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Aviation Risk v. Life Insurance Exclusions

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JUDICIAL AND REGULATORY DECISIONS

AVIATION RISK v. LIFE INSURANCE EXCLUSIONS

THE stigma of inherent danger associated with aviation since its inception has tended to confuse the relationship between the aviation risk and life insurance. As early as 1910, life insurance companies were confronted with the problem of death resulting from aeronautical activities.¹ The rapidly increasing popularity of aviation made this problem unique. Although adequate statistics were not available, insurance underwriters believed that persons who flew were poor insurance risks.

Since only a small segment of the public utilized air transportation, the life insurance companies introduced aviation exclusionary clauses into the policies of persons displaying an interest in air travel — clauses which excluded liability for death resulting from aeronautical activity.² The early attempts to limit liability were often unsuccessful,³ but the problem was to become even more acute. As air transportation became an accepted and popular mode of travel, underwriters resorted to stringent exclusion clauses in almost all new policies. The courts, however, looked askance at these clauses, especially in cases relating to commercial scheduled airline passengers.⁴ Repeatedly the courts held that these clauses did not contemplate airline passenger travel.⁵ Multifarious interpretations were given similar clauses in order to circumvent

¹ Pacific Mut. Life Ins. Co. vs. Van Fleet, 47 Cal. 401, 107 Pac. 1087, 14 A.L.R. 986 (1910). The court refused to include the death resulting from a single balloon ascent within the scope of a "hazardous occupation" exclusion clause.

² A typical clause denied recovery for any death "... as a result of travel or flight in or upon any kind of aircraft, or from falling or otherwise descending therefrom or therewith during said travel or flight . . ." *McDaniel vs. California Western States Life Ins. Co.*, 181 F.2d 606 (5th Cir. 1950). Some exclusion clauses relate to double indemnity recovery only, but the legal problems are the same as clauses relating to full recovery. For a comprehensive history of early aviation exclusion clauses, see Glass, *Aeronautic Risk Exclusion in Life Insurance Contracts*, 7 JOURNAL OF AIR LAW AND COMMERCE 305 (1936).

³ *Ibid.* Frequently prospective policy-holders were required to "warranty" any intentions concerning aeronautics. Refusing to uphold these warranties, courts frequently claimed that these warranties were hidden in a mass of small print and thereby ineffective. *Statutes Affecting Representations in Insurance Contracts*, 32, COLUM. L. REV. 522 (1932).

⁴ The early decisions were primarily concerned with the use of particular phrases such as "engaged in aeronautics" and "participating in aeronautics" and the interpretations to be given these phrases in relation to airline passengers and airline personnel. 7 JOURNAL OF AIR LAW AND COMMERCE 305 (1936), 63 YALE L. J. 692 (1954), Annot., 99 A.L.R. 199 (1935), 17 A.L.R. 2d 1050 (1951), 45 A.L.R. 2d 462 (1956).

⁵ See note 4, *supra*. Many courts interpreted "engaged" to mean occupational contact and thereby allowed recovery for an occasional passenger flight resulting in death. *Masonic Accid. Ins. Co. vs. Jackson*, 200 Ind. 472, 164 N.E. 628 (1929). A second rationale was to call the clause ambiguous and thereby construe it against the drafter-insurer. *Peters vs. Prudential Life Ins. Co.*, 133 Misc. 780, 233 N.Y. Supp. 500 (Supp. Ct. 1929).

aviation exclusion.⁶ Utilizing the principle that an ambiguous contract should be construed adversely to its drafters, the courts frequently allowed recovery where the apparent intent of the parties was to exclude aviation risks.⁷

From the confusion surrounding the aviation exclusionary clause, there eventually emerged a semblance of order.⁸ The experience of early litigation caused the insurance underwriters to redraft the exclusion clauses.⁹ Certain phrases deemed ambiguous by the courts were deleted in favor of phrases shown to be enforceable by previous litigation. The resulting clauses thus became more standard and allowed less judicial discretion.¹⁰ In addition, and perhaps most important, the new clauses *did allow coverage* for passengers on scheduled commercial airlines.

