Limitations Must have corrective lenses available for near vision.

FLIGHT PROFICIENCY:

Most recent Biennial Flight Review: Date Feb 20, 2002 Type of aircraft used: Helicopter

Other proficiency check (If Applicable): Date Instrument Currency Type of aircraft used: Helicopter

Recent formal training: Name of facility American Eurocopter Bi Annual Flight Review

Date Feb 20, 2002 Type of aircraft used: Helicopter

Course: Ground School Simulator Flight Refresher

Current Crew Position Aircraft Type: MBR BO 105 Captain Copilot

(Professional Pilots) Aircraft Type: _____ Captain Copilot

Aircraft Type: _____ Captain Copilot

Flight Experience	Number of Logged Flying Hours in Last 90 Days			Number of Logged Flying Hours in Last 12 Months			Estimated Flight Hours Next 12 Months		
	Make & Model of Aircraft			BO105	DC-3	Cessna140	BO 105	DC-3	Cessna140
As Pilot in Command		7.3		73.7	15.9	12.5	25	10	40
As Copilot*									

*Log co-pilot time only if aircraft certification requires cockpit crew of two or regulations for flight require a co-pilot.

TOTAL LOGGED FLYING HOURS: 13,401.6

Explain circumstances if:

- You have any: (a) physical impairments, NONE
 (b) waivers, limitations, conditions on your medical certificate or on your Pilot certificate Eyeglass for near vision
- An FAA, Transport Canada, Military or other pilot certificate held by you has ever been suspended or revoked NO
- You have ever been cited for violation of any aviation regulation in any country NO
- You have ever been involved in any aircraft accident NO
- You have ever been convicted of or pleaded guilty to a felony or driving while intoxicated _____

All particulars herein are declared to be true and complete to the best of my/our knowledge and no further information has been withheld or suppressed. I hereby authorize the insurer to investigate all or any qualifications or statements contained herein.

Date 5/7/02 Pilot's Signature Signature on file

Policyholder's Signature(s) _____

ASSOCIATED AVIATION UNDERWRITERS RENEWAL QUESTIONNAIRE/PILOT



USE ONLY FOR POLICY RENEWAL AND ONLY IF A COMPLETE PILOT QUESTIONNAIRE HAS BEEN SUBMITTED PREVIOUSLY.

NAME OF POLICYHOLDER/AIRCRAFT OWNER: Lee County Board of County Commissioners

NAME OF PILOT: Carmen A Trunk Jr Date of Birth: 2/21/45

Address of Pilot: _____

Name of Pilot's employer: Lee County Dept Public Safety

Pilot Certificate: ATP Commercial Private Student Instructor
 Ratings: ASEL ASES AMEL AMEL-CLT AMES
 Helicopter Instrument Type Ratings Bell 206, Bell 222
 Mechanics: Airframe Powerplant Inspection Authority

F.A.A. Certificate No. 202-34-0687 F.A.A. Medical Class II Date Feb 2002

Waivers or Limitations Must have reading glasses at all times

FLIGHT PROFICIENCY:

Most recent Biennial Flight Review: Date Feb 2002 Type of aircraft used: BO 105

Other proficiency check (If Applicable): Date Instructor Renewal Type of aircraft used: Feb 2002

Recent formal training: Name of facility American Eurocopter at Fort Myers

Date 2/18/02 Type of aircraft used: BO 105

Course: Ground School Simulator Flight Refresher

Current Crew Position Aircraft Type: BO 105 Captain Copilot

(Professional Pilots) Aircraft Type: _____ Captain Copilot

Aircraft Type: _____ Captain Copilot

Flight Experience	Number of Logged Flying Hours in Last 90 Days			Number of Logged Flying Hours in Last 12 Months			Estimated Flight Hours Next 12 Months		
Make & Model of Aircraft	BO105			BO105			BO105		
As Pilot in Command	13.3			83.9			90-100		
As Copilot*									

* Log co-pilot time only if aircraft certification requires cockpit crew of two or regulations for flight require a co-pilot.

