



## Take Control of Your Aircraft Product Liability Insurance — and Save up to 35%

“Will I be able to get liability insurance in the future? And even if I can, will I be able to afford it?”

If you're like most repair station owners today, you are very concerned about these questions.

But now there's a better way. The [Aeronautical Repair Station Association](#) (ARSA) is proud to sponsor a viable option that lets its members take control of their own liability insurance and save. It's the Aviation Alliance Insurance Risk Retention Group (AAIRRG).

### Insurance Exclusively for Repair Stations, Owned By Repair Stations

AAIRRG is an insurance company owned by 85 of the leading independent repair stations in the U.S.

Believe me, few of us wanted to own an insurance company. But because of the outrageous prices we were paying for aircraft products liability insurance (products coverage), our hand was forced.

I'll tell you how we did it in a moment. But first, let me give you the bottom line of what it means for you.

- **You could save up to 35% on liability insurance.**
- **If you're insured by AAIRRG, you'll own a piece of the company and share in the profits.**
- **You'll have access to a viable insurance option for the foreseeable future.**

I know you'll have questions. So take a few minutes to read on, and then if you feel that AAIRRG might be a good fit for your repair station, you can [request a free quote](#)

### An Eye-Opening Analysis

In 2004, a core group of ARSA members agreed to contribute time and money to test whether there might be a better alternative to the costly insurance options available at the time.

These members launched a feasibility study, examining 18 years of NTSB data. The study found that *only 1.3% percent of U.S. aircraft crashes resulting in bodily injury or third-party property damage were a result of maintenance. Only 1.3%!*

With this information in hand, the group approached reinsurers to try to find support for the idea of a more affordable, exclusive aviation repair station insurance option.

### The Problem: We Were Unfairly Lumped with Higher-Risk Ventures

Reinsurers were not unwelcoming, but there was a problem: they were unable to address specific losses surrounding repair stations because of their categorization as a *miscellaneous class of business*.

Who else is included in this category? Air shows, speed events, medical air evacuation, aerial construction, firefighting, crop dusting, flight training and other higher-risk ventures.

Our research showed that repair stations were (and many still are) being forced to pay higher premiums to subsidize these high-risk businesses in aviation insurance markets. We needed a better option.

### **A Better Alternative**

We spent six years putting AAIRRG together, isolating it from other aviation insurance markets so that we could offer better rates. In June 2010, we received our [certificate of authority](#), authorizing us as a licensed insurance company.

Now, in our second year of operation, we've become a substantial presence in the aviation marketplace:

- We're saving repair stations up to 35% over what they were paying.
- AAIRRG carries reinsurance with a net worth of \$68.1 billion with substantial "A" rated reinsurers to augment its balance sheet.

AAIRRG has rigorous standards for eligibility. But, for those who qualify we offer a fair price and a viable insurance option for the foreseeable future

### **Any Profits Belong to Us!**

If you're insured by AAIRRG, you will own a piece of the company. And while future dividends cannot be guaranteed, let me share the following fact with you:

For the past 30 years, the entire aviation line of business in the U.S. has consistently been the second most profitable line of liability insurance, producing a better than 50% pretax profit each year!

Imagine not only saving on your insurance, but also profiting from that savings! No other aviation insurer would even consider paying a dividend to its policyholders. But, as an AAIRRG owner/insured, future profits will come back to you.

I think you'll agree, this is an exciting and sensible option. It's worth taking a few minutes to explore our website to learn more. Then, you can [request a free quote](#) to see just how much your shop can save.

We look forward to welcoming you into the fast-growing AAIRRG family.



Warmly,

*Bill Perdue*

Bill Perdue, President

P.S. If you have questions and would like to talk this over with a real person, you can call **707-963-2400** now.

Notice: AAIRRG has been granted a [certificate of authority](#) from the Montana Department of Insurance. This is not an offer for insurance and no coverage may be bound or policies issued until the registration process has been completed with your individual state.