

# AOPA LEGAL SERVICES PLAN

## PLAN DESCRIPTION

### ABOUT THE PLAN

The AOPA Legal Services Plan is sponsored by the Aircraft Owners and Pilots Association ("AOPA"), a non-profit, tax-exempt association of individual aircraft owners and pilots organized and operated under the New Jersey Non-Profit Corporation Act, and administered by the AOPA Holdings Corporation.

### HOW TO USE THE PLAN

First, call the AOPA Legal Services Plan at 800/872-2672 during normal business hours in the Eastern Time Zone, or write to the Plan at 421 Aviation Way, Frederick, Maryland 21701, for advice and assistance just as soon as you have a question or think a problem covered by the Plan may arise. Your name and membership number are all we need to verify your Plan membership. **Important:** Should you be involved in an accident or incident which may result in an FAA enforcement action against you, if possible, call AOPA before you make any calls or any statements.

**Assistance and Referral.** Our staff of enforcement counselors and technical experts will discuss the matter with you and provide as much assistance as possible. Should representation by an attorney be appropriate, you will be given the name of at least one Panel Attorney in your area whom you may wish to consult. If you prefer, you may choose your own attorney, see below for explanations of each choice. The Plan has an "open panel" which means that you may use an attorney on the AOPA panel or you may select a non-panel attorney, except where the Plan specifically limits coverage to Panel Attorney services (Benefits D and G). See the following explanations of these options. All attorneys are free to exercise independent professional judgment and are bound by applicable bar rules prohibiting any misconduct. Remember, whether or not there is coverage under the Plan, you are free to obtain legal services independently of the Plan.

- **Panel Attorney.** All Panel Attorneys are either AOPA members and pilots or are otherwise qualified in aviation legal matters. All have agreed to participate in the Plan, to attend periodic seminars on FAA enforcement actions, and to accept payment for attorney fees directly from AOPA in covered matters. (You pay for attorney fees beyond the hourly limits of the Essential Private Level; and you pay for 20% of attorney fees in NTSB appeal cases, FAA civil penalty cases, state and local cases, U.S. Customs cases, and representation for covered tax matters, and for any expenses, other than attorney fees, in all cases.)

Although we pay a Panel Attorney directly, you are the client. You retain the attorney who works for you and whom you may discharge. You receive your attorney's bills, verify receiving the services covered, and the bills are forwarded to AOPA for payment directly to the attorney.

- **Non-Panel Attorney.** You do not have to use an AOPA Panel Attorney in order to benefit from the Plan. If for any reason you do not want to be represented by a Panel Attorney, you may select a non-panel attorney, and the Plan will reimburse you in accordance with the payment schedules detailed under "Benefits." All we need is your attorney's statement detailing the nature of the matter for which legal services were provided, the date of the precipitating event, the amount of attorney time, and the attorney's hourly rate. You make your own fee arrangements with your attorney.

### BENEFITS

The AOPA Legal Services Plan ("Plan") provides advice and assistance, including payment of most or all attorney fees, in the following aviation-related legal matters, subject to the specific coverages, limitations, and exclusions set out below:

- FAA, state, or local government enforcement actions against FAA certificated flight crewmembers (see Benefits A & C);
- FAA medical certification legal matters (see Benefit A);
- Aircraft accidents (see Benefit B);
- Alcohol or drug testing related to flight activities (see Benefit B);
- Aircraft purchases and sales (see Benefit D);
- Review of hangar and tie-down agreements (see Benefit F);
- Review of aircraft rental and leaseback agreements (see Benefit F);
- U.S. Customs matters (see Benefit C);
- Federal income tax disputes (see Benefit E); and
- One free half-hour consultation with a Panel Attorney regarding aviation-related legal matters not otherwise covered (see Benefit G).

#### A. Federal Aviation Administration (FAA) Enforcement Actions.

1. **Consultation.** For FAA enforcement actions covered in A(2) and A(3) below, unlimited consultation is provided by trained and experienced counselors located at the Plan office by telephone during normal business hours in the Eastern Time Zone or by letter. AOPA accepts calls from participants in the Plan at 800/872-2672.

2. **Representation Prior to Appeal.** For the following services, if provided by a Panel Attorney, the Plan will pay 100% of the legal fees for the Essential Private Level up to ten (10) hours or Plus Level up to twenty (20) hours. For a non-panel attorney, the Plan will pay 100% of legal fees up to ten (10) hours for the Essential Private Level or up to twenty (20) hours for the Plus Level at a rate of up to \$190/hour.

a. **FAA Airman Certificate Actions.** Representation in an FAA action to suspend or revoke your pilot, flight instructor, flight engineer, or airman medical certificate, prior to the appeal of such action

b. **FAA Civil Penalty Actions.** Representation in connection with FAA civil penalty proceedings against you at the FAA regional office level based on an incident wherein you were acting as a pilot, flight instructor, or flight engineer. The Plan does not provide for payment of any penalties which may be imposed. (Defense of actions prosecuted in U.S. District Court is covered under Benefit C(2)(b).)

