

# **Mentone Flying Club Contingency Plan for Hull Protection**

Effective Date: 01 June 2005

## **DECLARATIONS**

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Contingency protection is provided only for those coverages, limits of protection and endorsements shown in the following pages of this plan.

## **LIMITS OF PROTECTION**

A. Limit to **Current Fair Market Value** of any Club aircraft hangared at the Fulton County (Indiana) Municipal Airport, Rochester, IN 46975

B. Included: MAX LIMIT IN ANY ONE LOSS RESULTING FROM THEFT OF:

C. IN ANY ONE LOSS, DISASTER, ACT OF GOD, OR CASUALTY, EITHER IN CASE OF PARTIAL LOSS OR TOTAL LOSS OR SALVAGE OF ANY OTHER COSTS AND EXPENSES OR ALL COMBINED;

D. DEDUCTIBLE AMOUNT

\$1,500.00 max. out-of-pocket stop loss

: Sliding scale of 0% to 100% applies to the first \$1,500

E. SPECIAL PROVISIONS

See Special Conditions

## **Reporting Clause – Reserve Deposit Fund and Cancellation**

The Mentone Flying Club, Inc., must keep an accurate record of the fair market value of all owned aircraft during the term of this contingency protection fund. The term as noted is from 01 June through 31 May reoccurring on an annual basis. Electing in and out of this plan should occur at the time of the annual renewal. Outside of this premise, a qualifying event should occur in order for changes to take place.

All owner-members of the Mentone Flying Club, Inc. who wish to be an active contributor to this contingency protection fund must submit their payment before the annual term date. New member-owners wishing to participate in this plan will be pro-rated their fee and will be required to declare their intentions of chosen protection before being allowed to fly Club aircraft. Member-owners leaving the club for whatever reason will be given a refund for their current year of protection not to exceed a six-month prorated amount at maximum.

## **SPECIAL CONDITIONS**

### **Causes of Loss Not Covered**

Though it is impossible to cover virtually every situation in writing, the following conditions highlight the major causes for the contingency fund not paying for damage to one of the Club's aircraft. This list is subject to modification.

- Negligence regarding the proper care and handling of aircraft while on the ground or in a hangar.
- Negligence regarding the breaking of a F.A.R. if it contributed directly to the accident / incident will be taken into strong consideration by the Review Committee. If the broken F.A.R. did not precipitate the cause of the accident / incident, it will not be investigated. Common sense will prevail regarding this enforcement.
- Any fraudulent, dishonest, or criminal act by a member-owner, officer, board of director, flight instructor, or respective passenger.
- Any delay, loss of market, loss of income potential, loss of use or any other remote or consequential loss.
- Member-owner liability for the payment of any fines, assessments, damages, attorneys' fees, court costs, or other penalties which member-owner shall be required to pay as a result of your violation of any major law or rule or regulation relating to any delay in the payment, denial or settlement of any claim for loss.

**Limits of Protection:** The most the Mentone Flying Club, Inc. will pay for resulting from damage is the Limit of Protection stated in this plan.

**Individual Property Not Covered:** The Mentone Flying Club, Inc., in addition to the aforementioned, will not pay for:

1. Loss or damage to accounts, bills, deeds, evidences of debt, letters of credit, passports, documents, tickets, notes, securities, money, currency, bullion, precious stones, jewelry and/or other similar valuables, paintings, statuary and other works of art, manuscripts, mechanical drawings and live animals.
2. Loss or damage to property in storage for which member-owner has agreed to store under warehouse receipts or written contracts.
3. Loss or damage to property which is carried gratuitously or [illegally] for hire.

## **CERTIFIED ACTS OF TERRORISM EXCLUSION**

### **I. Certified Acts of Terrorism Exclusion**

The Mentone Flying Club, Inc. will not pay for loss, damage, or any other incurred liability caused directly by a "certified act of terrorism" by one or more of its members. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

## **DEDUCTIBLE AND FURTHER CONDITIONS**

### **I. Terms and Conditions**

The Mentone Flying Club, Inc., will not pay for **loss** in any one occurrence until the amount of the adjusted **loss** before applying the applicable Limits of Protection exceeds the Deductible shown in the Declarations applicable to this plan. We will then pay the amount of the adjusted **loss** in excess of the Deductible up to the applicable Limit of Protection.

### **II. Excess Insurance**

You agree that excess coverage from another hull protection plan, over and above the Limits of Protection of this plan shall be taken into consideration by the Review Committee.

### **III. Duties in the Event of an Accident, Claim, Suit, or Loss**

In the event of **accident, claim, suit or loss**, you must give the officers and board of the Mentone Flying Club, Inc. immediate notice of such.

Additionally, you must cooperate with the Mentone Flying Club, Inc. in the investigation, settlement or defense of the claim of damage or suit.

**IV. Legal Action Against The Mentone Flying Club, Inc.**

No one may bring a legal action against us under this contingency hull protection plan until:

- A. There has been full compliance with all the terms of the coverage form; and
- B. Under this coverage of this contingency plan, we agree in writing that the member-owner has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this plan to bring us into an action to determine the covered's (individual member-owner in question) liability.

**CANCELATION**

This plan, in general, and subject to interpretation by the officers and board of directors, will not apply to member-owners who are deemed to be also negligent in the realm of dishonesty, forgery or alteration, or knowingly breaking the covenants and intent of this plan. They will forfeit their participation in this plan and their flight privileges will be suspended.

**ACCEPTANCE**

I hereby acknowledge that I have read and understood and will abide by the paragraphs and covenants of this contingency plan for the Mentone Flying Club's hull protection mechanism of its aircraft. I further acknowledge that I am not being coerced to participate in this plan, but am participating of my own free will and volition and hereby tender agreed-to moneys in exchange for the protection of this plan, renewable each year before the first day of June.

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<b>Member Printed Name</b>	<b>Member Signature</b>	<b>Date of Signing</b>
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**REJECTION**

I hereby acknowledge that I have read and understood the paragraphs and covenants of this contingency plan for the Mentone Flying Club's hull protection mechanism of its aircraft and am rejecting the offer to participate. I further acknowledge that I have not been coerced to participate in this plan. I am rejecting it of my own free will and will provide to the Club evidence of my valid insurance certificate which illustrates my financial responsibility for full replacement value of said Club aircraft based upon current fair market values.

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<b>Member Printed Name</b>	<b>Member Signature</b>	<b>Date of Signing</b>
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Member-Owner Contingency Hull Protection Plan  
Administered by: The Mentone Flying Club, Inc. P. O. Box 938, Rochester, IN 46975  
**THIS IS AN IMPORTANT DOCUMENT. SAFEGUARD IT IN A SECURE PLACE.**