

YOUR BEST INSURANCE RENEWAL NOW

by Eric Barfield, Hope Aviation Insurance

The yearly letter arrives sounding the alarm for another approaching renewal: "Your aircraft insurance policy does not renew automatically and we will require current and updated information from your broker. In the meantime, you are hereby notified that premium and/or coverage may change depending on the information we receive." Ugh! What can be done right now to make sure you are not taken to the cleaners when your Twin Cessna insurance renews? There are actually quite a few things but let's focus on the top three: (1) pilot training and experience, (2) details, details, details, and (3) broker selection.

We all know the vast majority of accidents and incidents are attributed in some fashion to pilot error. Underwriters are trained to focus on pilot information since they realize that pilot miscues will be the likely cause of their adjuster's next headache. This is especially true when it comes to the wonderfully-sophisticated world of high-performance piston twins. If you want the best rates, make and model recurrent training every twelve months is a must. Underwriters prefer simulator training because it affords the safest opportunity to practice emergency procedures over and over until they become reflex. And you're likely to shoot many more IFR approaches in a simulator since you are not worried about fuel burn and ATC delays, thereby gaining even greater proficiency. There is also something to be said for being away from the distractions of home and business for the exclusive purpose of training. Ideally, set up a one-year plan that includes a trip through one of the simulator schools as well as some in-aircraft training six months later with a qualified MEI.

And there's more to it than just

training. While underwriters are looking over your credentials, they also key in on how many hours you have in type and how many hours you've flown during the last year. 100 hours seems to be the preferred minimum for each of these two areas. Remember to account for all the aircraft you operate but understand that 90 hours flown in a Cessna 172 plus 10 hours in your Cessna 414 over the last twelve months will not be as effective as all 100 hours flown in the twin. With the recent economic downturn, this has been a real limiting

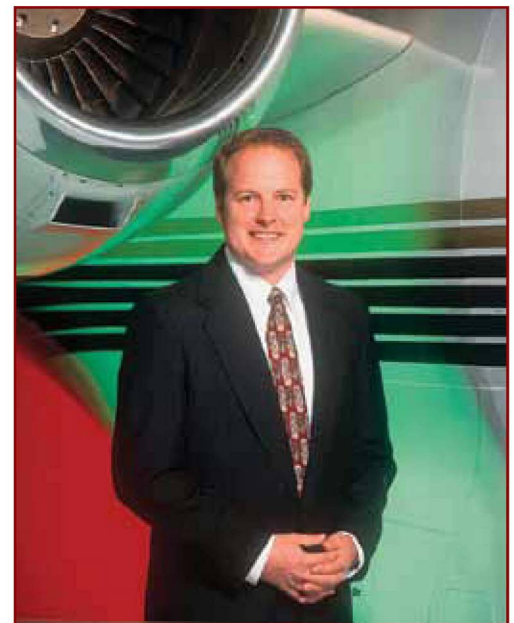
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factor for many operators who have had to think twice before cranking the engines. If the hours are lacking, a thoughtful statement as to why - as well as your plan for mitigating the perceived risk that you're not quite as proficient as underwriters prefer - goes a long way during renewal negotiations.

That brings up our second idea for getting the most out of your next renewal - details, details, details (that is, documentation). Like it or not, underwriters are generally forced to get to know you (and judge you) through a piece of paper, and they love paper with plenty of details! If you're doing all the right things, but aren't taking the time to document them or otherwise let your broker know, you lose the horsepower that creates for your renewal. Completely filling out applications, renewal questionnaires and pilot forms in a timely manner gives brokers much-needed ammunition when they go to bat for your coverage and premium rates. It also sends an odd subliminal message

to underwriters: If you are this detail-oriented when it comes to paperwork, imagine how meticulous and safe a pilot you must be! Don't forget to forward a copy of training certificates, including any events such as TCF's Systems, Engine & Ops Seminar or online safety courses that you may have completed during the year.

Finally, there is the issue of broker selection. You are best represented by a broker that specializes in aviation insurance who speaks your language. Unlike many auto and homeowner policies, most Twin Cessna insurance policies are negotiated in detail and it's better to have someone handle those negotiations who knows exactly what underwriters are looking for and who has enough clout to get you the best renewal now.



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