Because the clause changes resulted in coverage for the scheduled airline passenger, the attitude of the courts toward aviation exclusion clauses showed a marked change. Almost fastidiously the written word of the policy was enforced by the courts.¹¹ The new clauses, however, offered no protection to either commercial flight personnel or private fliers. After World War II, the increased popularity of private flying created an obvious necessity for more extensive life insurance cover-

⁶ See note 4, *supra*.

⁷ *Peters vs. Prudential Life Ins. Co.*, 183 Misc. 780, 233 N.Y. Supp. 500 (Supp. Ct. 1929).

⁸ See note 4, *supra*.

⁹ These new clauses generally followed this form: Operating or riding in any kind of aircraft except as a fare paying passenger in a licensed and scheduled commercial airliner.

¹⁰ No recovery allowed in *United Service Life Ins. Co. vs. Bischoff*, 181 F.2d 627 (1950); *McDaniel vs. California Western States Life Ins. Co.*, 181 F.2d 606 (5th Cir. 1950); *McBride vs. Prudential Ins. Co.*, Ohio, 72 N.E.2d 98 (1957). Since 1946, ambiguity has been the basis for recovery in these three cases: In *Clapper vs. Aetna Life Ins. Co.*, 157 F.2d 76 (Cir. 1956), a policy written in 1929 provided exclusion if ". . . the death of insured occurs . . . from an aeronautic flight . . ." The court said no liability would result if the policy read "resulting from a flight" and then went on to define *aeronautic* according to Webster's Dictionary to mean the "science of operation of aircraft." The insured was a passenger in a Navy plane and not a member of the crew. While apparently relying upon the dictionary definition of *aeronautic* to allow recovery, the court concluded by declaring the policy ambiguous also.

In *Faron vs. Penn Mutual Life Ins. Co.*, 179 F.2d 480 (Cir. 1948), the court did not directly call the exclusionary clause ambiguous (" . . . if the death of the insured resulted directly or indirectly . . . from aeronautic or submarine casualty . . ."), but intimated that this was the case. In holding against the insurance company, the court said that the insured, a passenger aboard a commercial airliner, although technically within the exclusionary clause would not, as a person of "ordinary business intelligence," interpret the clause to include airline travel.

In *New York Life Ins. Co. vs. Atkinson*, 5 CCH AVIATION L. REP. 17363 (10th Cir. Feb. 1957), *cert. denied*, (May 1957), the court held ambiguous an exclusionary clause that denied double indemnity payment should death result from ". . . service, travel, or flight in any kind of aircraft . . . while insured is participating in aviation training in such aircraft or is a pilot, officer, or other member of the crew of such aircraft . . ." (Emphasis added.) The decedent's job was to fly in a plane and operate an "aerial scintillometer" used to locate minerals beneath the surface of the earth. The court said the policy did not undertake to define the "crucial word crew" and that it was therefore ambiguous and should be construed in favor of the insured.

¹¹ See note 18, *infra*.

age.¹² An appreciable segment of the general public reflected an interest in private aviation and insurance coverage for such activity. The underwriters were faced with the alternatives of denying all coverage to aviators, allowing limited coverage employing exclusion clauses, charging increased premiums to cover the added hazard, or grant complete coverage irrespective of aviation risks.¹³

The alternatives presently employed by the underwriters depend to a great extent upon the amount, type of flying, and other circumstances surrounding the particular applicant. For the purpose of analysis it is therefore helpful to characterize the problems of civil aviation into the categories of commercial flight personnel, private business fliers, and private pleasure fliers.¹⁴