3. **Representation in Appeals.** For the following appeals from FAA enforcement actions described in A2 above, the Plan will pay 80% of attorney fees incurred (you are obligated to pay the remaining 20%), at a rate of up to \$190/hour, up to the hourly limits stated

a. Appeal to the National Transportation Safety Board (NTSB) at the Administrative Law Judge (ALJ) level—Limit: Essential Private Level-25 hours, Plus Level-50 hours.

b. Appeal of an ALJ decision to the full NTSB—Limit: Essential Private Level-15 hours, Plus Level-30 hours.

c. A petition by the FAA for the judicial review of an NTSB Order—Limit: Essential Private Level and Plus Level-50 hours.

#### B. Aircraft Accident Or Alcohol Or Drug Tests.

1. **Consultation.** For aircraft accident and alcohol/drug test matters covered in B(2) below, unlimited consultation is provided by trained and experienced counselors located at the Plan office by telephone during normal business hours in the Eastern Time Zone or by letter. AOPA accepts calls from participants in the Plan at 800/872-2672

2. **Representation.** The Plan will pay for up to three (3) hours for the Essential Private Level and up to nine (9) hours for the Plus Level, at a rate of up to \$190/hour, for consultation with an attorney regarding an aircraft accident wherein you were a crewmember or owner of the aircraft; or if you were asked to take a test for alcohol or drugs in connection with your flight activities.

#### C. State Or Local Actions, Civil Penalty Court Cases, And U.S. Customs Cases.

1. **Consultation.** For state or local actions, civil penalty court cases, and U.S. Customs cases covered in C(2) below, unlimited consultation is provided by trained and experienced counselors located at the Plan office by telephone during normal business hours in the Eastern Time Zone or by letter. AOPA accepts calls from participants in the Plan at 800/872-2672

2. **Representation.** The Plan will pay 80% (you are obligated to pay the remaining 20%) of attorney fees for up to twenty (20) hours for the Essential Private and Plus Levels, at a rate of up to \$190/hour, for the following matters.

a. Defense of a state or local government action against you based on an alleged violation of state or local government flight rules in connection with your operation of an aircraft

- b. Defense of an FAA civil penalty action against you that is prosecuted in U.S. District Court, when the action is based on an incident wherein you were acting as a pilot, flight instructor, or flight engineer.
- c. Representation in administrative proceedings or defense in U.S. District Court in an action involving: (a) seizure/forfeiture by U.S. Customs of an aircraft owned by you resulting from your alleged violation of any Customs or FAA flight rule during your operation of the aircraft; or (b) assessment of a civil penalty by U.S. Customs resulting from your alleged violation of any Customs or FAA flight rule during your operation of an aircraft
- D. Aircraft Purchase Or Sale. The Plan will pay for one (1) hour for the Essential Private Level and two (2) hours for the Plus Level at a rate of up to \$190/hr for consultation with a panel attorney regarding your purchase of an aircraft or your sale of an aircraft you own. You may use this benefit once per enrollment year.
- E. Tax Matters.

1. Consultation. For tax matters covered in E(2) below, unlimited consultation is provided by trained and experienced counselors located at the Plan office by telephone during normal business hours in the Eastern Time Zone or by letter. AOPA accepts calls from participants in the Plan at 800/872-2672

2. Representation. For the following federal tax matters, the Plan will pay 80% (you are obligated to pay the remaining 20%) of attorney fees at a rate of up to \$190/hour, up to the hourly limits stated.

a. Representation at an IRS Appeals Conference if the IRS has examined your individual tax return and disallowed aircraft operating expenses and/or pilot educational expenses which you have claimed—Limit: 8 hours for the Essential Private and Plus Levels.

b. Representation in Tax Court, U.S. Claims Court, or U.S. District Court for matters covered in E(2)(a) above—Limit: 15 hours for the Essential Private and Plus Levels.

F. Documents Review And Critique. On your behalf, the Legal Services Plan staff at AOPA headquarters will review and critique one each of the following documents during the enrollment year:

1. A hangar or tie-down agreement that an airport operator or fixed based operator (FBO) has asked you to execute.

2. An aircraft rental agreement that you have been asked to execute.

3. An aircraft leaseback agreement that you wish to enter into with an FBO.

G. Free Half-Hour Consultation. You are also entitled to one free half-hour consultation with a Panel Attorney during the enrollment year regarding an aviation-related legal matter involving you and not specifically covered by the Plan. Sometimes, because of location or particular expertise required or other reasonable consideration, this consultation may be by telephone or may be with an attorney outside your geographic area. (Note: If the initial free consultation results in further services by the Panel Attorney, fee arrangements for such services fall outside the benefits of the Plan.)