TOTAL LOGGED FLYING HOURS: _____

Explain circumstances if:

- You have any: (a) physical impairments, NO
 (b) waivers, limitations, conditions on your medical certificate or on your Pilot certificate must carry reading glasses
- An FAA, Transport Canada, Military or other pilot certificate held by you has ever been suspended or revoked yes-medical- Oct 1975-Feb 1976
head injury
- You have ever been cited for violation of any aviation regulation in any country NO
- You have ever been involved in any aircraft accident yes 1975 Engine Failure Philadelphia PA
- You have ever been convicted of or pleaded guilty to a felony or driving while intoxicated NO

All particulars herein are declared to be true and complete to the best of my/our knowledge and no further information has been withheld or suppressed. I hereby authorize the insurer to investigate all or any qualifications or statements contained herein.

Date 5/6/02 Pilot's Signature Signature on file

Policyholder's Signature(a) _____

ASSOCIATED AVIATION UNDERWRITERS

RENEWAL QUESTIONNAIRE/PILOT



USE ONLY FOR POLICY RENEWAL AND ONLY IF A COMPLETE PILOT QUESTIONNAIRE HAS BEEN SUBMITTED PREVIOUSLY.

NAME OF POLICYHOLDER/AIRCRAFT OWNER: Lee County Board of County Commissioners

NAME OF PILOT: McAllister Arnold A Date of Birth: 7/12/62

Address of Pilot: _____

Name of Pilot's employer: Lee County EMS

Pilot Certificate: ATP Commercial Private Student Instructor
 Ratings: ASEL ASES AMEL AMEL-CLT AMES
 Helicopter Instrument Type Ratings _____
 Mechanics: Airframe Powerplant Inspection Authority

F.A.A. Certificate No. ATP 466-31-9027 F.A.A. Medical Class I Date Feb 2002

Waivers or Limitations None

FLIGHT PROFICIENCY:

Most recent Biennial Flight Review: Date Feb 2002 Type of aircraft used: BO 105

Other proficiency check (if applicable): Date _____ Type of aircraft used: _____

Recent formal training: Name of facility American Eurocopter at Ft Myers

Date 02/18/02 Type of aircraft used: BO 105

Course: Ground School Simulator Flight Refresher

Current Crew Position Aircraft Type: BO 105 Captain Copilot

(Professional Pilots) Aircraft Type: _____ Captain Copilot

Aircraft Type: _____ Captain Copilot

Flight Experience	Number of Logged Flying Hours in Last 90 Days			Number of Logged Flying Hours in Last 12 Months			Estimated Flight Hours Next 12 Months		
	BO105	AS350		BO105	AS350		BO105		
As Pilot in Command	29.0	0		29.0	+300		90-100		
As Copilot*									

* Log co-pilot time only if aircraft certification requires cockpit crew of two or regulations for flight require a co-pilot.

TOTAL LOGGED FLYING HOURS: +7000

Explain circumstances if:

1. You have any: (a) physical impairments, no

(b) waivers, limitations, conditions on your medical certificate or on your Pilot certificate None

2. An FAA, Transport Canada, Military or other pilot certificate held by you has ever been suspended or revoked no

3. You have ever been cited for violation of any aviation regulation in any country no

4. You have ever been involved in any aircraft accident no

5. You have ever been convicted of or pleaded guilty to a felony or driving while intoxicated no

All particulars herein are declared to be true and complete to the best of my/our knowledge and no further information has been withheld or suppressed. I hereby authorize the insurer to investigate all or any qualifications or statements contained herein.

Date 5/04/2002 Pilot's Signature Signature on file

Policyholder's Signature(s) _____

ATTACHMENT "B"
AIRCRAFT INFORMATION

AIRCRAFT INFORMATION

Aircraft Owner: Lee County Board of County Commissioners

Aircraft Base: Lee County Helicopter Operations
4682 Terminal Drive, SE
Paige Field
Ft. Myers, FL 33907

Hangered: Yes

Year/Make/Model: 1989 MBB BO-105
Registration: N5417J

Lienholder (s): None

Aircraft Use: Air Ambulance; Commercial transportation of passengers and patients or cargo for related operations of medical transport and industrial aid.

