



# **AVIATION INSURANCE**

A IIAH SPONSORED SEMINAR  
PRESENTED SEPTEMBER 12, 2013 BY

## **BLAIS AVIATION INSURANCE SERVICES**

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# **AVIATION SEMINAR GOALS**

This seminar (sponsored by the Independent Insurance Agents of Houston) is designed to take an individual agent from a basic to an intermediate level of understanding of Aviation insurance. The seminar will cover an overview of the current aviation market conditions in the United States, Lloyds of London, and other international markets, with a particular emphasis on the exposures, coverage, premium factors, claim trends, underwriting requirements and liability requirements and needs. A vast array of exposures will be reviewed such as general aviation, industrial aid, rotor wing, fixed based operators, aviation schools, etc.



## SEMINAR AGENDA

- |                                 |                                 |
|---------------------------------|---------------------------------|
| 1. Aviation Insurance Overview  | 5. Aviation Marketing           |
| 2. Aviation Insurance Contracts | 6. Key Aviation Issues & Topics |
| 3. Aviation Claim Trends        | 7. Common Questions Raised      |
| 4. Aviation Underwriting        | 8. Summary                      |

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## TOPIC 1 – AVIATION INSURANCE OVERVIEW

### Historical Overview

- ❖ When did aviation take off?
- ❖ What US carrier is considered to be the first to write aviation Insurance?
- ❖ What coverage's were offered in the beginning?

### Exposures

- ❖ How are aviation exposures grouped today?
- ❖ Can an agent provide expertise and coverage for all of them?

### Markets

- ❖ Who are the markets today?
- ❖ What are their appetites ?

1. Aviation Insurance Overview

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## ***Historical Overview - Aviation***

In 1903, the Wright brothers gave flight to the air age at Kitty Hawk, North Carolina.



Since that year, aviation has changed from a few test flights to orbiting celestial bodies.



Speeds, altitude and range capacity have increased thousand fold.



There are now new airplanes that fly with greater fuel efficiency, huge air freighters that move the nation's goods, an expanding general aviation fleet, and vehicles for space exploration and research.

1. Aviation Insurance Overview

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## ***Historical Overview – Aviation Insurance***

Aviation insurance began in 1911 when the first policy was developed by Lloyd's of London.



In July 1912, Lloyd's agreed to cover legal liability on some aircrafts participating in an air meet. Unfortunately, the weather was bad, the crashes were numerous, and the losses on the policies were so bad that the underwriters completely gave up insuring airplanes.



Few policies were issued prior to World War I, and those few were confined to legal liability or personal accident coverages.



The risk of insuring against loss from physical damage to the unstable and frail aircrafts was more than even the most daring underwriter would take.

1. Aviation Insurance Overview

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## Historical Overview – Aviation Insurance

After World War I, many returning pilots bought surplus war aircraft and went into business.

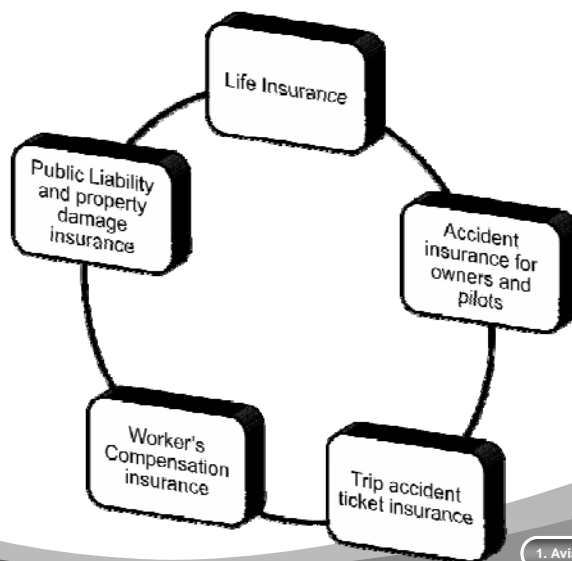
A few insurance companies experimented with the risk of insuring them, but the loss experience was poor and there were frequent withdrawals from the market.

Nonetheless, Travelers Insurance Company announced in 1919, a comprehensive insurance program for air risks including:

1. Aviation Insurance Overview

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## Historical Overview – Aviation Insurance



1. Aviation Insurance Overview

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**TYPICAL AIRCRAFT PURCHASED BY PILOTS RETURNING FROM WWI**



**CURTISS JENNY**

1. Aviation Insurance Overview

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**TYPICAL AIRCRAFT PURCHASED BY PILOTS RETURNING FROM WWI**



**De Havilland DH-4**

1. Aviation Insurance Overview

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**TYPICAL AIRCRAFT PURCHASED BY PILOTS RETURNING FROM WWI**

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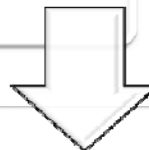
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1. Aviation Insurance Overview

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**Historical Overview – Aviation Insurance**

Early development of air transportation did not measure up to Traveler's expectations and after independently writing aviation business for 12 years, they were finally forced to cease in 1931.



