

Model: R \_\_\_ S/N \_\_\_\_\_

**INSURED'S ACKNOWLEDGEMENT OF SPECIAL CONDITIONS & LIMITATIONS**

To avoid any possible misunderstanding concerning the insured's rights and responsibilities under this insurance policy, the following special provisions of this policy are brought to your attention. The premium charged for your policy is only made possible by strict adherence to the special conditions and limitations. Each policy holder must read and acknowledge the following special conditions and limitations. This document must be signed and returned when submitting your premium for coverage.

1. In the event of damage to the insured aircraft, the insured must do the following:
  - a) Notify Pathfinder Indemnity Company Ltd. (the Company), and the Robinson Helicopter Company (RHC) Safety Director of the accident within 24 hours or as soon as possible thereafter.
  - b) Take or arrange to have taken not less than ten good quality photographs of the damaged aircraft immediately after the damage has occurred and forward the photographs to the RHC Repair Station in Torrance, California, within 10 days following the accident.
  - c) The insured shall bear the cost and responsibility of recovering and returning the damaged aircraft to the RHC Repair Station for repair or replacement within 45 days after the accident has occurred. All of the aircraft's parts and components shall be returned, and the aircraft shall not have suffered any significant post-accident damage when it arrives at the RHC Repair Station.
  - d) Sign an appropriate authorization form for the RHC Repair Station to commence work on the repair or replacement of the damaged aircraft or its components.
  - e) As the policy provides for restoring the aircraft to "like kind and quality," the insured must agree to pay the pro-rated cost for replacement of life-limited components. (For example, if a 2200 hour rotor blade which had been in service for 550 hours is replaced, the insured must pay one-fourth the price of the new blade.)
  - f) Complete a Proof of Loss Form when requested and with respect to claims adjusted on the basis of a total loss or constructive total loss, execute a Bill of Sale for the damaged aircraft to the order of the Company.
  - g) In addition to the costs specified above, the insured will be required to pay the deductible specified in the policy after each loss resulting in a claim.

2. In the event of a liability claim, it is understood and agreed that the Company may, at its sole option and discretion, tender the policy limits to a plaintiff in exchange for a release from liability for all insureds. If the tender of the policy limits is not accepted, for any reason, the Company will continue to defend any or all insureds, but the policy limits will be reduced by the cost of defense. Once policy limits have been exhausted by defense costs, and/or settlement payments, the Company will have no further duty to defend or indemnify any insured. The company shall not be under any obligation or duty to settle otherwise valid claims under this policy, even if such claims are within the applicable limits of liability, unless the person(s) making such claims release all insureds under the policy as a condition of such a settlement. By signing this form, the insured agrees that they have read, understand, and agree to the aforementioned conditions and also agree to obtain written confirmation to the above conditions from any and all persons who utilize the aircraft identified in the policy Declarations under a Standard Rental Agreement, and that any omission on their behalf will not preclude the Company from enforcing the aforementioned conditions.
3. When any claim is paid which exceeds the amount of the policy premium, the entire premium for the policy year shall be considered fully earned and shall be due and payable immediately.
4. In the event the policy is cancelled for non-payment of premium, an additional handling charge of \$250 in addition to all past due premiums will be required before coverage is reinstated.
5. It is understood and agreed that RHC will pay an additional premium and be named as an additional insured under Coverage I (Insurance for Liability to Others) on the policy issued. In the event any insured requests a separate defense, then the limits available for legal defense shall be allocated one-half for the defense of RHC and one-half for the named insured and any additional insureds.
6. In the event the policy contains a lienholder's breach of warranty endorsement the insured agrees to reimburse the Company for any payments the Company is required to make to the lienholder resulting therefrom.
7. In the event the Policy includes Use E, aerial application (crop spraying), the Policy coverage is subject to the additional Exclusions on the relevant Endorsement.
8. CAUTION: If the information stated in the application or in the Declarations is false, or, if the aircraft is not being piloted by a pilot meeting the requirements stated in the policy, including those in Endorsement One, which the insured hereby acknowledges receiving, a claim may be disallowed.

The undersigned is authorized to sign this agreement on behalf of:

\_\_\_\_\_  
(Print Name(s) of Insured)

Signed \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

NOTE: This form must be signed by the named insured, or if a corporation, by a corporate officer.