

## **A WAIVER OF LIABILITY IS ALL I NEED**

Fact or Myth: I will have all my passengers sign a release prior to riding on my aircraft. This will eliminate the need for passenger liability and will significantly reduce the cost of my insurance.

This is a myth. Although I have heard some attorneys occasionally recommend having a waiver signed as a substitute for carrying passenger liability, this is not a sound theory. Should someone be injured while riding on your aircraft, regardless of your passenger contract, you will most likely be sued. Without passenger liability, you will have to pay your defense costs out of your pocket. Keep in mind, most aircraft liability policies pay for defense outside (in addition to) the liability limit that you purchase.

If a passenger waives his rights of recourse against you (similar to the “hold harmless agreement that we discussed under the FBO section above) and should the courts uphold this waiver, this is not binding on the passenger’s family and business associates. It is a fact that you cannot waive the rights of others. If a successful businessman is injured or killed while riding on your aircraft, his family and business associates could experience a large economic loss. If the loss was the result of your negligence, they could expect compensation for their loss. Waiver or not, they will see you in court. →