



121 North Henry Street
Alexandria, VA 22314-2903
T: 703 739 9543 F: 703 739 9488
arsa@arsa.org www.arsa.org

For Immediate Release
March 13, 2008

Media Contact:
Matt Hallett
T: 703 739 9543
matt@arsa.org

New insurance option for ARSA members gets first government go-ahead

Alexandria, VA – Repair stations are one step closer to having a more affordable insurance option.

On March 6, the Aviation Alliance Insurance Risk Retention Group, Inc. (AAIRRG) received a provisional certificate of authority from the State of Montana. This opens the door for AAIRRG to begin its capitalization process and continue its effort to bring cost-effective liability insurance to certificated repair stations.

The Aeronautical Repair Station Association (ARSA), a trade association representing aviation design, production, and maintenance facilities, has been supporting AAIRRG's formation as a benefit for association members. AAIRRG's creation is being facilitated by the Polaris Enterprise Group, Inc. a California-based company that specializes in developing insurance alternatives, and forming and managing group captives.

AAIRRG differs from an ordinary insurance company in that it functions as a risk retention group (RRG). An RRG consists of independent companies that assemble to create and fund a licensed captive insurance company, which operates under the Federal Liability Risk Retention Act of 1981 and is able to write common commercial liability insurance for its members. Each insured member is an owner of the RRG.

AAIRRG's member-owners will pay an up-front capitalization fee to support the RRG's formation, as well as regular premiums. Each member-owner receives shares in the RRG and is eligible for financial distributions from potential underwriting profits.

"AAIRRG offers the chance for a repair station to take greater control of its insurance costs," stated AAIRRG President Bill Perdue. "For the first time, repair stations will have insurance designed specifically for them which takes into account our industry's outstanding safety record. We're no longer going to be lumped in with the rest of the aviation industry."

Notice: AAIRRG has only been granted a provisional certificate of authority. AAIRRG cannot bind or provide coverage until Montana issues a final certificate of authority and individual state insurance regulators have been notified. For more information about AAIRRG, please contact Polaris President Cameron Crebs at 415.885.2700.

###