

"Just Tell the Underwriter that I'm a Good Pilot"

By Thomas H. Chappell

No one enjoys completing applications and filling out paperwork. Most aviation insurance agents can attest to the fact that one of the biggest problems in providing renewal quotations can be obtaining the necessary underwriting information from the client.

There are several facts that I should point out. Fact number one: The underwriter will not provide a quotation nor will he offer to bind coverage without complete and adequate underwriting information. This includes updated and current information on the pilot's qualifications and full detailed information on the aircraft to be insured. Failure to provide this information in a timely fashion can result in a poor reception by the underwriter which can result in a poor quotation or worse, a declination.

Fact number two is that the calendar waits for no man. If your expiration date is January 17th your insurance will expire one minute after midnight or 12:01 AM on January 17th. Calling to give your agent renewal instructions on January 17th will result in a gap in coverage. If your underwriting information is not conveyed to your insurance agent in a timely fashion, it will be difficult for him to provide you with a variety of quotations or to properly negotiate your renewal terms. It goes without saying, he will not have time to secure a binder and provide certificates of insurance to your lien holders and other certificate holders prior to expiration.

If insurance coverage is allowed to expire, no notification will be given to a lien holder or other certificate holders. Certificates of this nature have inception and expiration dates. The insurance company is not required to advise a certificate holder if coverage is not renewed.

If I sound a bit like I am preaching, I must apologize to those of you who handle your business in a professional manner. This caution is only meant for those who procrastinate. One client was so brazen as to tell our agent that he didn't have time to complete his renewal application and instructed us to "just tell the underwriter that I am a very good pilot." I'll bet you can guess how far that got us in the negotiation process. →