Area of Operation: Lee County

Date of Last 100 hr. inspection: Currently down for 6,000 hr./12 year inspection – anticipate completion on or about 7/10/02.

Estimated flight hours/year: 300 hours for time sensitive - critical flights; 360 calls a year.

Landings: Most sites are marked; building top landing pads used daily – as needed to land at hospitals: Lee Memorial Hospital, Ft. Myers; Shands, Gainesville; Bayfront/Tampa General.

Over water flights: Yes; daily – as needed to get to local islands.

Night flights: Yes; as needed. 30% of the time.

ATTACHMENT #5

P-020546

STEP TWO

AVIATION BUSINESS INSURANCE PROPOSAL

FOR

LEE COUNTY BOARD OF COUNTY COMMISSIONERS

Prepared by:

*The Staff of NationAir Insurance Agencies, Inc.
700 S. Babcock Street, Suite 400
Melbourne, FL 32901*

PETER W. TORELL

JULY 19th, 2002

Carrier:

ASSOCIATED AVIATION UNDERWRITERS

PRICE PAGE

LEE COUNTY BOARD OF COUNTY COMMISSIONERS
 AIRCRAFT HULL AND LIABILITY INSURANCE
 STEP TWO - PRICES

Name of Firm: NationAir Insurance Agencies, Inc.

Liability Coverages	Limits of Liability	Net Premium	Percentage Commissions	Dollar Amt. Commissions	Total Premium (Inc. Commissions)
Bodily Injury and Property Damage Liability (including passengers)	Option A: \$1M per occurrence	\$ 12,750.00	15 %	\$ 2,250.00	\$ 15,000.00
	Option B: \$3M per occurrence	\$ 15,053.00	15 %	\$ 2,657.00	\$ 17,710.00
	Option C: \$5M per occurrence	\$ 17,357.00	15 %	\$ 3,063.00	\$ 20,420.00
Medical Payments (including crew)	\$10,000 each person \$50,000 each occurrence	\$ N/A	N/A %	\$ N/A	\$ Included

Physical Damage Coverages	Hull Value	Deductible	Net Premiums	Percentage Commissions	Dollar Amt. Commissions	Total Premium (Inc. Commissions)
All Risk Physical Damage-RNIM*	Option A: \$800,000	\$ 5,000	\$ N/A	N/A %	\$ N/A	\$ Included
	Option B: \$1,000,000	\$ 5,000	\$ N/A	N/A %	\$ N/A	\$ Included
All Risk Physical Damage-RIM**	Option A: \$800,000	\$ 40,000	\$ 48,620.00	15 %	\$ 8,580.00	\$ 57,200.00
	Option B: \$1,000,000	\$ 50,000	\$ 60,775.00	15 %	\$ 10,725.00	\$ 71,500.00

Additional coverage options and pricing may be provided on a separate sheet for the County to consider.

*RNIM = Rotors Not In Motion

**RIM = Rotors In Motion

LEE COUNTY, FLORIDA
PROPOSAL QUOTE FORM FOR THE
AIRCRAFT HULL AND LIABILITY INSURANCE
STEP TWO - PRICES

DATE SUBMITTED: 7/19/2002

VENDOR NAME: NationAir Insurance Agencies, Inc.

TO: The Board of County Commissioners
Lee County
Fort Myers, Florida

Having carefully examined the "General Conditions", and the "Detailed Specifications", all of which are contained herein, the Undersigned proposes to furnish the following which meet these specifications:

The undersigned acknowledges receipt of Addenda numbers: N/A

Proposers should carefully read all the terms and conditions of the specifications. Any representation of deviation or modification to the proposal may be grounds to reject the proposal.

Are there any modifications to the proposal or specifications?
Yes XX No _____

Failure to clearly identify any modifications in the space below or on a separate page may be grounds for the proposer being declared nonresponsive or to have the award of the proposal rescinded by the County.

MODIFICATIONS:

ITEM IN SPECIFICATIONS 1.5
CANCELLATION & NON- RENEWAL

Ninety (90) days for Non-Renewal and Reduction in Coverage
Sixty (60) days for other than Non-Payment of Premium
Ten (10) days for Non-Payment of Premium.