Commercial Flight Personnel¹⁵

Little litigation has arisen on the question of life insurance coverage for commercial flight personnel in recent years. It is therefore speculative how the courts will regard aviation exclusion clauses in policies owned by commercial aviators in the future. A 1951 decision in the Second Circuit, *Broidy v. State Mutual Life Assur. Co.*, involving a professional Air Force flier may indicate the rationale the courts

| 12 | | SUMMARY OF CIVIL FLYING: 1934 to 1955 | | | | |
|----------------------|------|---------------------------------------|-------|-------|-------|-------|
| | | 1934 | 1940 | 1950 | 1954 | 1955 |
| Total civil aircraft | | 8322 | 17928 | 92809 | 92057 | 85320 |
| Hours flown | 1000 | 846 | 3200 | 9650 | 8963 | 9500 |
| Business | do | 121 | 314 | 2750 | 3875 | 4300 |
| Commercial | do | 207 | 387 | 1500 | 1829 | 1950 |
| Instructional | do | 217 | 1529 | 3000 | 1292 | 1275 |
| Pleasure | do | 301 | 970 | 2300 | 1920 | 1975 |
| Other | do | .. | .. | 100 | 47 | .. |

Condensed from STATISTICAL ABSTRACT OF THE UNITED STATES—1957

¹³ INSTITUTE OF LIFE INSURANCE, LIFE INSURANCE FACT BOOK, pp. 43-44 (1953).

¹⁴ Classifications are based upon dissimilarities in policies, statistics, and future potential of various phases of aviation. Also similarities as to general use of aircraft, occupational hazards, and need for additional life insurance coverage mark the various categories. The problems of military aviation will not be discussed except where they directly relate to one of the other classifications.

| 15 | | SCHEDULED AIR CARRIERS—SUMMARY OF OPERATIONS—1934-1956 | | | | |
|---|--|--|-------|-------|---------------------|--------|
| | | 1934 | 1940 | 1945 | 1950 | 1956 |
| Route miles in operation | | 50801 | 95079 | 87401 | 183841 | 198528 |
| Aircraft in service | | 522 | 437 | 518 | 1120 | 1543 |
| Total personnel employed | | 6477 | 22051 | 68281 | 82786 | 131503 |
| Total fatalities | | 38 | 45 | 115 | 95 | 50 |
| Fatalities per 1,000,000 revenue miles flown— | | | | | | |
| domestic | | .70 | .41 | .42 | .28 (not available) | |
| international | | 1.19 | 0.00 | .83 | .58 (.03 in '55) | |

Condensed from STATISTICAL ABSTRACT OF THE UNITED STATES—1957.

Commercial flight personnel includes all members of the crew of any plane operated as a public carrier transporting freight or passengers for hire.

will employ in cases involving commercial flight personnel.¹⁶ In allowing recovery, the court stated that to uphold an aviation exclusionary clause in the case of a professional flier would make an absurdity of the intention of the deceased at the time he entered into the insurance contract. The *Broidy* case, however, is inconsistent with the general trend of recent decisions. The more prevalent view is illustrated in *New York Life Ins. Co. v. Jones*, wherein the deceased, the pilot of a non-scheduled chartered airliner, was denied recovery on the grounds that the exclusionary clause was clear and unambiguous.¹⁷ No attempt was made to distinguish the *Broidy* doctrine. Rather, the court relied upon the explicit words of the contract to deny recovery.¹⁸

Although several of these cases are not concerned with commercial flight personnel, they are authority for the proposition that where insured is a pilot by profession, the courts are reluctant to deviate from the wording of the policy in order to allow recovery even in instances where the intention of the parties to include the particular risk is doubtful. It must be assumed, notwithstanding the *Broidy* case, that the courts will give a rigid interpretation to the exclusion clause in the policies of commercial flight personnel and thereby deny recovery.

As commercial aviation became an established mode of transportation, the need for thorough but inexpensive life coverage for commercial flight personnel became critical.¹⁹ Today most airlines provide group aviation life plans for all employees including flight personnel.²⁰ These plans provide unqualified coverage on the life of the employee

¹⁶ 186 F.2d 490 (2d Cir. 1951).

