

# BOATOWNERS QUICK REFERENCE GUIDE

## **Territory**

- Anywhere in the U.S. and Canada, including water within 15 miles of the coastal US.

## **Eligibility**

- Privately owned and registered in Michigan
- Pleasure use, including occasional client entertainment
- 32 feet or less
- Valued at \$150,000 or less
- Insured for at least 90% to 100% of market value
- Maximum speed of 50 mph
- Principal Operator is 21 years or older with a good driving record
- Boat is 10 years old or less
- Fiberglass or aluminum hulled

Boats that do not meet these guidelines may be considered but additional underwriting may be requested.

- Boats 10-15 years old and a survey less than 3 years old or owned by the applicant since new
- Boats +15 years old with a current survey
- Other hull material, but no cement
- Youthful operators less than 21 years old
- Liability or PD losses exceeding \$1000
- Titled to others, other than the individual but used only for personal pleasure
- Multiple owners not in the same household
- Fully restored wood classics, which require a current appraisal
- Water ski or performance boats
- Maximum speed above 50 mph

## **Not Eligible**

- Boats with a paid captain or crew are not eligible
- Boats rented to others
- Boats used commercially and the owner is not also the sole operator
- Boats owned by corporations, where there are multiple operators
- Homemade kit boats
- Personal watercraft, aqua scooters, swamp buggies, experimental boats, hydroplanes, racing crafts (other than sailboats)

## Physical Damage

- New – 5 yrs- Replacement Cost Coverage for Total Losses
- ACV after 5 years- Total losses to boats, outboard motors or trailers
  - **Agreed Value Endorsement (BO-12)**
    - Extending Agreed Value from 6 to 20 years old
- ACV after 7 years- engines, transmissions, inboard/outboard drives and outboards
  - **Depreciation Buster Endorsement (BO-15)**
    - Eliminates the depreciation on repairs to engines, transmissions, propellers, outdrive units and outboard motors that are over 7 but less than 21 years old.
      - Single Engine \$35.00
      - Twin Engines \$50.00 (includes boats with 2 outboard motors of different sizes)
- ACV after 10 years- Carpet, Upholstery and Cushions
- Always ACV- Sails, Fabric Covers or Enclosures, Tires, Batteries and Bottom Paint
- Always ACV- Auxiliary Equipment, Personal Property and Dinghies
  - **Replacement Cost Endorsement (BO-13)**
    - Changes these coverages from ACV to Replacement Cost
  - Auxiliary Equipment and Personal Property are **Additional** coverages, unlike the competition who includes it in the boat value

## Built-In Property Limits

- Auxiliary Equipment (incl. dinghies) - \$2000 Includes dock box and inside builds where laid up, life jackets, lines, power cords, etc.
  - Coverage is ACV
  - \$100 deductible
  - **Replacement Cost Endorsement (BO-13)** \$ 15.00
  - **Increased Auxiliary Equipment Coverage (BO-11)**
    - \$100 increases are available for a charge of \$2 per hundred
- Personal Property- \$1000 Includes fishing equipment, cell phones, cameras, clothing, etc.
  - Coverage is ACV
  - \$100 deductible
  - **Replacement Cost Endorsement (BO-13)** \$ 15.00
  - **Increase Personal Property Coverage (BO-14)**
    - \$100 increases are available for a charge of \$2 per hundred
- Removable Equipment- reduces value of the boat
  - Parts of the yacht or auxiliary equipment removed from the vessel to your home during the winter lay-up period
  - This coverage is secondary to any primary coverage
  - Coverage is ACV
    - **Replacement Cost Endorsement (BO-13)** \$15.00
  - Boat deductible applies
- Emergency Assistance- \$500 for boat, motor and trailer, incl. towing, delivery of supplies, and 1 hour of mechanic's labor. Coverage can be increased and
  - No deductible
  - **Increase Emergency Assistance (BO-10)**
    - \$1000 is available for a charge of \$15 for each boat