They reentered in 1939 by joining the United States Aircraft Insurance Group (USAIG).

1. Aviation Insurance Overview

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## Historical Overview Aviation Insurance

In the next three years after 1919, there were six companies active in aviation insurance:

1. Travelers Insurance Company
2. The Home Insurance Company
3. Queen Insurance Company of America
4. Globe and Burgers Insurance Company
5. National Liberty Insurance Company
6. Fireman's Fund Insurance Company

Today, there are 22 companies.

1. Aviation Insurance Overview

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## TOPIC 1 – AVIATION INSURANCE OVERVIEW

Exposures

What are some of the main exposures that aviation insurance can cover?

1. Aviation Insurance Overview

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### ***TYPES OF EXPOSURES***



***INDUSTRIAL AID***



***PLEASURE & BUSINESS  
SINGLE ENGINE***

1. Aviation Insurance Overview

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### ***TYPES OF EXPOSURES***



***PLEASURE & BUSINESS  
ROTORWING***



***PLEASURE & BUSINESS  
MULTI ENGINE***

1. Aviation Insurance Overview

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**TYPES OF EXPOSURES**



**STUDENT PILOTS**



**AEROBATIC**

1. Aviation Insurance Overview

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**TYPES OF EXPOSURES**



**AIRSHOWS**



**WARBIRDS**

1. Aviation Insurance Overview

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### **TYPES OF EXPOSURES**



**SMALL AIRPORTS**



**LARGE AIRPORTS**

1. Aviation Insurance Overview

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### **TYPES OF EXPOSURES**



**FIXED BASED OPERATORS  
FBO'S**



**MANUFACTURES  
PRODUCTS COMPLETED  
OPERATIONS**

1. Aviation Insurance Overview

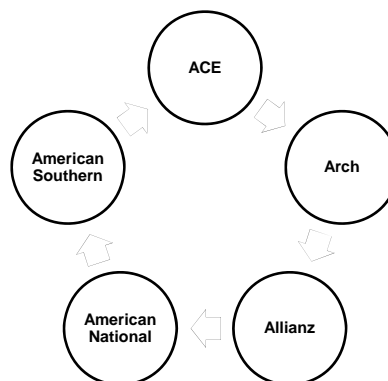
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**TOPIC 1 – AVIATION INSURANCE OVERVEIW****Markets**

Who writes aviation related exposures?  
What names do they go under?

1. Aviation Insurance Overview

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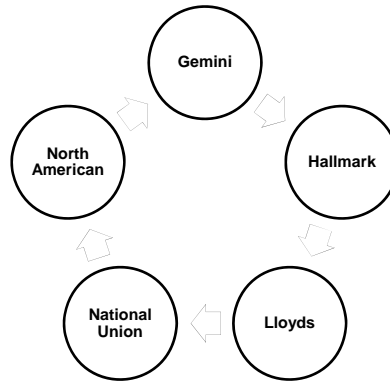
**TOPIC 1 – AVIATION INSURANCE OVERVEIW****Markets**

1. Aviation Insurance Overview

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## TOPIC 1 – AVIATION INSURANCE OVERVEIW

### Markets

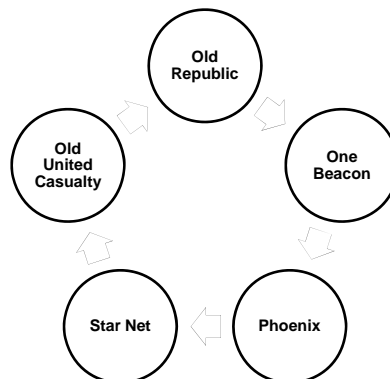


1. Aviation Insurance Overview

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## TOPIC 1 – AVIATION INSURANCE OVERVEIW

### Markets

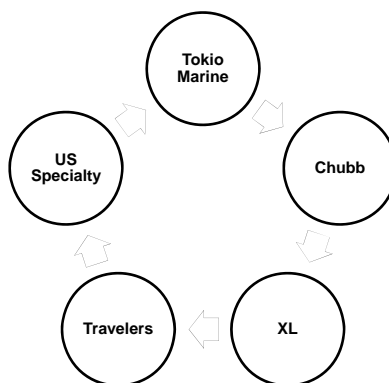


1. Aviation Insurance Overview

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## TOPIC 1 – AVIATION INSURANCE OVERVIEW

### Markets



1. Aviation Insurance Overview

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## TOPIC 2 – AVIATION INSURANCE CONTRACTS

### Aircraft Hull & Liability

### Airport Premises Liability Contracts

### Other Aviation Coverages

- ❖ What is Aircraft Hull?
- ❖ Most Common Hull Coverages
- ❖ Important Hull Coverage Definitions
- ❖ What is Aircraft Liability?
- ❖ The 3 Legal Liability Coverages