¹⁷ 224 F.2d 33 (5th Cir. 1955).

¹⁸ A definite reluctance to look beyond the words of the contract has been evidenced in several recent decisions. In *Smith vs. Prudential Ins. Co.*, the Supreme Court of Missouri denied recovery under an aviation exclusion clause applicable to a "member of crew" of any plane. The deceased, an Air Force officer, "hitched" a ride on an Air Force plane for personal business. As senior officer on the plane he had been issued temporary duty orders designating him co-pilot. His duties, if any, were administrative and there was no evidence to show that he had anything to do with the operation of the craft. Nevertheless, it was held the decedent fell within the meaning of "member of crew" and therefore could not recover. The deceased in *LeBreton vs. Penn Mut. Life Ins. Co.*, 223 La. 984, 67 So.2d 656 (1953), as in the *Broidy* case, was a military flier who was denied recovery under an aviation exclusion clause. The clause stated that no risk is assumed where the insured dies while ". . . member of crew of such aircraft or while the insured is participating in aviation training . . ." The deceased was not in fact a regular member of the crew but was only on the plane to gain proficiency in night flying. Disregarding an obvious opportunity to say the activity of the deceased was not within the contemplation of the exclusion, the court in fact ruled that the deceased's presence aboard the plane for such a purpose was sufficient to bring him within the meaning of "crew" even though he had no duties at the time the plane crashed.

¹⁹ Commercial flight personnel as used hereafter includes pilots, co-pilots, stewards, stewardesses, pursers, and flight mechanics; but it does not include members of the armed forces flying military planes even though they may be professional aviators.

²⁰ A typical group policy is available to the employees of American Airlines, Inc., The Travelers Life Insurance Company of Hartford, Connecticut, issued the policy here-in-after described. This policy, Group Life Policy No. G12045 (as effective March 1, 1957), is available to all permanent personnel of American Airlines.

subscribers to the group plans.²¹ These policies, however, are inadequate because the maximum coverage is proportional to the salary earned by the employee and is relatively low. This automatic maximum may not be sufficient to provide *adequate* protection to the insured and his beneficiaries.²² The insurance need of an individual cannot realistically be based on his earning power, but rather should be based upon the particular needs of the individual.

*Business Aviation*²³

Perhaps the most significant development in the field of aviation is the increased use of private air transportation for business purposes.²⁴ This has, in fact, become the largest single use of private civil aviation.²⁵ The insurance companies have failed to take cognizance of the increased importance of business flying and have failed to extend any extra benefits in order to protect this important aid to the business economy. Business flying has been treated the same as pleasure aviation and in fact grouped into one category usually called private flying.

Additional insurance protection should be afforded crews and passengers connected with business aviation. It is especially true that extra insurance recognition should be extended to business aviation

²¹ "If death shall occur while the Employee is insured under this group policy in accordance with the terms, conditions, and provisions thereof, the amount of insurance in force thereunder on his life at the date of death will be paid to the beneficiary designated by the Employee."

This policy as available to American Airline personnel contains no exclusionary clauses. It is interesting to note, however, that the companion Group Accident Insurance Policy (Group Policy No. GA111740) issued by the same company explicitly excludes aviation risks.

| 22 CLASS | MONTHLY SALARY OR WAGE | AMOUNT OF LIFE INSURANCE |
|----------|------------------------|-----------------------------|
| I | Less than \$ 150 | \$ 2000 |
| II | \$ 150 but " " | 195 3000 |
| III | 195 " " | 250 4000 |
| IV | 250 " " | 300 5000 |
| V | 300 " " | 400 7500 |
| VI | 400 " " | 500 10000 |
| VII | 500 " " | 600 12500 |
| VIII | 600 " " | 700 15000 |
| IX | 700 " " | 800 20000 |
| X | 800 " " | 1000 25000 |
| XI** | 1000 " " | 2500 35000 |
| XII | 2500 OR OVER | 50000 |

** Represents maximum coverage for Flight Personnel.

²³ Business aviation contemplates pilots, crew, and passengers of planes owned and operated by business concerns in the course of business transactions.

