

BERKELEY: RADIATION LABORATORY

BLDG. 29 ROOM 102

402457

*R*C
O
P
Y

January 13, 1956

MR. W. B. REYNOLDS

Recently a ditto master request passed across my desk establishing a purchase order to accumulate this Project's share of charges for transportation of overseas personnel on chartered flights by Pan American Airways System. These flights will also include personnel from Los Alamos Scientific Laboratory.

I discussed this matter with Mr. R. F. Jenkins who informed me that present plans anticipate a number of chartered flights carrying possibly sixty passengers on each flight. It is conceivable that all passengers on one or more of these flights could be composed entirely of University employees either from Berkeley, Livermore or Los Alamos. It is assumed that each employee will automatically be covered by either Project 48 or 36 for death and dismemberment insurance in the amount of ten thousand dollars through the University's coverage with Lloyd's of London.

This policy has a limitation of one million dollars liability for any one accident in one conveyance or in one accident. Inasmuch as Contract 48 as well as Contract 36 employees are covered under the same accident policy, if on any one flight all sixty passengers should be University employees, there would automatically be a liability of \$600,000. It is also quite likely that most of the passengers would take advantage of our very low cost for additional personal insurance. I am sure that many will do so on the outward flight if not on the return flight inasmuch as our renewal date is April 14, 1956. To illustrate this reasoning -- people leaving on March 1st, which is the date of the first flight, could carry an additional \$50,000 insurance to April 14, 1956 for approximately \$9.50; or \$25,000 for approximately \$4.75; or \$10,000 for approximately \$1.90. It is therefore conceivable that in case of a disaster, the liability would exceed the limitations of the policy and that full benefits would not be paid to the beneficiaries as promised by the management as all claims would be prorated. I discussed this with Mr. R. C. Ploss, particularly the point of increasing the limitation of coverage, and he informed me that it is quite unlikely that they would increase this limitation again. His suggestion was that we might possibly limit the amount of personal coverage that could be carried or make an extra effort to see that each flight is composed of a fewer number of University employees whose coverage did not exceed the limitation.

I am presenting you with these facts in order that you may consider them in future planning with Livermore personnel for our overseas program.

John - Just
Reference to chartered flights
E. E. Coleman