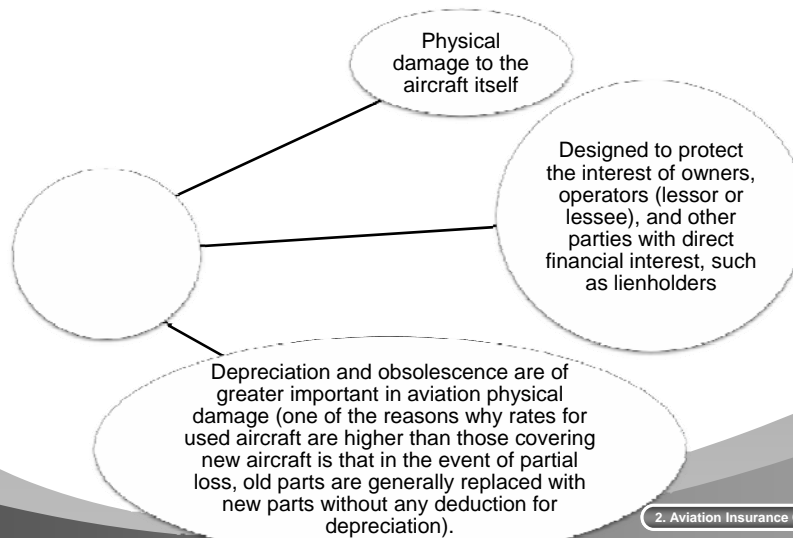
- ❖ What is Airport Premises Liability?
- ❖ Principal Sources of Litigation

- ❖ Medical Payments
- ❖ Hangar Keepers Liability
- ❖ Guest Voluntary Settlement
- ❖ Personal Injury
- ❖ Non-Owned Liability
- ❖ Products Liability
- ❖ Mexican Liability

2. Aviation Insurance Contracts

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## Aircraft Hull



2. Aviation Insurance Contracts

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## Aircraft Hull (continue)

The 2 most common hull coverages are:

### All Risk Basis Ground and Flight:

The broadest hull coverage, provides all risk protection whether or not the aircraft is in flight at the time of loss.

### All Risk Basis Not in Motion:

This coverage is applicable to physical loss or damage while the aircraft is on the ground and not moving under its power or resulting momentum.

2. Aviation Insurance Contracts

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## ***Aircraft Hull (continue)***

### **Important Definitions**

- Aircraft – defined as the aircraft or rotorcraft described in the declarations including the propulsion system and equipment usually installed in the aircraft, such as any operating, navigating, or radio equipment.

### **Important Definitions**

- In Flight – the time commencing with the actual takeoff run of the aircraft and continuing thereafter until it has completed its landing roll.

### **Important Definitions**

- In Motion – the aircraft is moving under its own power or the momentum generated there from or while it is in flight and, if the aircraft is a rotorcraft, any time that the rotors are rotating.

2. Aviation Insurance Contracts

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## ***Aircraft Liability***

Provides the policyholder with protection against third-party claims involving bodily injury and property damage because of ownership, maintenance, or use of aircraft.

2. Aviation Insurance Contracts

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## ***Aircraft Liability (continued)***

3 legal liability coverages are available to the insured, each of which is written subject to its own specific limits of liability:

**Bodily Injury excluding Passenger** – Protects the insured from liabilities imposed upon by law for damages for bodily injury, sickness, disease, mental anguish, or death suffered by any person or persons, other than passengers, due to an accident arising out of the ownership, maintenance, or use of aircraft specifically described in the policy. Separate per person and per accident limits apply to this coverage.

**Passenger Bodily Injury** – Applies in the same manner as the coverage previously mentioned, but with respect only to passengers.

Passengers are defined to include person in, on or boarding the aircraft for the purpose of flying therein or those alighting there from following a flight or an attempted flight. Separate per person and per accident limits apply.

**Property Damage** – Insures against liability imposed upon the insured by law for damages because of injury to or destruction of property including the loss of use thereof due to an accident arising out of the ownership, maintenance, or use of the aircraft insured. The limit is a single limit express on a per accident basis.

2. Aviation Insurance Contracts

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## ***Airport Premises Liability***

Protects the owner or operator of an airport against loss because of legal liability due to maintenance or use of the airport and all operations at or away from the airport.

2. Aviation Insurance Contracts

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## ***Airport Premises Liability (continue)***

Principal sources of litigation may be summarized under two headings:

Aircraft operations such as aircraft accidents, fueling, aircraft in the care, custody or control of the operator, and maintenance and service work.

Premises operations such as automobile parking lots, elevators and escalators, policy and security, slipping and falling, special events, tenants and contractors, and vehicular traffic.

2. Aviation Insurance Contracts

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## ***Other Aviation Coverages***

### **Medical Payments**

Available to noncommercial insureds where passenger bodily injury is written.

Provides payment for all reasonable expense of medical, surgical, ambulance, hospital, nursing, and related services and, in the event of death, reasonable funeral expense on behalf of the injured parties while riding in the insured aircraft.

