

Does Your Personal Umbrella Extend to Your Aircraft?

By Thomas H. Chappell

Don't expect your personal umbrella to offer protection for your pleasure and business aircraft. You do have a personal umbrella don't you? You know, that is the personal excess liability policy your agent should have encouraged you to buy. The one that increases your home, auto, boat, motorcycle, etc., liability insurance limit an additional \$1 million or more.

We often talk to prospective clients about the limit of aircraft liability they think is adequate. This is a normal discussion when we are developing the information necessary to request a premium quotation from the underwriters. Many times clients request that we quote only minimal limits of liability because they have a personal umbrella.

Usually that is a problem. Most personal umbrellas specifically exclude aviation exposures. I said most but not all. If you own a personal aircraft, it is recommended that you read your umbrella or excess liability policy. Each one reads a little differently.

Oh, one other thing. The aircraft must be in your personal name for your personal umbrella to apply. Shell corporations and LLCs are separate legal entities. Again, very few personal umbrellas cover aircraft liability exposures no matter how the aircraft is registered. →