- Emergency Travel- \$500 for travel home due to damage or breakdown, or unsafe weather for 48 hours. Weather must be confirmed by a governmental office.
  - No deductible
- Accidental Death Indemnity Expense Coverage- \$5,000/\$10,000 for family members while occupying the vessel
- Salvage- 50% of the boat coverage to recover or destroy from a stranded, sunk or wrecked boat
- Replacement Boat or Motor- Coverage for 30 days for the same limit as the current policy
- Newly Purchased Boat or Motor- Coverage for 30 days, up to 25% of the current limit

### **Liability and Medical Payments- *Optional***

- **Liability and Medical Payment Coverage (BO-20)**
  - Liability Limits- \$100,000, \$300,000 or \$500,000 (1Million with prior approval)
  - Medical Payments- \$1000, \$2000, \$3000, \$4000 and \$5000
  - Pollution Liability- Liability Limits or \$800,000 where required
  - Removal of Wreck- \$50,000 if the expense exceeds the coverage provided by the boat policy
  - Damage to Property of Others- \$500 while in or upon the boat
  - Non-Owned Watercraft- Extends Liability, not Medical Payments to a non-owned watercraft other than Personal Watercraft, insured uses with permission for non-business
- **Uninsured Boaters Coverage (BO-22)**
  - Liability and Medical Payment Coverage is required
  - Limits- \$10,000, \$25,000, \$50,000 and \$100,000

### **Does Not Cover**

- Bodily Injury to Insured or PD to an insureds property
- Business use of property
- Rented to others
- Used in illegal activities
- Racing, except for sailboats

### **Charter/Business Use (Great Lakes/River Guides)**

Partial or Full Time charter fishing or cruising can be written, if the applicant meets our guidelines. No binding authority is provided for these risks. The additional documents include;

- Standard Boatowners Application
- Watercraft Supplemental Application
- Charter Boat Supplemental Application
- Copies of the licenses
- Copy of the latest State Inspection Certificate
- Dry-dock & Dockside worksheet
- Photos of both sides of the boat
- Copy of the most recent survey

### Charter Boat Available Endorsements

- **Boatowners Charter Use Endorsement (BO-30)**
  - Auxiliary Equipment- \$3000
  - Personal Property- \$3000
  - Emergency Services- \$1000
- **River Guides Charter Use Endorsement (BO-33)**
  - Auxiliary Equipment - \$2500
  - Personal Property - \$1500
- **Charter Legal Liability Endorsement- \$100 (BO-34)**
  - Adds liability coverage for charter boats owners who book clients onto non-owned, licensed charter boats

### Deductibles and Options

- Auxiliary Equipment and Personal Property- \$100
- Claims involving only the trailer- \$150
- Emergency Assistance- No Deductible
- Emergency Travel- No Deductible
- Boatowners Deductibles \$250, \$500, \$1000 or \$2500
  - A \$250 deductible is not available for boats valued over \$50,000
  - A \$2500 is not available unless the value is over \$25,000

### Discounts- Limited to 50%

- 10% for each
  - Multiple policy with Fremont Insurance (One allowed)
  - Group Discount
    - USCG Aux., USPS member, AARP, Public Safety, Boat Club Member, MBIA members and employees, Military Service, Agents, Stockholders, US Coast Guard licensed captains, MEA, Great Lakes Boating Federation members, Michigan Steelheaders and Salmon Association, Michigan Charter Boat Association
- 7% for completing U.S. Coast Guard Auxiliary or US Power Squadron safety course
- 5% for
  - **Built-in** automatic engine fire extinguisher system
  - Senior (age 50 and up) but not in addition to AARP's group discount of 10%
  - Diesel power
- 4% for radar
- 3% for a bow thruster
- 2% for each VHF, Loran or GPS, depth sounder
- Insurance Score 650-699 3%, 700-749 10%, 750+ 15%

### IRPM Credits

- Based on the Characteristics of the boats condition, type, speed and operators experience.
- Max. Debit 25% / Max. Credit 25%