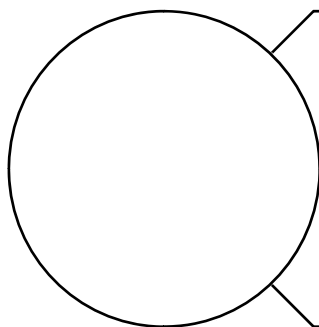
May be written to specifically exclude, or include the pilot and crew members (for a/p)

Payment is made regardless of legal liability and is limited to specific per person and per occurrence limits appearing on the declarations page.

2. Aviation Insurance Contracts

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## Other Aviation Coverages (continue)



### HangarKeepers Liability:

Provides legal liability protection for property damage to non-owned aircraft at the Named Insured's premises and in the care, custody or control of the Named Insured.

2. Aviation Insurance Contracts

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## Other Aviation Coverages (continue)

### Guest Voluntary Settlement

(more commonly known as admitted liability)

Available to selected noncommercial corporate and business and pleasure risk in conjunction with passenger bodily injury.

Provides that if a guest passenger (or crew member if included) suffers death or injury resulting from dismemberment or loss of sight, a sum up to but not exceeding a stated principle sum be offered to the guest (or crew member) or his survivor.

Payment is made provided that the offer is requested by the Named Insured and that a full release for all bodily injury is obtained from the recipient.

2. Aviation Insurance Contracts

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## Other Aviation Coverages (continue)

<u>Personal Injury</u>	<u>Non-Owned Aircraft Liability</u>	<u>Products and Completed Operations</u>	<u>Mexican Liability Policy</u>
<ul style="list-style-type: none"> <li>Provides legal liability protection for false arrest, assault or battery, defamation, libel, slander, and so forth arising out of the operation of the aircraft insured under the policy. It is written on an aggregate basis with a max limit of \$25,000,000.</li> </ul>	<ul style="list-style-type: none"> <li>Extends basic liability coverage to apply to the use of non-owned aircraft.</li> </ul>	<ul style="list-style-type: none"> <li>Liability coverage for sale of products and completed operations hazard available to the supplier of aircraft products and to the airport owner and fixed base operator in relation to the manufacture, sale, and distribution of products; repairs and modifications to aircraft; and performance of services relating to aircraft products.</li> </ul>	<ul style="list-style-type: none"> <li>Provides a Certificate of Insurance required by the government of Mexico evidencing liability coverage issued by a Mexican insurance company for operation of the insured aircraft in Mexico.</li> </ul>

2. Aviation Insurance Contracts

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## Other Aviation Coverages (continue)

<u>Search and Rescue Expense</u>	<u>Trip Interruption</u>	<u>Rental Expense of Temporary Replacement Parts</u>	<u>Extra Expense for Substitute Aircraft</u>
<ul style="list-style-type: none"> <li>On request, most insurers will extend the hull and liability policy to reimburse the insured up to \$25,000 for search-and-rescue efforts, but only after discontinuance of efforts by governmental authorities.</li> </ul>	<ul style="list-style-type: none"> <li>Provides reimbursement of expenses incurred for food, lodging, and travel of passengers to complete a given flight to its destination or original departure point if the trip is interrupted or discontinued due to loss covered under the policy.</li> </ul>	<ul style="list-style-type: none"> <li>Provides reimbursement of rental costs incurred in renting parts temporarily needed to replace aircraft parts withdrawn from use due to a physical damage loss covered by the policy.</li> </ul>	<ul style="list-style-type: none"> <li>Extra expense for substitute aircraft provides reimbursement of rental costs incurred in renting or chartering aircraft temporarily needed to replace a specified scheduled aircraft withdrawn from use due to a physical damage loss covered by the policy.</li> </ul>

2. Aviation Insurance Contracts

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## TOPIC 3 – AVIATION CLAIM TRENDS

1-1-2009 to 3-9-2009

1-1-2008 to 12-31-2008

1-1-2007 to 12-31-2007

The NTSB docket highlights 128 records of accidents

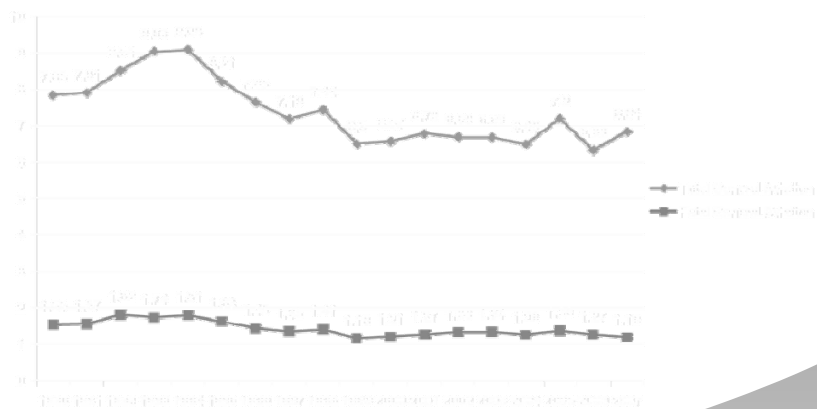
The NTSB docket highlights 1863 records of accidents