²⁴ The CAA definition of business flying includes that done by individuals in their own, borrowed, or rented aircraft in connection with their occupation or company business. Business aviation as used in this article also includes the CAA corporate flying classification—flying in company owned or operated aircraft for transportation of their personnel (and/or other company business) and flown by professional pilots.

²⁵ See note 11, *supra*.

in contrast to pleasure flying.²⁶ On a public policy basis, the increased importance of aviation in conjunction with business warrants additional life insurance coverage for pilots and passengers of private business planes. An examination of the pressures exerted on the insurance companies by judicial decisions in the 1930's, which led to the deletion of "fare-paying passengers" from exclusion clauses, reveals how this can be accomplished if the companies do not do it voluntarily.²⁷ The courts cannot, however, be expected to exert this judicial pressure if the added burden in the insurance companies is out of proportion to the benefit to be gained by the public.²⁸ Statistics indicate that insurance companies can give the needed protection to business flying without additional costs. In 1954, business and corporate aviation was credited with 552,610,000 miles flown. Sixty-one deaths resulted in these categories over the same period.²⁹ In other words, the business aviation classification averaged .11 deaths per 1,000,000 miles flown. In 1956, 90 fatalities resulted from 627,800,000 miles flown for an average of .14 fatalities per 1,000,000 miles flown.³⁰ In the light of these statistics and the immense benefit that insurance coverage would provide for business, life insurance companies should re-evaluate aviation exclusion for business flying and extend maximum protection to this phase of aviation. Arguments may be constructed comparing business flying to commercial passenger and commercial flight personnel, and adept manipulation of the statistics will allow these arguments to favor more or less protection for business flying, as the individual desires.³¹ It is not, however, necessary to resort to this comparison. The small number of deaths attributable to business aviation in relation to the benefit to be gained by the general public is alone sound and sufficient reason to extend life insurance coverage to the field of business flying.

*Pleasure Aviation*³²

Pleasure flying promises to be the most difficult area in which to resolve the life insurance problem. Except for certain extra-hazardous occupations,³³ pleasure flying is the most dangerous classification. In 1954, pleasure flying accounted for 209,980,000 miles and 330 deaths—an average of 1.49 deaths per 1,000,000 miles. In 1955, 1.75 deaths per 1,000,000 miles flown. Obviously, these *do not* compare favorably with

²⁶ This assumes there is a need to deny coverage for pleasure flying—this problem will be discussed at length in a later section. The distinct statistical and policy differences warrant the separate discussions.

²⁷ 63 YALE L. J. 692 (1954).

²⁸ JOHNSON, LIFE INSURANCE IN THE DEVELOPMENT OF AVIATION (WEEKLY UNDERWRITER NO. 1329 Nov. 28, 1953).

²⁹ See note 25, *supra*.

³⁰ See note 11, *supra*, for source of statistics.

³¹ The relative figures for commercial flight and private flying cannot be reconciled because of the fact that airline statistics are in passenger-miles and private planes in miles flown.

³² Pleasure aviation includes pilots and passengers of private planes operated for pleasure or other non-business, non-commercial purposes.

