

NEGOTIATE YOUR RENEWAL

As an alternative to shopping every year, work with your agent to NEGOTIATE your renewal with your existing underwriter. (This is a great approach for the senior pilot too.) Try to give the underwriter what he is looking for. Do a thorough job of providing information to the underwriter for consideration. This one step helps to build your file. Any additional training or ratings that you receive during the policy period can greatly enhance your underwriting image at renewal time. In return, you can expect the company's best effort in quoting your renewal.

In a soft market, an underwriter may offer premium decreases in an effort to retain the business. Some will accept requests for reasonable policy enhancements. As the market bottoms and becomes flat, most underwriters will renew "as expiring". This is aviation insurance terminology for renewing at the same price and with the same coverages as your expiring policy. As the market turns hard, the underwriting community will push for premium increases but will usually not reduce coverages or limits.

Often, in an attempt to minimize "hard market" premium increases, the insured can negotiate to give up high limits of liability or expansion coverages. Although not always a successful ploy, this does often help to reduce the peaks and valleys.