The NTSB docket highlights 1998 records of accidents

3. Aviation Claim Trends

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### GENERAL AVIATION - Accident Rates for U.S. Aircraft per 100,000 Aircraft Hours Flown from 1990 to 2007

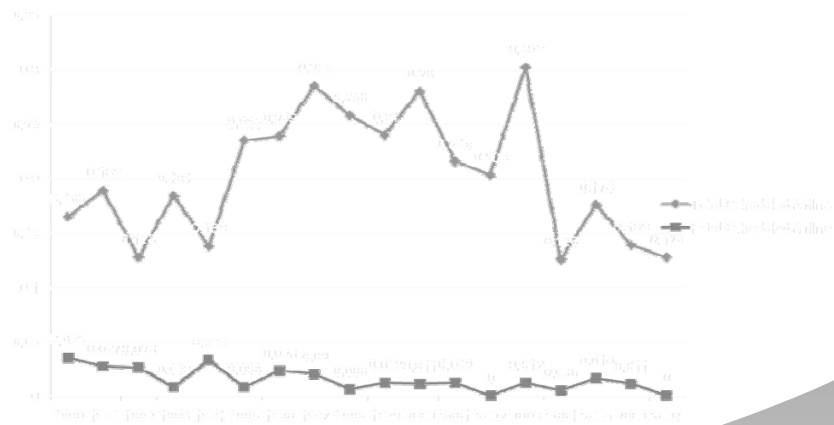


Source: National Transportation Safety Board

3. Aviation Claim Trends

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### SCHEDULED AIRLINES - Accident Rates for U.S. Aircraft per 100,000 Aircraft Hours Flown from 1990 to 2007



Source: National Transportation Safety Board

3. Aviation Claim Trends

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## TOPIC 4 – AVIATION UNDERWRITING

Applications

Supporting Data

Analysis

Please visit our website - [www.blaisaviation.com](http://www.blaisaviation.com) for copies of our applications.

Pilot Application (one per pilot)

There are a number of key factors that play a role in the analysis.

4. Aviation Underwriting

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**TOPIC 4 – AVIATION UNDERWRITING**

Applications

Blais Aviation Insurance Services

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for copies of our applications.

4. Aviation Underwriting

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**TOPIC 4 – AVIATION UNDERWRITING**

Supporting Data

Pilot  
Application

One Per Pilot

4. Aviation Underwriting

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**TOPIC 4 – AVIATION UNDERWRITING****Analysis**

Every aviation insurance underwriter has slightly different guidelines he/she follows to arrive at a rate, but virtually without exception they all take the following into consideration somewhere in their deliberations. Each factor, to the underwriter, represents a change in the chance of an accident or affects his chances of profit from your policy.

4. Aviation Underwriting

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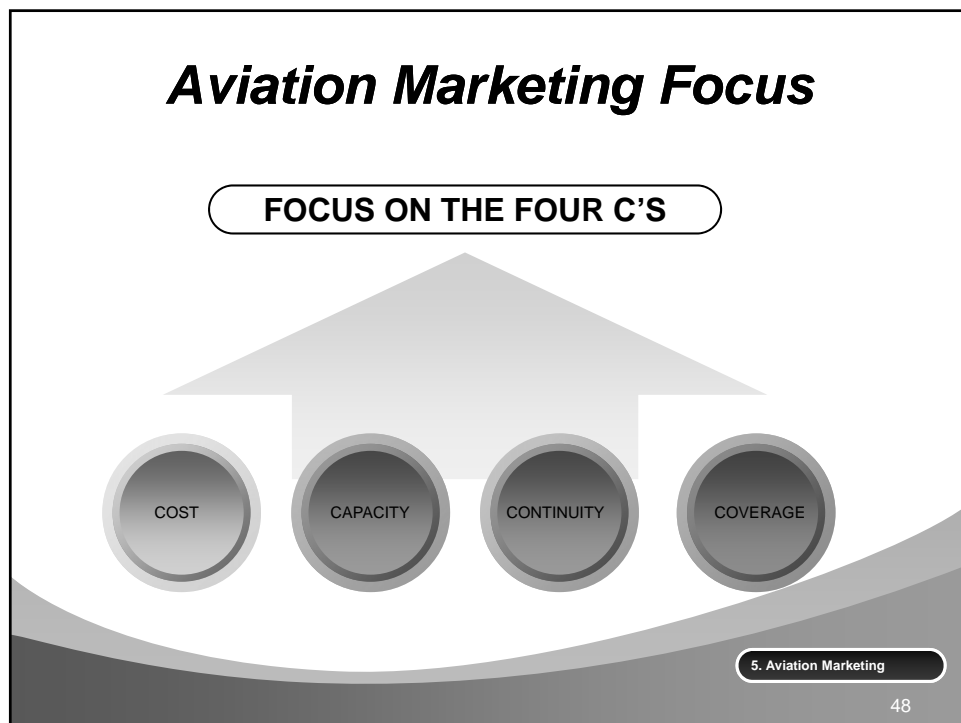
**TOPIC 4 – AVIATION UNDERWRITING****Analysis**