(NOTE—Regarding the Essential Private Level in Benefit A, B, C, D, E, & G and the Plus Level in Benefits B, C, D, E & G above: Arrangements for payment for any services beyond the number of hours specified as covered by the Plan should be discussed with the attorney.)

## EXCLUSIONS

The Plan does not cover:

1. Any expenses not included in the attorney's hourly rate.
2. Any expenses or legal fees related to efforts to obtain, or to contest the denial of, any airman certificate (including a medical certificate).
3. Aircraft title matters (except incidental to aircraft purchase/sale as provided in Benefit D).
4. Legal proceedings by or against any party other than the Administrator of the FAA, except state or local government actions (Benefit C(2)(a)) or U.S. Customs (Benefit C(2)(c)) and federal tax matters (Benefit E).
5. Appeals to the U.S. Court of Appeals, except appeals taken by the FAA of an NTSB Order (Benefit A(3)(c)).
6. Criminal actions, except as state or local government actions, may be considered criminal actions (Benefit C).
7. State Revenue Examinations.
8. Tax disputes when the items in dispute were claimed on an amended tax return.
9. Payment of civil penalties, tax penalties, tax assessments, or interest on tax assessments.
10. Seizure of aircraft actions except by U.S. Customs (Benefit C(2)(c)).
11. Actions arising out of the exercise of the privileges of a commercial, flight instructor, airline transport pilot, or flight engineer certificate unless the premium for Plus Level coverage has been paid. (Pilots holding such certificates are covered by the Essential Private coverage for matters involving the exercise of purely private, sport, recreational, or student pilot privileges.)
12. Anything not specifically described in the "Benefits" section preceding.
13. Any action against anyone except you.

## ELIGIBILITY, ENROLLMENT AND COVERAGE

**Eligibility and Enrollment.** Any AOPA member in good standing is eligible to enroll in the Plan. Enrollment in the Plan began when your initial AOPA membership or membership renewal became effective, provided the appropriate Plan fee was received by AOPA. Enrollment expires at the end of your corresponding membership year. If you enrolled in the Plan after you initiated or renewed your AOPA membership, your enrollment began upon receipt by AOPA of the appropriate Plan fee and expires at the end of your current membership year.

**Coverage.** The type of flight activities covered is predicated on the annual fee paid to enroll in the Plan. The Essential Private Level (\$39) covers a pilot while engaged in activities that require a private, sport, recreational, or student pilot certificate. The Plus Level (\$99) covers a commercial pilot while engaged in activities that require a commercial pilot certificate or a flight engineer certificate and the Plus Level (\$99) covers an airline transport pilot while engaged in activities that require an ATP certificate. The higher fee also provides coverage while engaged in operations that require a lesser grade certificate.

In order for enforcement actions, aircraft accidents, requests for alcohol or drug tests, or Customs matters to be covered by the Plan, the matter for which assistance is requested must arise from an event that occurred during your membership in the Essential Private or Plus Levels, respectively. In order for federal tax matters to be covered by the Plan, the deductions in question must have been claimed in an individual tax return due and filed during your membership in the Plan. The consultation regarding an aircraft purchase or sale specified in Benefit D above must relate to a purchase or sale commenced during the membership year.

If you allow your Plan membership to expire, you are still covered for actions based on events that occurred during your period of membership, even if you are not notified of the action and do not retain counsel until after expiration.

Conversely, the Plan does not cover actions based on events that occurred prior to your joining the Plan, Essential Private Level or Plus Level, respectively, regardless of whether the action is initiated after you join the Plan.

If the Plan is terminated, AOPA will provide the specified benefits for actions based on events that occurred during your period of membership, even if you are not notified of the action and do not retain counsel until after the Plan has been terminated. If you have retained a Panel Attorney and he/she withdraws from the Plan prior to completing your case, you can select another Panel Attorney and still be entitled to the benefits described in the Plan.

## COMPLAINT PROCEDURE

If you have a complaint or question of any sort regarding the AOPA Legal Services Plan, you should first contact the Plan by calling 800/872-2672. Most concerns can be resolved quickly and informally. Should this not happen, a written complaint may be filed with AOPA at 421 Aviation Way, Frederick, Maryland 21701. Receipt of your written complaint will be acknowledged. AOPA will investigate the matter, take appropriate action, and report to you within sixty days on its decision and action.

