

Important Legal Document

**READ CAREFULLY
TO BE SIGNED BY ALL PILOTS, PASSENGERS AND
COMPANIONS BEFORE USING MERRITT FIELD
OWNED BY MERRITT CAPITAL CORPORATION, A PENNSYLVANIA CORPORATION**

**ACKNOWLEDGEMENT OF RISKS AND HAZARDS,
WAIVER OF ALL RIGHTS, INDEMNITY AGREEMENT
AND RELEASE AND DISCHARGE OF LIABILITY FOR FUTURE ACCIDENT**

NOTE: THIS DOCUMENT IS ABOUT YOU AND ALL FLIGHTS YOU MAY TAKE IN ANY AIRCRAFT DEPARTING FROM OR ARRIVING AT MERRITT FIELD, PENNSYLVANIA WHICH IS OWNED BY MERRITT CAPITAL CORPORATION, A PENNSYLVANIA CORPORATION. WE REFER TO THIS AIRFIELD IN THIS DOCUMENT AS THE "SUBJECT AIRFIELD".

WARNING!!! BY SIGNING THIS DOCUMENT YOU ARE GIVING UP VALUABLE LEGAL RIGHTS IN THE EVENT THERE IS A CRASH OR OTHER ACCIDENT. IF YOU SHOULD BE INJURED OR KILLED AND YOU OR YOUR FAMILY ATTEMPT TO COLLECT MONEY FOR YOUR LOSSES FROM MERRITT CAPITAL CORPORATION, THEY WILL NOT PAY. IF YOU OR YOUR FAMILY SUE FOR YOUR INJURIES OR YOUR DEATH THIS DOCUMENT WILL PREVENT YOU FROM WINNING THE LAWSUIT. THIS WILL ALL BE TRUE EVEN THOUGH YOUR INJURY OR DEATH WAS DIRECTLY CAUSED BY THE CARELESS OR RECKLESS OR NEGLIGENCE OF THE OWNERS OF MERRITT FIELD AND EVEN IF THEY ARE LEGALLY AT FAULT.

FURTHERMORE, THERE MAY BE NO INSURANCE COVERAGE TO COMPENSATE YOU FOR ANY PERSONAL INJURIES OR PROPERTY DAMAGE THAT YOU MAY SUSTAIN WHILE USING THE SUBJECT AIRFIELD, AND EVEN IF INSURANCE EXISTS, BY SIGNING THIS DOCUMENT YOU WILL WAIVE AND GIVE UP YOUR RIGHT TO COLLECT ANY AMOUNT EXCEPT THAT PAID BY THE INSURANCE COMPANY.

DO NOT SIGN THIS DOCUMENT NOR INITIAL ANY PART OF IT UNTIL AFTER YOU HAVE READ IT ENTIRELY. IT IS YOUR ACKNOWLEDGEMENT AND ACCEPTANCE OF RISKS AND HAZARDS, YOUR WAIVER OF RIGHTS, YOUR RELEASE FROM ALL LIABILITY OF THE OWNER OF THE SUBJECT AIRFIELD AND YOUR INDEMNITY AGREEMENT TO PAY ANY COST OR EXPENSES (INCLUDING ATTORNEYS' FEES) THEY INCUR IF YOU OR YOUR FAMILY OR LEGAL REPRESENTATIVES DO SUE THEM. DO NOT SIGN THIS DOCUMENT OR INITIAL ANY PART OF IT UNTIL YOU HAVE HAD AN OPPORTUNITY TO THINK ABOUT THE CONSEQUENCES OF SIGNING THIS FORM AND TO DISCUSS IT WITH YOUR LAWYER AND YOUR FAMILY.

BE ADVISED!!! Agreements such as this one have very harsh consequences and have been upheld in various courts throughout the United States.

I Have Read And I Understand This Unusual And Important Legal Document

[_____] INITIAL

READ CAREFULLY

**THIS IS YOUR AGREEMENT RESPECTING:
YOUR ACKNOWLEDGEMENT OF RISKS AND HAZARDS
YOUR ASSUMPTION OF RISKS
YOUR WAIVER OF ALL RIGHTS
YOUR AGREEMENT TO GIVE INDEMNIFICATION TO OTHER PARTIES
YOUR RELEASE OF OTHER PARTIES FROM LIABILITY IN RESPECT OF
AN INJURY TO YOU WHICH THEY MAY CAUSE IN THE FUTURE**

In consideration of \$1.00 in hand paid by each of the RELEASED PARTIES defined below, and for other good and valuable consideration the receipt and sufficiency of which I hereby acknowledge.