Factors that are considered:

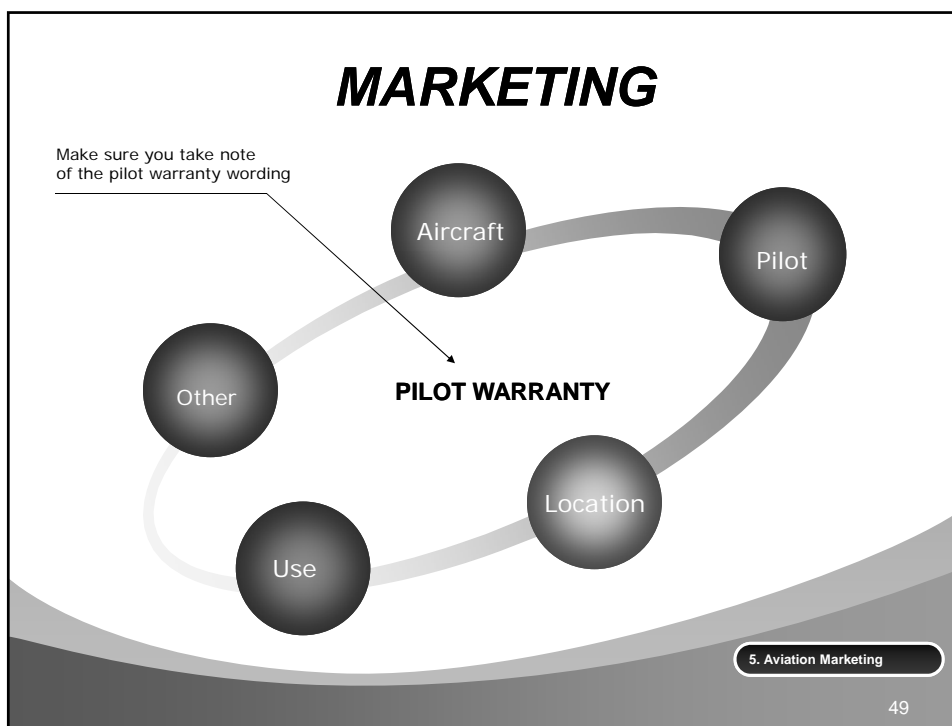
- What kind of aircraft
- Undercarriage
- Value
- Location
- Who are the pilots
- How is the aircraft used
- Where is the aircraft kept
- The underwriter

4. Aviation Underwriting

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## TOPIC 6 – KEY AVIATION ISSUES & TOPICS

Part 135/91

FAR Part 91 General Operating and Flight Rules

FAR Part 135 Operating Requirements: Commuter and On Demand Operations and Rules Governing Persons on Board Such Aircraft

6. Key Aviation Issues & Topics

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## ***HIGH WING AIRCRAFT***



6. Key Aviation Issues & Topics

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## ***LOW WING AIRCRAFT***



6. Key Aviation Issues & Topics

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## ***BI PLANE***



6. Key Aviation Issues &amp; Topics

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## ***The Aviation Phonetic Alphabet***

CHARACTER	TELEPHONY	PHONIC (PRONUNCIATION)
A	Alfa	(AL-FAH)
B	Bravo	(BRAH-VOH)
C	Charlie	(CHAR-LEE) or (SHAR-LEE)
D	Delta	(DELL-TAH)
E	Echo	(ECK-OH)

6. Key Aviation Issues &amp; Topics

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## ***The Aviation Phonetic Alphabet***

CHARACTER	TELEPHONY	PHONIC (PRONUNCIATION)
F	FOXTROT	(FOX-TROT)
G	Golf	(GOLF)
H	Hotel	(HOH-TEL)
I	India	(IN-DEE-AH)
J	Juliet	(JEW-LEE-ETT)
K	Kilo	(KEY-LOH)

6. Key Aviation Issues &amp; Topics

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## ***The Aviation Phonetic Alphabet***

CHARACTER	TELEPHONY	PHONIC (PRONUNCIATION)
L	Lima	(LEE-MAH)
M	Mike	(MIKE)
N	November	(NO-VEM-BER)
O	Oscar	(OSS-CAH)
P	Papa	(PAH-PAH)

6. Key Aviation Issues &amp; Topics

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## ***The Aviation Phonetic Alphabet***

CHARACTER	TELEPHONY	PHONIC (PRONUNCIATION)
Q	Quebec	(KEH-BECK)
R	Romeo	(ROW-ME-OH)
S	Sierra	(SEE-AIR-RAH)
T	Tango	(TANG-GO)
U	Uniform	(YOU-NEE-FORM) or (OO-NEE-FORM)

6. Key Aviation Issues &amp; Topics

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## ***The Aviation Phonetic Alphabet***

CHARACTER	TELEPHONY	PHONIC (PRONUNCIATION)
V	Victor	(VIK-TAH)
W	Whiskey	(WISS-KEY)
X	X ray	(ECKS-RAY)
Y	Yankee	(YANK-KEY)
Z	Zulu	(ZOO-LOO)

6. Key Aviation Issues &amp; Topics

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Glossary  
Aviation Insurance / Aircraft Insurance

- ☐ **Additional Insured** - a person other than the original named insured, who is protected under the terms of a policy.
- ☐ **Aircraft Liability Insurance** - protects insureds from claims by other parties ("third parties") for bodily injury or death and property damage. The claim has to result from an occurrence related to the operation of the aircraft.