Proposer shall submit his/her proposal on the County's Proposal Price Form, including the firm name and authorized signature. Any blank spaces on the Proposal Price Form, qualifying notes or exceptions, counter offers, lack of required submittals, or signatures, on Lee County's Form may result in the Proposer/Proposal being declared non-responsive by the County.

ANTI-COLLUSION STATEMENT

THE BELOW SIGNED PROPOSER HAS NOT DIVULGED TO, DISCUSSED OR COMPARED HIS PROPOSAL WITH OTHER PROPOSERS AND HAS NOT COLLUDED WITH ANY OTHER PROPOSER OR PARTIES TO A PROPOSAL WHATSOEVER. NOTE: NO PREMIUMS, REBATES OR GRATUITIES TO ANY EMPLOYEE OR AGENT ARE PERMITTED EITHER WITH, PRIOR TO, OR AFTER ANY DELIVERY OF MATERIALS. ANY SUCH VIOLATION WILL RESULT IN THE CANCELLATION AND/OR RETURN OF MATERIAL (AS APPLICABLE) AND THE REMOVAL FROM THE MASTER BIDDERS LIST.

FIRM NAME NationAir Insurance Agencies, Inc.

BY (Printed): Peter W. Torelli

BY (Signature): 

TITLE: Vice-President

FEDERAL ID# or S.S.#: 431 188 120

ADDRESS: 700 South Babcock Street, Suite 400

Melbourne, Florida 32901

PHONE NO.: (321) 259-4800

FAX NO.: (321) 255-1471

CELLULAR PHONE/PAGER NO.: (321) 258-2233

LEE COUNTY OCCUPATIONAL LICENSE NO.: N/A

E-MAIL ADDRESS: nationins@aol.com



700 SOUTH BABCOCK STREET, SUITE 400, MELBOURNE, FL 32901

ADDENDUM

LEE COUNTY BOARD OF COUNTY COMMISSIONERS

ADDITIONAL COVERAGES:

WAR RISK HULL:

VALUE:	NET PREMIUM	PERCENTAGE COMMISSION	DOLLAR AMT. COMMISSION	TOTAL PREMIUM (INCL. COMM)
OPTION A: \$800,000	\$1,020.00	15%	\$180.00	\$1,200.00
OPTION B:\$1,000,000	\$1,275.00	15%	\$225.00	\$1,500.00

WAR RISK LIABILITY:

OPTION A:\$1M PER OCC.	\$2,550.00	15%	\$450.00	\$3,000.00
OPTION B:\$3M PER OCC.	\$3,011.00	15%	\$531.00	\$3,542.00
OPTION C:\$5M PER OCC.	\$3,471.00	15%	\$613.00	\$4,084.00

GUEST VOLUNTARY SETTLEMENT INCLUDING CREW:

LIMITS:

\$500,000 EACH PERSON / \$2,500,000 EACH OCCURRENCE

NET PREMIUM	PERCENTAGE COMMISSION	DOLLAR AMOUNT COMMISSION	TOTAL PREMIUM INCL. COMMISSIONS
\$1,062.00	15%	\$188.00	\$1,250.00

**LIABILITY
PASSENGER VOLUNTARY SETTLEMENT ENDORSEMENT**

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

Coverage J - Passenger Voluntary Settlement

(Crew ^C included ^C excluded)

Irrespective of legal liability, to offer to pay on behalf of the **Insured** at the request of the **Named Insured**, benefits as set forth below, to or for the benefit of each **passenger** (excluding any **crew** member unless coverage for **crew** members is indicated above) who sustains **bodily injury** caused by an accident arising out of the ownership, maintenance or use of the **aircraft**.

