



PRODUCT NEED AND USE:

Cedant may not want to retain the exposure posed while using owned, leased or chartered aircraft in the furtherance of their business. By purchasing reinsurance, the Cedant is able to reduce the potential for losses resulting from aircraft accidents.

The reinsurance covers AD&D losses of one or more lives on a company or individual owned, chartered, or leased aircraft.

SUBJECT INSURANCE:

The subject insurance can be Basic AD&D, Voluntary AD&D, Business Travel AD&D or any combination of thereof. May also be a Life policy from which the reinsurer carves out the accidental death risk.

REINSURANCE DESIGN/OPTIONS/STANDARDS:

- Reinsurance can be purchased on a quota share or excess per life/per occurrence basis.
- Ability to quote both individual and group situations.
- Ability to quote on both crew and passengers.
- Underwriting service and quotation usually within a 24 hour standard.

INFORMATION REQUIREMENTS:

Aircraft Classification: Questionnaire typically provided.

1. Fixed Wing, Rotor Wing, Amphibians, etc
2. Number of Seats: Crew and Passenger

Pilot Classification/Qualifications: Questionnaire typically provided.

Analysis of Exposure:

1. Seat Occupancy - number of employees traveling together at any one time
2. Sums insured per life
3. Aggregate limit
4. Utilization – hourly or annual flight hours for each aircraft
5. Fleet Adjustment (for more than 2 aircraft of like nature)
6. Special Hazards - Air Ambulance, Aerial Photography, Crop Dusting, Pipeline/Powerline inspection, Offshore Oil Rigs, etc.
7. Physical Hazards - Mountainous terrain, airport facilities or flying over open water

CSP Canada

*65 Queen Street West Suite 701A Toronto, Ontario M5H 2M5
Telephone 416-203-6843 Fax 416-203-9827*

UNDERWRITING NOTES:

Aircraft Classification:

Industrial Aid rates vary based on the classification of an aircraft. The principal classifications are as follows:

- Fixed Wing - Single Engine or Multi-Engine
- Rotor Wing
- Amphibian

Pilot Classification:

The professional status of the pilot is the key criterion used to differentiate between the Corporate Transportation and the Business Transportation classifications.

Full time professional pilots perform corporate Transportation flying, whereas non-professional pilots perform Business Transportation flying. Since the Business Transportation category is more hazardous, the risk is rated based on the professional status of the pilot.

Since several different pilots may fly the aircraft, the status of the least-qualified pilot could influence the rate structure.

A Pilot History form should be provided.

Analysis of Exposure:

Seat Occupancy - Information about the aircraft's average passenger complements.

Sums Insured - If the benefit is a multiple of salary rather than a flat amount per seat, it is necessary to estimate the average amount per seat.

Utilization - The more an aircraft is flown, the greater its exposure to accident.

Fleet Adjustment - Reinsurance on an entire fleet can be discounted. This applies to 2 or more aircraft of the same nature.

Special Hazards - Seat Accident coverage for aircraft being used for purposes other than transporting passengers.

Physical Hazards - The two hazards of most concern are terrain and airport facilities. Terrain refers to instances where the aircraft will be flying over open water or flying to job sites in hazardous areas. Airport hazard refers to the possible situation where a corporation may have a strip of land cleared off near its job site that they call an airport.

SPECIMEN WORDING:

Flight Accident Coverage while flying as a passenger, pilot or member of the crew in the following aircraft which are owned, chartered, or operated by the Original Insured:

Schedule of Covered Aircraft

- 1.
- 2.
- 3.

Standard Warranty: Aircraft should hold a current and Valid Certificate of Airworthiness.