6. Key Aviation Issues & Topics

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Glossary  
Aviation Insurance / Aircraft Insurance

- ☐ **Guest Voluntary Settlement** - also known as admitted liability, provides coverage to a passenger who suffers certain forms of bodily injury whereby a settlement is offered on a predetermined basis in exchange for a release of liability.
- ☐ **Hull Insurance** - coverage for physical damage done to the aircraft. It is not liability coverage and is therefore triggered by a covered event, regardless of the reason for the damage or loss.

6. Key Aviation Issues & Topics

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Glossary  
Aviation Insurance / Aircraft Insurance

- ☐ **Industrial Aid** - refers to a corporate-owned aircraft that is used for the transportation of executives, employees, customers and guests, and flown by full-time professional pilots.
- ☐ **Medical Payments** - coverage that pays medical, surgical, hospital and funeral expenses up to the applicable limit, regardless of the liability of the insured.

6. Key Aviation Issues & Topics

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Glossary  
Aviation Insurance / Aircraft Insurance

- ☐ **Named Insured** - the actual policyholder who is specifically named on the policy. Named insureds are responsible for premium payment, have the authority to cancel or make changes to a policy, will have a say in the claims process, and are included on any claim checks that are issued.
- ☐ **Open Pilot Warranty** - a clause in the policy that will state the minimum qualifications for a pilot to meet who has not been previously listed by name on the policy as a pilot. A pilot who is named on the policy or who "meets the open" simply affirms to the named insured that the pilot's legal and proper use of the aircraft will not void the named insured's coverage. It does not necessarily mean that the named pilot will be covered under the liability protection of the policy.

6. Key Aviation Issues & Topics

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Glossary  
Aviation Insurance / Aircraft Insurance

☐ **Pleasure & Business** - refers to an aircraft that is owned and/or operated by pilots who are not employed as full-time professional pilots.

☐ **Smooth Limit** - a limit of liability that offers a combined single limit of coverage that applies to all bodily injury and property damage claims. A specified maximum amount can be paid out from a covered occurrence in any combination - passenger bodily injury, other person's bodily injury or property damage.



Glossary  
Aviation Insurance / Aircraft Insurance

☐ **Sub-Limit** - usually a combined single limit of coverage that applies to all bodily injury and property damage claims, however, a reduced amount of coverage from the single limit is available to pay for claims resulting from bodily injury.

☐ **Subrogation** - a doctrine that gives an insurance company the right to attempt to recoup some or all of the money they have paid on behalf of the insured. They do this by proving that another party was legally responsible for the loss and that the party has the financial ability to reimburse the insurance company.



### AVIATION ABBREVIATIONS

The following abbreviations are found in aviation insurance applications, policies, aircraft advertisements, manuals and pilot operating handbooks.

#### Insurance abbreviations

##### Page 1 of 11

AMES – Aircraft multi engine, sea  
 ASES – Aircraft single engine, sea  
 ATP – Airline Transport Pilot  
 BFR – Biannual flight review  
 C – Commercial license  
 CFI – Certified flight instructor  
 CFII – Certified flight instructor, instrument  
 Conv - Conventional landing gear with tail wheel  
 Dual – training given by a qualified instructor

6. Key Aviation Issues & Topics

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### AVIATION ABBREVIATIONS

The following abbreviations are found in aviation insurance applications, policies, aircraft advertisements, manuals and pilot operating handbooks.

#### Insurance abbreviations

##### Page 2 of 11

Fixed – non-retractable landing gear  
 Fixed tri – Fixed tri-cycle landing gear  
 FR – Flight review  
 G & F – ground and flight  
 GNIM – ground not in motion  
 GNIF – Ground not in flight  
 G & T – Ground and taxi  
 Heli – helicopter or rotor wing  
 Hr - Hours

6. Key Aviation Issues & Topics

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### AVIATION ABBREVIATIONS

The following abbreviations are found in aviation insurance applications, policies, aircraft advertisements, manuals and pilot operating handbooks.

#### Insurance abbreviations

##### Page 3 of 11

I – Instrument rated  
 IFR – Instrument rated  
 ICC – Instrument competency check  
 IPC – Instrument proficiency check  
 M – multi engine  
 Med – medical payments  
 Med pay – medical payments  
 ME – Multi engine  
 MEL – Multi engine land  
 MEI – Multi engine instructor  
 MM – Make and model  
 M & M – Make and model

6. Key Aviation Issues & Topics

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### AVIATION ABBREVIATIONS

The following abbreviations are found in aviation insurance applications, policies, aircraft advertisements, manuals and pilot operating handbooks.