2. Schedule of Benefits (applicable only when "X" is indicated on the appropriate line).

If such **bodily injury**, directly and independently of all other causes shall result:

- ^C (a) within one year of the accident, in (i) the death of the **passenger**, or (ii) the **loss** of any two **members**, then the Company shall offer to pay the sum requested by the **Named Insured** but not exceeding the **settlement limit**; or (iii) the **loss** of any one **member**, then the Company shall offer to pay the sum requested by the **Named Insured** but not exceeding one half of the **settlement limit**,
- ^C (b) in the injured **passenger** becoming **permanently totally disabled**, the Company shall offer to pay the sum requested by the **Named Insured** but not exceeding the **settlement limit**,
- ^C (c) in the injured **passenger** becoming **totally disabled**, the Company shall, within thirty (30) days of payment, reimburse the **Named Insured** for payments made to the injured **passenger** for loss of earnings as a result of such disability, but not exceeding (i) eighty percent of the average weekly wage of the injured **passenger** based upon the twelve months period immediately preceding the date of accident, or (ii) one half of one percent of the **settlement limit** or (iii) \$250 per week, whichever is the least, for the period of such continuous **total disability** up to a maximum of fifty-two consecutive weeks.

The amount otherwise due and payable under any one of the foregoing benefits shall be reduced by the amount of any payments previously made under Coverage J to or for the same **passenger** as a result of any one accident.

3. Definitions Applicable Only to Coverage J

"**Aircraft**" means only the aircraft described in Paragraph 4. of this endorsement.

"**Member**" means a hand, foot or eye.

"**Loss**" means, with respect to a hand or foot, severance at or above the wrist or ankle; with respect to an eye, the entire and irrecoverable loss of sight.

"Crew" means any person such as the pilot in command, co-pilot, flight engineer or flight attendant who is on board the **aircraft** for the purpose of assisting in the operation of the **aircraft**.

"Totally disabled" means the complete inability to perform each and every duty pertaining to one's occupation.

"Permanently totally disabled" means the inability of the injured **passenger** after twelve months of being continuously **totally disabled**, to perform each and every duty pertaining to any occupation or employment for wage or profit for the rest of his life.

"Settlement limit" means the amount set forth in Paragraph 4. as the settlement limit for each **passenger**.

4.	DESCRIPTION OF AIRCRAFT	SETTLEMENT LIMITS			
		FAA	Each Passenger		
		Identification	Each Crew	Each Non-Crew	Each
<u>Year, Make and Model</u>	<u>Number</u>	<u>Member</u>	<u>Member</u>	<u>Accident</u>	
	^C	^C	\$^C	\$^C	\$^C
	^C	^C	\$^C	\$^C	\$^C
	^C	^C	\$^C	\$^C	\$^C
	^C	^C	\$^C	\$^C	\$^C

5. Additional Exclusion applicable to Coverage J

Coverage J does not apply to **bodily injury** resulting directly or indirectly from war, invasion, civil war, revolution, rebellion, insurrection or warlike operations, whether there is a declaration of war or not.

6. Limits of the Company's Liability - Coverages B or D as applicable

The **settlement limits** set forth in Paragraph 4. of this endorsement are included in and are a part of the limits of liability specified for Coverage B or D and are not in addition thereto. The Company's limit of liability, if any, as set forth in Coverage B for "each person" shall be reduced by the amount of any payment made under Coverage J to or for "each **passenger**" and the Company's limit of liability as set forth in Coverage B or D for "each occurrence" shall be reduced by the amount of payments made under Coverage J to or for all **passengers** as the result of "each accident".

7. Limits of the Company's Liability - Coverage J

The total amount which the Company shall offer to pay with respect to any one injured **passenger** shall not exceed the amount set forth in Paragraph 4. as the **settlement limit** applicable to "each **passenger**". The total amount which the Company shall offer to pay with respect to two or more injured **passengers** in any one accident shall not exceed the amount set forth in Paragraph 4. as the **settlement limit** applicable to "each accident". Payment of any amount to or for any injured **passenger** under the provisions of Coverage B or D shall operate to terminate the Company's obligations under Coverage J with respect to such **passenger**.

8. Additional Conditions applicable to Coverage J

(a) Liability Release Required

Except with respect to Weekly Indemnity Benefits which may be afforded by Coverage J, 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 provided under Coverage B or D.

(b) 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 endorsement shall become null and void with respect to such **passenger** and the provisions of Coverage B or D shall apply as if this endorsement were not attached to the policy.