Print Full Name

Print Street Address

City, State, Zip Code

_____ hereby agrees as follows:

1. I agree that that the following words and phrases, as used in this document, shall be interpreted to have the following meanings:

- a) "I", "my" and "me" means the undersigned and all for whom the undersigned might assert a claim, including, without limitation, any parent, spouse, child, legal representatives, heir and/or devisee or my estate.
- b) "COMPANY" means Merritt Capital Corporation, a Pennsylvania Corporation.
- c) "SUBJECT AIRFIELD" means Merritt Field (4PN7), the airfield that is 20 miles northeast of Williamsport Airport (IPT), Pennsylvania, near Eagles Mere, Pennsylvania in Sullivan County, Pennsylvania. Owned by the COMPANY.
- d) "FLIGHT ACTIVITIES" means all activities involving me in any manner and of any nature whatsoever that occur with respect to my use of SUBJECT AIRFIELD. "FLIGHT ACTIVITIES" shall be deemed to include all times while the SUBJECT AIRFIELD is in use by me, including take-offs and landings in aircraft I am operating in or in which I am a passenger, while said aircraft is moving on the ground, and while it is parked on the ground, and whether one or more of its engines are on or off, and whether I am in the aircraft or outside of it, and whether I am entering it or exiting it. "FLIGHT ACTIVITIES" further include all activities in which I am engaged from the time I arrive at the airport until the time I leave the airport, regardless of the time or location of those activities. "FLIGHT ACTIVITIES" further shall be deemed to include any violation of the Federal Aviation Regulations and any other law (whether Federal or State) and any action or failure to act of the COMPANY, and any negligent, careless, or reckless act or failure to act of the COMPANY, regardless of how gross or wanton, that in any manner affects any intended or actual flight by me using the SUBJECT AIRFIELD, regardless of the time or times and the location or the locations at which any such violation or any such act or failure to act occurred.
- e) "PARTICIPATE (OR PARTICIPATION)IN FLIGHT ACTIVITIES" means my intention that I will be a pilot, passenger, or companion to a pilot or passenger, in an aircraft using the SUBJECT AIRFIELD as perfected by my taking any action in furtherance of doing so. It does not require that I must know and approve of the actual acts or failures to act which cause injury to me. In respect of any personal injury or property damage that occurs outside the aircraft it shall be conclusively deemed that I voluntarily participated in FLIGHT ACTIVITIES if I arrived at the airport, whether to take a flight or not. With respect to any personal injury or property damage that occurs inside the aircraft it shall be conclusively deemed that I voluntarily participated in FLIGHT ACTIVITIES if I boarded an aircraft to use the SUBJECT AIRFIELD.

f) "RELEASED PARTIES" means the COMPANY together with its officers, directors, shareholders, agents, employees, servants, pilots, maintenance technicians, ground personnel and attorneys, all together and each separately.

[_____]
INITIAL

2. **Knowing Full Well** what it means to do this, I hereby forever RELEASE AND DISCHARGE the RELEASED PARTIES from any and all liabilities EVEN if the law provides for their ABSOLUTE LIABILITY, for claims, demands or causes of action that I may hereafter have for injuries, for death and for other damages arising out of my PARTICIPATION IN FLIGHT ACTIVITIES, including, but not limited to, losses CAUSED BY THE PASSIVE OR ACTIVE NEGLIGENCE, CARELESSNESS, RECKLESSNESS, GROSS NEGLIGENCE OR VIOLATIONS OF THE FEDERAL AVIATION REGULATIONS OR ANY LAW BY THE RELEASED PARTIES or hidden, latent, or obvious defects in the ownership and maintenance by the RELEASED PARTIES of the airfield.

[_____]
INITIAL

3. If and when I PARTICIPATE IN FLIGHT ACTIVITIES I further release and discharge the RELEASED PARTIES, insofar as it is possible to do so under the applicable law, from any duty of care whatsoever toward me. This release and discharge from the duty of care includes a release from liability for any and all injuries caused to me and all damage to my property even if I do not or cannot foresee or anticipate them at this time and even if the RELEASED PARTIES can reasonably foresee them. This release from liability and discharge from duty is intended to be as full and complete a release from liability and discharge from any duty of care as it is possible to make under applicable law and is intended to be binding upon not only me, but also upon any other person who might otherwise be able to assert a claim in the event I am injured or killed.