³³ Crop-dusting, test pilots, flight instruction, etc.

commercial airlines or business flying. Unless other factors influence the situation, these "unfavorable" statistics definitely provide a justification for excluding pleasure flying from life insurance coverage.³⁴

Pleasure flying, although not as popular as airline or business flying, has an important place in the present aviation picture and promises even more potential in the future. It would definitely be a point of concern if no life insurance were available to pleasure flyers. Several insurance alternatives, however, are available to the private pleasure flier. Many companies will issue the usual type of life insurance to persons who take part in aviation if the applicant agrees to pay additional premiums to cover the added risk. The life insurance underwriter is faced with charging a premium which represents the class of risk to which the applicant belongs.³⁵ Applicants who are engaged in aviation as a profession are relatively easy to classify, but the pilot with aviation as a hobby is a much more difficult problem.³⁶ Persons who are not now pilots but who show an unusual interest in aviation and who have a better than average chance of taking up the hobby in the future are another difficult problem.³⁷ Aviation involves some extra risks and applicants subject to this extra risk, out of fairness to the present and future policy-holders of the company, must either be charged an extra premium or the extra risk should be excluded from the coverage of the policy.³⁸ The added premium is not a satisfactory answer to the problem of insuring pleasure flying.³⁹ The added premiums are very often too expensive to make them practical.⁴⁰ Moreover, this solution is only beneficial to persons who regularly participate in aviation. It in no way affords adequate protection to the occasional passenger who neither can afford the expense since he flies only occasionally and who in fact probably does not even consider the aviation problem when applying for insurance.

³⁴ One possible justification is the comparative safety figures of pleasure flying and auto transportation. In 1954 automobile transportation showed 2.6 fatalities per 1,000,000 passenger miles. This figure increased slightly to 2.7 in 1955. However, the greater percentage of the public using auto transportation and then distributing the cost over the general public. In 1955 there were only 418,359 private certified airplane pilots in the country.

³⁵ PAFF, LIFE INSURANCE UNDERWRITING OF AVIATION RISKS (INSPECTION NEWS June 1947). Mr. Harold G. Paff was Actuarial Supervisor for Prudential Insurance Company at the time he wrote this article.

³⁶ *Ibid.*

³⁷ *Ibid.*

³⁸ *Ibid.*

³⁹ These alternatives are available for the business flier as well as the pleasure flier. This in no way, however, qualifies the author's contention that business aviation should be covered by regular life insurance policies. Alternatives are not substitutes. They are only advocated when it is not feasible to give adequate coverage with regular life insurance and to supplement coverage afforded by regular insurance.

⁴⁰ It is not within the scope of this article to consider the details involved in making a determination of the relative expense of insurance premiums. This can only be accurately determined in relation to all of the provisions of the policy. To say that added premiums are expensive is a categorical statement which may be inaccurate in any single instance.

Another popular life insurance alternative is group insurance acquired through membership in flying organizations such as the Aircraft Owners and Pilots Association. The AOPA plan which is underwritten by an established insurance company,⁴¹ was inaugurated in 1951 and became an immediate success.⁴² The original plan offered a maximum coverage of \$5,000, but it has now been extended to \$20,000. Membership in AOPA and a CCA medical certificate are the only requirements foreign to any other life policy. The principal limitation to these plans is that *only* pilot-members are covered, and they fail to cover passengers who are not members of the AOPA and policyholders. The general availability to active pilots, coupled with the reasonable premiums, has gone a long way toward extending adequate life insurance coverage into the field of pleasure aviation. Group plans, like added premiums, do not make available coverage for guest passengers in private planes. It may be feasible for the insurance companies to cover guests in private planes if the statistics are properly evaluated and pilots are excluded from the risk. It may be, however, that the burden placed upon the insurers is too great—in which case protection must be denied because the private pleasure passenger is such a small segment of the population. Only when the protection extended will benefit an appreciable portion of the general public should pressure be exerted upon the insurance companies to afford coverage.

One last facet of aviation must be considered in relation to private flying—Admitted Liability Insurance. Admitted liability aircraft coverage is designed exclusively to cover the guest-passenger in a private plane.⁴³ This insurance covers any guest in a private plane regardless of legal liability, but as well as being very expensive, it affords no protection to the pilot or crew. This insurance is especially well adapted to aircraft passengers who are usually friends, relatives, or business acquaintances, since it satisfies the natural desire to offer some payment, regardless of legal liability, to such personal acquaintances who are killed as a result of flying in the insured's plane. These voluntary payments also tend to minimize the possibility of costly litigation.