(c) Other Insurance

If any other Passenger Voluntary Settlement insurance (or Guest Voluntary Settlement insurance) which is available to or for the benefit of the injured **passenger** shall have been written through Associated Aviation Underwriters, the **settlement limits** specified in Paragraph 4. shall be reduced by the amount of such other insurance.

(d) Physical Examinations and Reports

The injured **passenger**, or someone on his 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.

(e) Any offer, payment or acceptance of benefits under Coverage J shall not constitute an admission of liability or any other type of admission whatsoever on the part of the Company or of the **Insured**.

(f) Employees of **Named Insured**

Benefits under Coverage J for any employee of the **Named Insured** shall be paid irrespective of whether such employee may be entitled to compensation or other benefits under Workers' Compensation law.

9. Policy Provisions

All policy provisions applicable to Coverages B and D shall apply to Coverage J except the Limit of the Company's Liability section and Exclusion (a).

PHYSICAL DAMAGE COVERAGE
(Applicable to the War, Hi-jacking and Other Perils Exclusion)

In consideration of an additional premium of \$SPECIMEN and solely as respects the aircraft described in the schedule of this endorsement, it is agreed that sub-paragraphs (a), (c), (d), (e), (f) and (g) of General Exclusion 2, the War, Hi-jacking and Other Perils Exclusion, of this policy are deleted as respects the Physical Damage Coverage 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. This insurance shall only apply to the extent that the **loss** or damage is not otherwise excluded by sub-paragraph (b) of General Exclusion 2, the War, Hi-jacking and Other Perils Exclusion.
2. The limits of the Company's liability as respects the insurance afforded by this endorsement shall not exceed, in the aggregate during the policy period, the lesser of:
 - (a) the sum of the Insured Values of the aircraft described in the schedule of this endorsement on the date of **loss**, or
 - (b) \$300,000,000.
3. (a) Amendment of Terms or Cancellation:

The Company may give 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 after which notice is issued, to review the rate of premium and/or the geographical limits. In the event of the review of the rate of premium and/or the geographical limits not being accepted by the **Named Insured** then at the expiry of the said seven (7) days, this endorsement shall become canceled at that date.

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- (b) Automatic Review of Terms or Cancellation:

Notwithstanding 3 (a) above, this endorsement is subject to automatic review by the Company of the rate of premium and/or conditions and/or geographical limits effective on the expiry of seven (7) days from the time of 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 wheresoever or whensoever such detonation may occur and whether or not an aircraft described in the schedule of this endorsement may be involved. In the event of the review of the rate of premium and/or conditions and/or the geographical limits not being accepted by the **Named Insured** then at the expiry of the said seven (7) days, this endorsement shall become canceled at that date.

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- (c) Cancellation by Notice:

This endorsement may be canceled by the Company or the **Named Insured** giving notice not less than seven (7) days prior to the end of each period of three (3) months from inception.

4. Automatic Termination:

Whether or not such notice of cancellation has been given, this endorsement shall terminate automatically upon the outbreak of war (whether there be a declaration of war or not) between any of the following states: the United Kingdom, the United States of America, France, the Russian Federation, the People's Republic of China. Provided that if an aircraft described in the schedule of this endorsement is in **flight** when such outbreak of war occurs then this endorsement, subject to its terms and conditions and provided it is not otherwise canceled, terminated or suspended, will be continued as respects such aircraft until such aircraft has completed its first landing thereafter.

SCHEDULE

Year, Make and Model

Identification Number

LIABILITY AND MEDICAL EXPENSES COVERAGE
(Applicable to the War, Hi-jacking and Other Perils Exclusion)

In consideration of an additional premium of \$SPECIMEN, it is agreed that sub-paragraphs (a), (c), (d), (e), (f) and (g) of General Exclusion 2, the War, Hi-jacking and Other Perils Exclusion, of this policy are deleted as respects the Liability Coverage and Medical Expense Coverage, if any, 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 Exclusion 2, 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.