[_____]
INITIAL

4. I understand and acknowledge that MERRITT FIELD is not a public airport, that it is a privately owned landing strip including a parallel grass field, that it is uncontrolled with no lighting, and that I have not been asked to use the airport and I am being entitled to use SUBJECT AIRFIELD solely for my own convenience and for only so long as such use is subject to the terms and conditions listed herein . I further understand and acknowledge that I will not use the SUBJECT AIRFIELD, or enter upon the property on which it is situated, for any purpose other than FLIGHT ACTIVITIES.

[_____]
INITIAL

5. I understand that use of an uncontrolled airfield for flight in an aircraft involves travel in three dimensions and such activity is subject to mishaps, injury or possibly even death; therefore I again reaffirm my voluntary assumption of all of these risks and I PARTICIPATE IN FLIGHT ACTIVITIES of my own free will and I again forever release and discharge, insofar as it is possible to do so under law, the RELEASED PARTIES in this agreement from any liability whatsoever to me. Without meaning to limit the generality of this provision but rather to indicate my understanding of it, I intend this release to be from all liability for my wrongful death, for every type of injury to me, for all manner of pain and suffering to which I am subjected, for all psychological distress, for all permanent or temporary, total or partial paralysis or other disability, for all loss of earnings, for all my medical expenses, and for all loss of my enjoyment of life, and for all that I suffer as a consequence of these losses; this release also is intended to be a release from all liability for damage to any aircraft, including loss of an aircraft.

[_____]
INITIAL

6. I specifically agree that I have researched and/or inspected to my own satisfaction all of SUBJECT AIRFIELD and will continue to do so. I acknowledge that the SUBJECT AIRFIELD has parallel runways, that runway 24/6 is paved and in the 24 direction has an uphill rise of 80 feet (80 feet downhill in the 6 direction) and is adjoined by a grass field and that the field has no lighting, that it contains or is adjacent to certain dangerous objects, including, without limitation, buildings, power lines, trees, fences, hills, streams, rocks, hidden holes, uneven terrain, loose debris, poisonous snakes, wild, carnivorous or mad animals, defective fueling equipment, and other natural and man made objects that can cause an aircraft accident and/or an injury to me and/or my passengers and companions . Furthermore, I acknowledge the following concerning the SUBJECT AIRFIELD: it is a short field which is subject to strong, turbulent winds; that take off and landings will occur at higher than sea level elevation; that it may be wet at times, or contain ice and/or snow; that aircraft performance and compensation for pressure altitude are critical and that it may at times be in use by others and that there is a large tower approximately 3500 feet from the approach end of runway 6. Furthermore, I specifically understand that the FLIGHT ACTIVITIES occur in the vicinity of an active runway or an aircraft parking area and that I may be struck by an aircraft or a motor vehicle, or come in contact with harmful or toxic fumes, liquids or other substances, and in all these events I assume the risk of injury or death, and I understand that even under the best

conditions, all aspects of flying aircraft can be extremely dangerous and serious injuries or death can occur. Based upon my independent evaluation of all the risks I REAFFIRM MY ASSUMPTION OF ALL THE POSSIBLE RISKS AND DANGERS OF THE FLIGHT ACTIVITIES USING SUBJECT AIRFIELD.

[_____]
INITIAL

7. I UNDERSTAND THAT THERE ARE UNAVOIDABLE AND UNPRECEDENTED DANGERS INVOLVED IN THE FLIGHT ACTIVITIES AND USE OF THE SUBJECT AIRFIELD AS USE OF THE SUBJECT AIRFIELD WILL ENTAIL VARIOUS AND CHANGING CONDITIONS THAT ARE NOT ALWAYS THE WAY THEY ARE EXPECTED TO FUNCTION. I ACKNOWLEDGE AND AGREE THAT THE RELEASED PARTIES ARE MAKING NO WARRANTY OF ANY KIND TO ME, THAT THE RELEASED PARTIES DISCLAIM ALL WARRANTIES, EXPRESS OR IMPLIED, CONCERNING THE USE OF THE SUBJECT AIRFIELD BY THE RELEASED PARTIES. I UNDERSTAND THAT THE SUBJECT AIRFIELD PROVIDED BY THE RELEASED PARTIES IS PROVIDED WITHOUT ANY WARRANTY THAT IT IS FIT TO USE FOR ANY PURPOSE WHATSOEVER. THE USE OF THE SUBJECT AIRFIELD IS PROVIDED WITHOUT ANY WARRANTY OF MERCHANTABILITY. THE APPROVAL FOR USE OF THE AIRFIELD BY THE RELEASED PARTIES IS NOT A WARRANTY THAT THE AIRFIELD IS SUITABLE FOR ANY PURPOSE, BUT MERELY AN OPINION. I UNDERSTAND THESE DISCLAIMERS AND I ACCEPT THEM.

