

AVIATION INSURANCE MANAGERS, INC.

11650 Cleveland Avenue NW · Uniontown, Ohio 44685
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www.aimfohio.com

FAX TRANSMITTAL: PAGE 1 OF 5 12-13 AP RQa

December 12, 2011

REVISED RENEWAL QUOTE

ATTENTION: Ms. Stephanie Young
COMPANY: The Mahoney Group-Tucson

* NOTE-ITEM #3 AND ITEM #6

RE: CHEROKEE CABANAS, INC., ET AL
Renewal of Policy #NAF4010816
Expires January 22, 2012

We are pleased to present the following proposal from CATLIN INSURANCE COMPANY, INC./W. BROWN & ASSOCIATES, which holds an A.M. Best Rating of 'A XV' (Excellent):

NAMED INSURED

CHEROKEE CABANAS, INC., CHEROKEE AIRPARK GROUP CORP, RYAN DEVELOPMENT AIRPARK, LLC, AIR VENTURES, LTD., ORION AIRPARK, LLP, CORSAIR CONDOS OWNERS' ASSOCIATION (INCLUDING ITS' INDIVIDUAL ASSOCIATION OWNER MEMBERS THEREOF),
7802 E. Escalante Rd., Tucson, Arizona 85730-3402

ANNUAL
PREMIUM

COVERAGES

- 1) Airport Premises Legal Liability, Combined Single Limit
Bodily Injury and Property Damage \$2,000,000 Each Occurrence/
\$4,000,000 Aggregate: \$ INCL
- location of aviation premises owned, rented to or occupied by the Named Insured is RYAN FIELD AIRPORT (RYN), and other Airport Premises necessary and incidental to the Aviation Operations of the Named Insured (but not owned, rented or leased by the Named Insured).
 - covering Liability arising from your ownership, use or operation of 'mobile equipment', as defined in the Policy, while on Airport Property.
 - INCLUDING Host Liquor Legal Liability.
 - INCLUDING Independent Contractors Legal Liability.
 - INCLUDING Bodily Injury and Property Damage Liability arising out of Parking an Auto on, or on the ways next to, premises you own or rent, provided the Auto is NOT owned by or leased, rented or loaned to the Named Insured.
 - Amended to include bodily injury or property damage arising out of the ownership, maintenance, operation, use, loading or unloading of any automobile owned or operated by or rented or loaned to the Named Insured, or any other auto operated by any person in the course of his employment by the Named Insured, but only while such auto is on the Airport Premises (On-Airport Premises Auto Liability Endorsement). This coverage shall be excess insurance over any other valid and collectible insurance available to the Named Insured.

COVERAGES

ANNUAL
 PREMIUM

- | | |
|---|-----------------|
| <p>2) Premises Medical Payments, \$1,000 Each Person/\$5,000 Each Occurrence:
 -This limit is a part of, not in addition to the Premises Liability Limit.</p> | <p>\$ INCL</p> |
| <p>* 3) Ground Hangarkeepers Legal Liability (Including Taxi/ Excluding Flight), <u>\$250,000</u> Each Aircraft/<u>\$250,000</u> Each Occurrence:
 -location of aviation premises owned, rented to or occupied by the Named Insured is RYAN FIELD AIRPORT (RYN), and other Airport Premises necessary and incidental to the Aviation Operations of the Named Insured (but not owned, rented or leased by the Named Insured).
 -Includes Any Resulting Loss of Use.
 -Diminishment of Value is <u>NOT EXCLUDED</u>.
 -Excludes Aircraft Owned in Whole or In part by any Person and/or Entity who is included within the definition of "Named Insured."</p> | <p>\$ INCL</p> |
| <p>4) Fire Legal Liability, \$100,000 Any One Fire:
 -This limit is a part of, not in addition to the Premises Liability Limit.</p> | <p>\$ INCL</p> |
| <p>5) Additional Insured(s), but only with respect to liability arising out of the Named Insured's Aviation Operations or the maintenance or use of that part of the premises leased to the Named Insured, in favor of TUCSON AIRPORT AUTHORITY, INC., AN ARIZONA NON-PROFIT CORP., CITY OF TUCSON, 7005 South Plumer, Tucson, AZ 85706 (Airport Owner); However, this insurance does NOT apply to (1) any Occurrence which takes place after the Named Insured Ceases to be a tenant in that premises; (2) Structural Alterations, new construction and demolition operations Performed by or for the Named Insured; and (3) Bodily Injury arising out of the Additional Insureds providing Or failing to provide professional health care services:</p> | <p>\$ INCL</p> |
| <p>* 6) Products/Completed Operations Legal Liability:
 *N/C shall be defined as <u>NOT COVERED/NOT REQUESTED</u>.
 ==> **NOTE - WE WILL NEED THE ATTACHED "DECLINATION" FORM SIGNED, DATED AND RETURNED TO OUR OFFICE, WITH BINDING REQUEST!</p> | <p>* \$ N/C</p> |
| <p>7) Personal Injury/Advertising Injury Legal Liability, \$2,000,000 Each Occurrence/Aggregate:
 -This Coverage <i>EXCLUDES Sexual Harassment and Employee Discrimination</i>.</p> | <p>\$ INCL</p> |