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 \$SPECIMEN any one **occurrence** and in the annual aggregate except with respect to **passengers** to whom the full policy limit(s) shall apply. 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 Exclusion 2, 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 after 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 this endorsement by reference to sub-paragraphs (c), (d), (e), (f) and/or (g) of General Exclusion 2, 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 after 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 after which notice is given.

(d) Notices

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

PAYMENT OPTIONS AVAILABLE

PAYMENT A: PAYMENT FOR FULL ANNUAL PREMIUM WITHIN THIRTY DAYS OF INCEPTION OF EFFECTIVE DATE.

PAYMENT B: 40% DUE AND PAYABLE ON 10/01/2002 OF TOTAL PREMIUM BOUND TO INCLUDE A \$25.00 SERVICE CHARGE ON THE FIRST INSTALLMENT

SECOND PAYMENT DUE AND PAYABLE ON 10/31/2002

THRID PAYMENT DUE AND PAYABLE ON 11/30/2002

PAYMENT C: 50% DUE AND PAYABLE ON 10/01/2002 OF TOTAL PREMIUM BOUND TO INCLUDE A \$10.000 SERVICE CHARGE ON THE FIRST INSTALLMENT

50% DUE AND PAYABLE ON 10/31/2002

ATTACHMENT #6

Earl Pflaumer - Insurance Quote Renewal for Helicopter

Page 1

From: Fred Ungerer
To: Jackson, Georgi
Date: 8/16/02 2:14PM
Subject: Insurance Quote Renewal for Helicopter

Georgi,

I spoke with Chris, we agreed to leave the quote as is. That is, we will maintain status quo with the currently expiring contract. I believe the quote of \$98,754.00 figure represents that status.

Thanks,

Fred

CC: Hansen, Chris; Pflaumer, Earl

MEMORANDUM
FROM
OFFICE OF THE COUNTY MANAGER
RISK MANAGEMENT

Date: July 30, 2002

To: Fred Ungerer, Chief Pilot
Public Safety

From: Lori Parker Parsons
Risk Program Manager

RE: AVIATION HULL & LIABILITY INSURANCE

Attached please find a synopsis of the various insurance bids that have been received for the renewal of the aviation insurance on 10/1/02.

This coverage was formally bid and Nation Air was the only bidder. Our incumbent underwriter, Associated Aviation Underwriters (AAU), is offering the attached coverage and options.

As you can see, to renew the coverage as per expiring limits, terms and conditions, the premium will be \$98,754. This represents an increase of 33.65%.

Please take a look at the attached options and call me to discuss.

Cc: John Wilson, Public Safety
Chris Hansen, Public Safety
Richard "Rocco" Cranford, Public Safety

LEE COUNTY BOARD OF COUNTY COMMISSIONERS

AVIATION HULL & LIABILITY INSURANCE
EMS HELICOPTER

COVERAGES	Current 10/1/01-02	Renew Per Expiring 10/1/02-03	Decrease Hull Value 10/1/02-03	Decrease Liability \$3M 10/1/02-03	Decrease Liability \$1M 10/1/02-03	Decrease Hull & Liability 10/1/02-03
Liability <i>Option A: \$1M per occurrence</i> <i>Option B: \$3M per occurrence</i> <i>Option C: \$5M per occurrence</i>	\$71,200	\$20,420	\$20,420	\$17,710	\$15,000	\$17,710
Physical Damage - Hull <i>Option A: \$800,000</i> <i>Option B: \$1,000,000</i>	<i>Incl.</i>	\$71,500	\$57,200	\$71,500	\$71,500	\$57,200
Optional Coverage:						
War Risk - Liability <i>Option A: \$1M per occurrence</i> <i>Option B: \$3M per occurrence</i> <i>Option C: \$5M per occurrence</i>	\$2,690	\$4,084	\$4,084	\$3,542	\$3,000	\$3,542
War Risk - Hull <i>Option A: \$800,000</i> <i>Option B: \$1,000,000</i>	<i>Incl.</i>	\$1,500	\$1,200	\$1,500	\$1,500	\$1,200
Guest Voluntary Settlement	<i>Incl.</i>	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
TOTAL	\$73,890	\$98,754	\$84,154	\$95,502	\$92,250	\$80,902