The problem of insuring pleasure flying is complex and difficult. It is not yet safe enough to stand side by side with airline aviation and demand coverage.⁴⁴ Pilots can, however, obtain coverage by paying

⁴¹ Minnesota Mutual Life Insurance Company.

⁴² The response of the AOPA insurance plan is evidenced by the fact that \$25,000,000 worth of insurance is in effect under this plan.

⁴³ UNITED STATES AIRCRAFT INSURANCE GROUP, AVIATION INSURANCE HANDBOOK.

⁴⁴ STEWART, AVIATION INSURANCE (1946). "A study of statistics which had been compiled over a period of years showed rather startling results, namely, that pilots who flew for pleasure and mostly over weekends had no better loss ratios than the professional pilots who flew every day. In short, the fewer number hours of exposure in the air, in the case of private fliers, was compensated for in the case of the professional pilots by their greater skill as airmen. Professional pilots spend much more time in the air and by and large have just as many accidents as the private fliers, but more professional pilots are able to walk away from their accidents than are private fliers from theirs."

additional premiums or through membership in flying associations. Protection can be extended to passengers with admitted liability insurance; but in many cases, this is too expensive. Admitted liability is more readily adaptable to business firms that wish to cover their executives, employees, customers, and other guests who fly in company planes.

In general, pleasure flying does not merit comprehensive insurance coverage at the present time. However, as the safety record of this phase of aviation improves, additional insurance must be made available.

Conclusion and Recommendations

The aviation exclusionary clause emerged early in the history of air travel. It was fostered by the inherent danger surrounding aviation, coupled with the scarcity of statistics relating to aeronautics. Unable to obtain the necessary statistical data for proper premium formulation, the underwriter simply excluded any aviation risk from the scope of the policy.

As aviation made technological advances resulting in safer aeronautical participation and as statistics reflecting this increased safety became increasingly available, the need for the exclusion clause diminished. The insurance underwriter has taken cognizance of these facts and more extensive life insurance coverage is available to commercial flight personnel and private aviators by means of group policy plans. Persons flying on scheduled commercial airlines are covered in most instances by the regular life insurance contract while passengers in private aircraft are eligible for protection under admitted liability insurance. In addition, persons who are willing to pay an added premium for protection from aeronautical risks will often find additional insurance available to them.

Several fields of aviation still find the available insurance inadequate. In these particular fields it is necessary to examine the accident statistics in relation to the benefit occurring to the general public from more coverage to determine whether additional insurance is advisable. Pleasure flying is becoming increasingly popular and important, but until the hazards promulgated by this activity are reduced, it is too great a financial burden to require the insurance companies to extend their liability into this field. Passengers in private planes do not merit additional protection as the hazard involved is too great in relation to the small segment of the population involved. Commercial flight personnel are covered under group plans but are limited to a relatively small amount of insurance. The safety record compiled by these professional fliers do not merit an arbitrary maximum and insurance in greater quantities should be available. Passengers on *scheduled* commercial flights are covered by most life insurance policies—a statistical analysis should be conducted by the underwriters to determine whether the distinction between scheduled and non-scheduled flights merits

denying coverage to the latter. The most pressing need for revision of present policy is in business flying, which has become an indispensable part of the business economy. The importance of business flying would in itself warrant protecting its participants; but, in addition, an enviable safety record has been compiled by business fliers. If the insurance companies do not recognize the advisability of extending insurance to this field, it will be up to the courts to exert pressure on the insurers. This may be done by allowing recovery *despite* the explicit wording of the contracts with the justification that the public policy demands insurance coverage in this indispensable phase of aviation.

The key-note of aviation is progress — so it must be with aviation insurance. A constant vigil must be maintained to insure maximum life insurance protection for persons participating in aeronautical activities.