<u>COVERAGES</u>	<u>ANNUAL PREMIUM</u>
8) Deductibles: =>Property Damage Losses, <u>Other</u> than Ground Hangarkeepers Legal Liability Losses- a) Property Damage to Jet or Turbine Powered Aircraft- \$5,000 Per Occurrence b) All Other Property Damage- \$2,500 Per Occurrence =>Ground Hangarkeepers Legal Liability Losses- a) Jet or Turbine Powered Aircraft- \$5,000 Per Loss b) All Other Aircraft- \$2,500 Per Loss	\$ INCL
9) Date Change Recognition Endorsement:	\$ INCL
10) State Statutes Clause:	\$ INCL
11) Garagekeepers Legal Liability, \$100,000 Each Unit/\$100,000 Each Occurrence, Subject to a Deductible of \$2,500 Each and Every Loss: -Covering Bodily Injury or Property Damage arising out of parking an automobile on, or on the ways next to, those premises owned by, rented to or controlled by the Named Insured or the ways immediately adjoining, if such Automobile is not owned by or leased, rented or loaned To the Insured.	\$ INCL
12) Cargo Legal Liability: *N/C shall be defined as NOT COVERED/NOT REQUESTED.	* \$ N/C
13) Non-Owned Aircraft Bodily Injury & Property Damage Legal Liability and/or Physical Damage Legal Liability: *N/C shall be defined as NOT COVERED/NOT REQUESTED.	* \$ N/C
14) Property Damage to Aviation Spare Parts: *N/C shall be defined as NOT COVERED/NOT REQUESTED.	* \$ N/C
15) Baggage Legal Liability: *N/C shall be defined as NOT COVERED/NOT REQUESTED.	* \$ N/C
16) TOTAL ANNUAL PREMIUM:	\$ 4,875
TOTAL ANNUAL PREMIUM DUE AT POLICY INCEPTION	

THIS CARRIER HAS SEVERAL WARRANTIES, PROVISIONS AND EXCLUSIONS. THE FOLLOWING ARE ONLY A FEW OF THEIR EXCLUSIONS WHICH WE WOULD LIKE TO BRING TO YOUR ATTENTION. FOR A COMPLETE LIST OF EXCLUSIONS, WARRANTIES, PROVISIONS, ETC., YOU WILL NEED TO REFER TO THE POLICY:

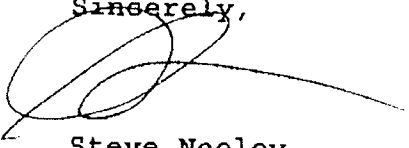
- Special Airport Provisions Exclusion Clause.
- Absolute Asbestos Exclusion Clause.
- Air Traffic Control Exclusion Clause.
- Noise, Pollution and Other Perils Exclusion Clause.
- Exclusion - Health Care Endorsement.
- Exclusion - Employment-Related Practices Endorsement.
- Nuclear Energy Liability Exclusion Clause.
- War and Other Perils Exclusion Clause.
- Fellow Employee Exclusion Clause.
- Radioactive Contamination Exclusion Endorsement.
- Terrorism Risk Insurance Act Endorsement (Exclusion).

NOTE: It should be emphasized that this description of coverage, conditions, terms, etc. is a summary only and is intended for reference only. While every effort has been made to be as complete and accurate as possible, it does not contain a full restatement of the insurance policy. The coverage is subject to terms, coverages, conditions, restrictions, limitations and exclusions contained in the actual policy of insurance. This description is not an insurance policy. In the event of any conflict and/or discrepancy between this description of terms, coverages, conditions, etc. and the insurance policy, the insurance policy will govern and prevail.

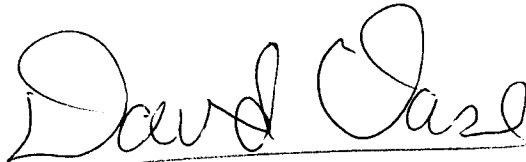
Please just give us a call at (800) 827-4554 if you should have any questions or if you would like the renewal coverage bound. We are looking forward to hearing from you.

Thank you again for allowing us to be of service.

Sincerely,


Steve Neeley
President

/det

OK 

1-16-2012

Aviation Insurance Managers, Inc.

11650 Cleveland Avenue, N.W., Uniontown, Ohio 44685
(330) 494-1500 * FAX (330) 494-8600
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DECLINATION FORM

December 12, 2011

RE: CHEROKEE CABANAS, INC., CHEROKEE AIRPARK GROUP CORP, RYAN
DEVELOPMENT AIRPARK, LLC, AIR VENTURES, LTD., ORION AIRPARK, LLP,
CORSAIR CONDOS OWNERS' ASSOCIATION (INCLUDING ITS' INDIVIDUAL
ASSOCIATION OWNER MEMBERS THEREOF)
Airport General Liability Insurance
Effective from JANUARY 22, 2012 to JANUARY 22, 2013

My insurance agent and I have discussed the types of operations performed in my business and the potential liability exposures arising from these operations.

I have elected NOT to purchase the coverage(s) marked by an 'X' below:

* X Liability Coverage for Products and Completed Operations

I have elected not to purchase liability insurance covering our liability for bodily injury or property damage arising out of our Products and Completed Operations. I understand that the airport liability policy that I am purchasing DOES NOT INCLUDE coverage for Products liability or Liability arising out of our sale of any products and/or completed operations. I/we further understand and agree that the insurance company issuing our airport general liability policy is under no obligation to provide me or our business or any other person or organization with the defense with respect to any claims for property damage or bodily injury as the result of any accident claimed to arise from products or completed operations exposures.

David Case
Signature of Named Insured or Authorized Representative

1-16-2012
Date

Treasurer
Title