

Allied First Bank Aircraft Insurance Requirements

Confirmation of coverage must be sent to Allied First Bank and must have the following information before a loan can be funded:

- The registered owner must be listed as the primary insured. In the case of a leased aircraft, the registered owner must be listed as an additional loss payee.
- The policy must identify the aircraft by Year of Manufacture, Manufacturer, Model Number, and the FAA registration number.
- Coverage must include all risks of physical damage, in flight and on the ground.
- Coverage must be for at least the amount financed.
- Deductibles cannot exceed 10% of the insured value and generally, deductibles should not exceed \$1,000.
- Policy must include loss payable to Allied First Bank as the lender or mortgagee under standard lender's loss payable clause.
- Policy must include BREACH OF WARRANTY endorsement to Allied First Bank for the amount financed.
- Policy must contain 30 days written notice of cancellation to Allied First Bank.
- Policy shall not prohibit loss payee from making insurance payments upon owner default.

Confirmation of insurance coverage must be in writing and sent by mail or fax to (630) 778-7754 and come from the insurance company or underwriting company.