

Your Insurance with Cathy Karas.

Maintaining Your Boat Insurance in the Off Season and Proper Fueling In Season

At this time of year, our agency receives several phone calls from some of our watercraft insurance customers asking if they can temporarily cancel their policies, since they are not using their boats. For many reasons this is a bad idea. On January 1st of this year at a marina in New Rochelle, a boat caught on fire and damaged other boats and there was an injury. Without boat insurance that includes your hull and machinery, your own boat would not have coverage, and the subsequent damage the fire caused to the other boats would not be covered as well as the injury. Your watercraft liability insurance, also sometimes called protection and indemnity would provide legal defense and payment to the other boat owners for the damage to their boats and pay the medical costs of the injured, if you were found to be negligent. An electrical malfunction due to a faulty connection or old wiring that should have been replaced could be instances where you might be determined to be negligent. I don't know if the cause has been determined of that fire yet, but I hope the owner of the boat where the fire started had hull, machinery and liability insurance. Most marinas and yacht clubs require you have at least liability insurance. What is your liability limit? As you can see, your exposure to being sued for a large amount of money could be a potentially more common occurrence than you think, rather than a remote one. Your liability limit should be more than the total of all of your assets and future earnings. Other causes of loss that can occur to your boat off season would be vandalism, wind or theft. Storm Sandy caused many boats to lift off their jack stands, topple over and suffer severe damage. In some cases the boats were determined total losses. Also for cost reasons, letting your policy cancel and then having to start it again with a lapse can mean the replacing insurance company will charge more as the continuous discount is lost.



photo: newrochelletalk.com

Unrelated to this topic, but equally important to keep in mind as the boating season approaches, is to be sure you always have more than enough fuel. Whether you have a large cruiser, fishing boat, sailboat or a jetski, if you run out of gas there is a possibility of floating around in a dangerous area, being exposed to weather elements or darkness (often without appropriate clothing or food and water). At minimum, this event can spoil your day. Running out of gas is one of the most common causes of emergency towing calls. It is both a very inconvenient and expensive event. In some cases, it can be dangerous and life-threatening for you and your passengers. The U.S. Coast Guard will not help you unless you have an event where people's lives are in danger and you have to make a "mayday" call. You may have towing coverage on your boat policy, so see what the limit is. Sea Tow and other vendors can often offer a higher limit in terms of cost and/or more miles they will pay for a tow. Why do boats run out of fuel? First, fuel gauges on boats are notoriously inaccurate. Gauges are affected by many things. The float in the tank can get stuck, the angle of the boat in the water will change giving the gas level a false reading. Fuel tanks are rarely symmetrical. Depending on the tank shape and contour, a reading of one half may actually be closer to one quarter. Many other factors will affect your gas consumption. A big load of passengers and gear will cause you to burn more fuel. Wind, waves and current and a dirty barnacle covered bottom will drive up consumption also. Going on a trip? One sound rule is to start with a full tank, allow one third to get to your destination, one third to return and one third as a



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reserve. A safe way to calculate, is to record your hourly fuel use between fill ups. Take your average fuel use per hour and adjust it for active conditions on the water. Before you go out, check to see where you may refuel if need be. With gas prices now the lowest in several years, keep your tank full and enjoy boating on the Hudson and Long Island Sound.

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Disclaimer: This article is for informational purposes only. Contact your own insurance company or broker for specific information on your own policy, or manufacturer of your boat for fueling information.