[_____]
INITIAL

8. (a) I understand that the SUBJECT AIRFIELD is in a rural area at least three miles from the nearest town and in the event of any accident, incident or medical emergency, that there is no fire support, ambulance, first aid, airport personnel, telephone or other means to assist and there will not be anyone who can give me immediate professional care and that a medically significant amount of time can elapse before any professional care will be made available to me. For that reason, I understand that there is no warranty, whatsoever, as to the adequacy of protection provided by the RELEASED PARTIES to me. I hereby warrant to the RELEASED PARTIES that, based upon my own evaluation of the FLIGHT ACTIVITIES and use of the SUBJECT AIRFIELD, I am fully cognizant of the risks I am assuming.

(b) I HEREBY CERTIFY AND WARRANT that (i) I do not suffer from any physical infirmity or chronic illness including diabetes, epilepsy, heart disease, hearing problems or vision problems which would be adversely affected by the FLIGHT ACTIVITIES and use of the SUBJECT AIRFIELD; (ii) that I am not on regular medication which would impair my ability to engage in the FLIGHT ACTIVITIES and use of the SUBJECT AIRFIELD; and (iii) I recognize it is against Federal law and regulations to be under the influence of either alcohol or drugs while engaging in Flight Activities and I warrant that I shall refrain from doing so.

(c) I HEREBY CERTIFY AND WARRANT that (i) I hold a current pilot license with all appropriate ratings, and that all medical and currency requirements are met; (2) that any aircraft I use for the FLIGHT ACTIVITIES has been properly maintained and certified, is in compliance with all applicable Federal regulations, and is suitable for operations at higher altitudes on hot days, in strong cross winds, on sloping runways, or on a grass, soft or undeveloped landing strip; (3) that all FLIGHT ACTIVITIES will be in accordance with all applicable Federal regulations; and (4) that I have adequate training, knowledge and personal experience with high altitude runways, short take off and landing procedures, or grass, soft or undeveloped landing strips.

(d) I HEREBY CERTIFY AND WARRANT that (i) that I maintain current and appropriate insurance coverage for the FLIGHT ACTIVITIES and for usage of SUBJECT AIRFIELD, and that said insurance includes a "grass field" endorsement; (ii) that MERRITT CAPITAL CORPORATION is listed as an additional named insured on the applicable policy of insurance.

[_____]
INITIAL

9. I certify that, considering my life style and the life style of my dependents and the manner in which I desire to support my dependents, I already have made adequate provisions for my spouse, if any, my children, if any, my heirs, if any, and all other persons dependent upon me so that in the event of my death or disability they will have suffered no financial loss whatsoever. In the event of my death, I have no intention and I do not intend to make any further provision for them in any manner, except to make the most modest provision for food, shelter, clothing and a public school education to my children while they remain minors.

[_____]
INITIAL

10. I further agree that I WILL NOT SUE OR MAKE ANY CLAIM against the RELEASED PARTIES for any type of damages or other losses sustained by me as a result of my PARTICIPATION IN FLIGHT ACTIVITIES and use of

SUBJECT AIRFIELD. I also agree to INDEMNIFY AND HOLD THE RELEASED PARTIES HARMLESS from all claims, awards, verdicts, judgments and costs, including reasonable attorneys' fees, incurred or imposed as a result of any legal action brought against them or any of them, which arises out of my PARTICIPATION IN FLIGHT ACTIVITIES, including, but not limited to, a proceeding in any court of any jurisdiction or an arbitration proceeding, in which there is asserted any claim which is meant to be released or discharged by this Agreement.

[_____]
INITIAL

11. I have been notified and I acknowledge that the SUBJECT AIRFIELD may not be covered by any personal injury, wrongful death, property damage or general liability insurance policy issued to the RELEASED PARTIES and that, even if there is such a policy, the actions of the RELEASED PARTIES may void its coverage. I hereby discharge and release the RELEASED PARTIES from any obligation to acquire or comply with the provisions of any insurance policy. I acknowledge and I agree that even if there is an insurance policy, this release will deny me any recovery for damages on account of the conduct of the RELEASED PARTIES.