#### Insurance abbreviations

##### Page 4 of 11

OPW – Open pilot warranty  
 P – Private license  
 Pax - Passengers  
 PIC - Pilot in command  
 RG – Retractable gear  
 Rotor – Helicopter or rotorcraft  
 RW – Rotor wing  
 SE – Single engine  
 SEL – Single engine land  
 SES – Single engine sea  
 SIC – Second in command  
 Solo – no passengers or flight instructor in aircraft

6. Key Aviation Issues & Topics

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**AVIATION ABBREVIATIONS**

The following abbreviations are found in aviation insurance applications, policies, aircraft advertisements, manuals and pilot operating handbooks.

**Insurance abbreviations****Page 5 of 11**

TO – Take off  
TO & L – Take off and landings  
TRI – Tri-gear  
TW – Tailwheel  
TT – Total time  
TTL – Total time logged

6. Key Aviation Issues & Topics

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**AIRCRAFT ABBREVIATION****Page 6 OF 11**

OSFRM - zero time since a factory remanufacture  
OSMOH - Zero time since major engine overhaul  
FWF - Firewall forward  
MDH - major damage history  
NDH - No damage history

6. Key Aviation Issues & Topics

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**AIRCRAFT ABBREVIATION****Page 7 OF 11**

SCMOH - Since chrome cylinder major overhaul  
 SFRM - Since factory remanufacture  
 SMOH - Since major engine overhaul  
 SOH - since engine overhaul (not necessarily a major)  
 SPOH - Since prop overhaul  
 STOH - Since top overhaul (pistons, cylinders and valve train)

6. Key Aviation Issues &amp; Topics

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**AIRCRAFT ABBREVIATION****Page 8 of 11**

TBO - Time between overhauls (factory recommendations)  
 TT - Total time  
 TTA - Total time on the airframe  
 TTAE - Total time on the airframe and engine  
 TTE - Total time on the engine  
 TTSN - Total time since new

6. Key Aviation Issues &amp; Topics

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## **AIRCRAFT PERFORMANCE AND SPECIFICATION ABBREVIATIONS**

### **Page 9 of 11**

Amp - Amperage of the alternator (electrical system rating)  
 Alt - Alternator  
 AOC - Angle of climb  
 C/S - Constant speed (governed speed, adjustable pitch) propeller  
 Cu. In. - Cubic inches displacement of engines  
 Fixed tri gear - non retractable tricycle landing gear with a nose wheel  
 F/P - Fixed pitch (non adjustable) propeller  
 FPM - Feet per minute (usually regarding climb)

6. Key Aviation Issues & Topics

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## **AIRCRAFT PERFORMANCE AND SPECIFICATION ABBREVIATIONS**

### **Page 10 of 11**

Gen - Generator  
 GPH - Gallons per hour MPH - Miles per hour  
 HP - Horsepower of engine  
 KTS - Knots (1 knot = 1.151 statute miles per hour, or 1852 kilometers per hour)  
 L/R - Long-range fuel  
 NM - Nautical mile = approximately 6,080 ft.  
 Oct. - Octane rating of fuel.

6. Key Aviation Issues & Topics

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## **AIRCRAFT PERFORMANCE AND SPECIFICATION ABBREVIATIONS**

**Page 11 of 11**

PSI - Pounds per square inch (tire and strut pressure)  
 Ret. tri gear - Retractable tricycle landing gear with a nose wheel  
 ROC - Rate of climb  
 SM - Statue mile = 5,280 ft.  
 Sq. Ft. - Square feet regarding wing area.  
 STD - Standard fuel  
 V – Volts  
 Vis - Viscosity of oil

6. Key Aviation Issues & Topics

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## ***TOPIC 7 – COMMON QUESTIONS***

Why are contracts relating to my aircraft important from an insurance perspective?

How much liability coverage is enough?

How do I determine the proper insured value for my aircraft?

How do I determine the proper insured value for my aircraft?

What measures can I take to improve my aviation insurance program?

7. Common Questions Raised

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## **TOPIC 7 – COMMON QUESTIONS**

What's the deal with single-pilot operations?

Should we carry war insurance or TRIA insurance or both?

What is a Broker of Record Letter and what does it do?

Can pilots be sued?

Do you know and understand aviation terms?

7. Common Questions Raised

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## **TOPIC 8 – SEMINAR SUMMARY**

KEY POINTS

TAKEAWAYS

QUESTIONS

8. Summary

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***BREAK***  
**10 MINUTES**

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## ***HANDOUTS***

1. Aviation Accident Reports – NTSB
2. Sample GA Quote
3. Sample Industrial Aid Quote
4. Cirrus Accident Report (Cory Lidle - New York Yankees)
5. Top Ten Aviation Questions
6. Insurance for Non Owned Aircraft
7. Aviation Insurance Premiums
8. Aviation Markets Cross Reference
9. Crash Probe Article
10. Sample Aviation Application
11. Runway & Taxiway Signs
12. Frequently Asked Aviation Questions
13. Aviation Alphabet

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