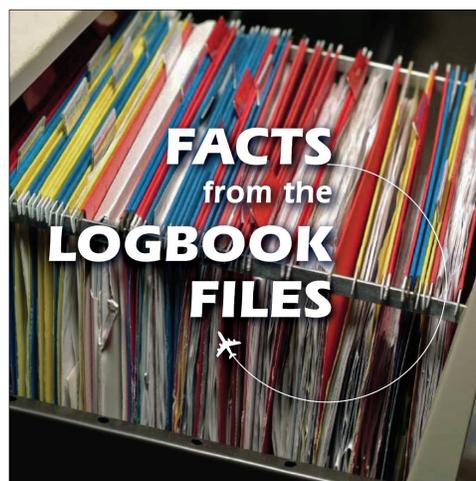




Did you know that aircraft logbooks are NOT covered as insurable assets by aviation insurance companies?

That's right! Aviation insurance companies do not insure logbooks for this simple reason: the value of a missing record or lost logbook is so difficult to establish beforehand, and varies so much depending on the circumstance; insurance companies simply refuse to insure aircraft records.



Typical aviation insurance provides property damage and liability for the aircraft. It covers losses resulting from the inherent risks associated with operating an aircraft; such as hull damage, injury to passengers, loss of cargo, and other unforeseen operating losses.

However, the key words here are “property damage and liability for the aircraft”. Logbooks are not considered part of the “aircraft” by all major aviation insurance companies.

These same insurance companies will tell you, however (along with most aircraft brokers, and aircraft owners who were unfortunate to experience it firsthand), that the typical financial loss suffered by an aircraft owner having an aircraft with missing records ranges from 20% to 50% of the market value of the aircraft, depending on the type of information that is missing.

The fact is that many aircraft owners, chief pilots, service centers, and even corporate aircraft maintenance departments, do not fully understand this. And so, do not properly secure aircraft maintenance records. Valuable aircraft records are often kept in standard filing cabinets, in cardboard boxes on open shelves in the hangar, and numerous other places where the records can easily become damaged or subject to total loss. Those in the know most likely treat their records a little more carefully by storing them in locked gun cabinets, fire-proof safes, even bank vaults.

But the truth is, with an asset that has a value of \$2,000,000 or more for the typical business aircraft; it should, at least, have a back-up. Add to that, the knowledge that this asset is not covered by insurance of any kind; and the motivation for backing-up the logbooks becomes almost imperative. In today's world, this typically means backing-up records electronically, and storing them on one or more storage devices for safe keeping.

Insurance is not always the best answer to risk of loss anyway. Often times a strong risk management program is a far better and much cheaper solution.

The best answer: Back-up the historical paper records electronically in an AC120-78A compliant Electronic Records Keeping System (ERKS). That way, back-up copies of the historical data can be reprinted legally to replace missing records if needed. And on-going, future records can be entered directly into the ERKS, with the end goal of eliminating the need to use paper entirely.