12. I realize that the damages to the RELEASED PARTIES for my breach of my promise not to sue are uncertain and difficult to establish. Thus, in the event I breach this promise I agree to pay as LIQUIDATED DAMAGES TO EACH OF THE RELEASED PARTIES NAMED IN ANY LAWSUIT, WHICH I MAY BRING, THE AMOUNT OF \$50,000.00 FOR EACH NAMED DEFENDANT. I agree that the amount of \$50,000.00 is not a penalty but is rather an estimate of uncertain damages. I further agree that these liquidated damages shall be paid in addition to any amounts paid to satisfy the undertakings by me to indemnify the RELEASED PARTIES. These liquidated damages shall be due and payable immediately upon filing of any lawsuit or demand for arbitration and irrespective of the outcome.

[_____]
INITIAL

13. I further specifically agree that venue and jurisdiction for any legal action by me against the RELEASED PARTIES shall be in the Courts of Common Pleas of the Delaware County, Pennsylvania. I hereby waive irrevocably my right to trial by jury.

[_____]
INITIAL

14. I further specifically agree that the choice of law to be applied in any action at law or equity involving the subject matter or interpretation of this contract shall be the law of the State of Pennsylvania.

[_____]
INITIAL

15. If a Court should decide that any provision in this contract is illegal or unenforceable, such determination shall not affect the validity or enforceability of the remaining provisions hereof, all of which shall remain in full force and effect.

[_____]
INITIAL

16. I agree that use of the SUBJECT AIRFIELD is of little value to the public and no one has to engage in using it. I acknowledge that I do not have to use SUBJECT AIRFIELD.

[_____]
INITIAL

17. It is my hope to use the SUBJECT AIRFIELD on several occasions. Thus this entire agreement is intended to be a continuing agreement and it shall remain in effect at any and at all times indefinitely that I MAKE USE OF THE SUBJECT AIRFIELD whether at the time and place that I first sign this agreement or at any other time and place.

[_____]
INITIAL

18. I hereby acknowledge that the COMPANY has not held out to me an offer of use of the SUBJECT AIRFIELD as a public airfield, that I have not been asked to compensate or remunerate them in any manner, for any manner of use of the SUBJECT AIRFIELD; I have not paid, and will not pay, for any use of the SUBJECT AIRFIELD or given any consideration whatsoever. The COMPANY has paid me in cash or by check for this release, indemnification, and waiver of rights.

[_____]
INITIAL

19. It is specifically agreed that each person or entity involved in providing any services to the RELEASED PARTIES related to use of the SUBJECT AIRFIELD is an independent contractor and is not an employee or agent of any of the RELEASED PARTIES and that the RELEASED PARTIES are not liable for any of their acts or their failures to act.

[_____]
INITIAL

20. I agree that this document may not be entered into evidence in any legal proceeding by me or my family or anyone representing me or them. However, the COMPANY shall have the right to put this document or any part of it into evidence and if they, or either of them, elects to do so I hereby irrevocably direct the Court to admit it into evidence for the extremely limited purpose of proving only the items in it which are specified at that time by the COMPANY.

[_____]
INITIAL

21. Failure of the COMPANY to insist upon strict performance of any of the provisions hereof, or the COMPANY'S failure or delay in exercising any rights or remedies provided herein or by law or the COMPANY'S acceptance of or approval of any actions or inactions by the released party or parties or their agents servants or employees, or any purported oral modification or rescission of this Contract, or any part hereof, shall not release the released parties of any of its or their obligations under this contract and shall not be deemed as a waiver of any of the COMPANY'S rights to insist upon strict performance hereof or of any of the COMPANY'S rights or remedies under this contract or by law, and shall not operate as a waiver of any of the provisions hereof. All changes and/or modifications to this Contract must be in writing and be signed and properly executed by the COMPANY, and the released party or parties.

[_____]
INITIAL

22. I hereby reserve the right to bring suit against any aircraft manufacturer, any mechanic or maintenance facility, the FAA and any person or entity other than the RELEASED PARTIES, who may have caused in whole or in part any personal injury or property damage to me as a result of my PARTICIPATION IN THE FLIGHT ACTIVITIES.

[_____]
INITIAL

I HAVE CAREFULLY READ THIS AGREEMENT AND RELEASE OF LIABILITY, I FULLY UNDERSTAND ITS CONTENTS AND SIGN IT OF MY OWN FREE WILL. I UNDERSTAND THAT I COULD, AND SHOULD, REVIEW THIS DOCUMENT WITH MY OWN PERSONAL ATTORNEY BEFORE SIGNING.

SIGNATURE: _____

WITNESS: _____

DATED: _____

SPOUSE SIGNATURE: _____

WITNESS: _____

DATED: _____