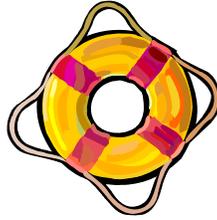


PLEASURE BOAT INSURANCE COVERAGE INFORMATION



This brochure is designed to help you navigate the sometimes confusing waters of pleasure boat insurance.

Your boat and personal belongings are very important to you. What would happen if you lost them due to an accident, theft or storm? To protect against loss or damage to your boat and personal property make sure you have proper and adequate coverage for your exposure. Protecting against loss may require special individual coverage.

Homeowners' Insurance Policies usually provide only limited coverage for a small boat. Typically, no more than \$1,500 is available to pay for theft or physical damage to the boat, its outboard motor, trailer, and any other equipment or accessories. You should ask your producer (agent) or insurance company representative about this. Coverage for theft is often limited and frequently requires that the boat be on the property where you live when the loss occurs. Additionally, your Homeowners' Liability Coverage may not apply to your boat, depending on its features (size, engine type, etc.). Personal belongings are covered under the Homeowners Policy if the damage results from a covered cause of loss, subject to your deductible and any other provisions, limitations, or exclusions.

To verify that you have the proper type and amount of coverage for your boat and boating activities, carefully review your Homeowners' Insurance Policy. If the coverage provided by your Homeowners' Insurance Policy is not sufficient, coverage can often be added as an endorsement, or it can be provided on a separate policy.

If you are looking to buy boaters insurance, the following information may help you in making your decision:

1. WHAT PERILS ARE NOT COVERED BY A TYPICAL BOATOWNER'S ENDORSEMENT OR POLICY?

Pleasure boat policies or endorsements provide coverage for "all causes of loss" that are not specifically excluded. Some of the typical exclusions are:

- Overheating of engines
- Corrosion or rust
- Weathering
- Marring
- Scratching
- Chipping
- Denting
- Damage during repair or servicing
- Normal wear and tear
- Gradual deterioration
- Mold, infestation or damage from insects, vermin or marine life

2. WHAT PROPERTY IS USUALLY COVERED?

Pleasure boat policies or endorsements often state that coverage includes "the boat and all permanently attached equipment". The policy may then list items that are not permanently attached, but are covered as either part of the boat's value, or as a separate limit of insurance. Items that may or may not be considered "permanently attached" under a policy include:

- Anchors
- Batteries
- Bilge pumps
- Boat furniture
- Boat and motor covers
- Cook stoves
- Deck chairs
- Depth finders
- Detachable canopies
- Emergency signaling devices
- Fire extinguishers
- Fittings
- Fuel tanks
- Horns
- Life preservers
- Lights

- Masts
- Mooring cleat & lines
- Motors
- Oars
- Refrigerators
- Seat cushions
- Spars
- Tarpaulins

3. WHAT PROPERTY IS USUALLY NOT COVERED?

Pleasure Boat Policies or Endorsements usually exclude the following property:

- Beverages and other perishables
- Cameras or video recorders
- Cellular phones
- Clothing
- Food
- Jewelry and other personal articles,
- Para-sails, hang gliders or other devices designed for flight
- Portable televisions
- Stereos, tape decks or other instruments for recording or reproducing sound
- Scuba and other diving equipment
- Sail, masts, or spars while boat is operating in an official race or speed contest
- Watches
- Water skiing equipment

4. IS LIABILITY INSURANCE A PART OF BOAT OWNER'S COVERAGE?

Most boat policies provide for Liability Coverage for a stated limit of liability. The policy responds when an insured becomes legally obligated for damages arising out of the ownership, maintenance, or use of a pleasure boat. The coverage is provided subject to listed exclusions or limitations, which will likely vary depending on the insurance carrier that provides the coverage.

5. ON WHAT BASIS ARE PHYSICAL DAMAGE LOSSES ADJUSTED?

Policies differ on the settlement of losses.
Some offer:

- Replacement cost coverage (cost of replacement or repair)
- Actual cash value (cost or replacement or repair, minus depreciation) or
- Agreed value (an amount agreed upon by both parties to pay for total property loss.)

You need to review the coverage in your policy and understand how coverage applies.

6. WHAT OTHER COVERAGE RESTRICTIONS MAY APPLY?

Some policies contain restricted navigation territories or time frames. If the boat is operated outside these areas or times, the policy may not provide coverage. Find out if your policy includes any of these restrictions and be familiar with them.

7. WHAT KINDS OF PREMIUM DISCOUNTS ARE AVAILABLE?

Various kinds of discounts may be offered to help reduce the cost of insuring your boat. Discounts may be given for attending safety courses (such as those sponsored by the Coast Guard or the American Red Cross), having a claim-free record, and/or buying other needed policies or coverage from the same company. Ask your insurance producer (agent) or company representative about any available discounts.

8. WHERE CAN I GO IF I CAN'T GET COVERAGE FOR AN EXPENSIVE OR HIGH POWERED BOAT?

Surplus Lines Insurance is an alternative type of insurance coverage for consumers who cannot get coverage in the standard market. These insurance companies write coverage for high-risk situations, which includes expensive yachts or boats, and high speed/high powered pleasure boats. The higher risk of loss posed by these types of boats will more than likely be reflected in higher premium rates than rates associated with standard policies. Your producer (agent) or company representative will likely be able to find this coverage for you if he/she can not find coverage in the standard market.

9. IN CASE OF A STORM WATCH, WHAT STEPS CAN I TAKE TO ENSURE ANY RESULTING DAMAGE IS COVERED ON MY PLEASURE BOAT?

Damage mitigation requirements will usually vary by company. However, many policies state reasonable measures should be taken. Review your policy carefully with your producer (agent) or insurance company representative to determine what might be done to reasonably protect your boat to meet policy requirements should a severe storm advisory occur.

10. MANDATORY BOATING EDUCATION

New Hampshire has a mandatory boating education law. Everyone 16 years of age and older who operates a motorboat over 25 horsepower on New Hampshire waters must have a boating education certificate. Information on this requirement and how to be compliant can be found at : www.nhboatingeducation.com

Please contact your producer (agent) or insurance company representative for detailed information about your specific policy.

Created by the New Hampshire Insurance Department for informational purposes. The NHID does not warrant the completeness, timeliness or accuracy of the information contained herein.