

IT'S FALL – SHOULD I CANCEL MY BOAT INSURANCE? ...No!!!!!!!!!!!!!!

Why not????????? Although there are still several weeks more of good boating weather left in the season, you may be thinking you should cancel your insurance policy soon when your boat is no longer in use. No matter what kind of vessels you own – power boat, jetski, or sailboat let's look at 3 reasons why this is NOT a good idea:

Hull coverage- If your policy includes coverage for your hull and machinery, the fact that you are not using the boat is not a reason to cancel this coverage. Many other events can cause damage to your boat during the year when not in use. If stored outside, it is subject to weather elements and if in a storage yard with other boats, could suffer fire damage caused by an adjacent boat or building. A tree or telephone pole could come down in a wind-storm. Vandals could cause extensive damage or parts could be stolen.

Liability coverage- Even if you do not have hull coverage and your boat is older, there is a bodily injury/property damage exposure. Someone could become injured or someone else's boat damaged by a fire starting in your boat. A pedestrian could become injured walking near it or claiming it fell on them. Children might think it fun to play on it and become injured. If stored in a marina or boat club where this coverage is required, your default could mean a penalty or removal of your boat.

Cost reason- Insurance companies do not like lapses in coverage. If you cancel your policy now and think you can restart it at the same price next spring, you may in for a surprise. The rate might be considerably more.

Another unique insurance fact in boat insurance has to do with when your boat is to be and out of the water.

Boat policies are annual and either have a "lay up" period or do not. This lay up period is a restriction for use whereby your boat must be out of the water during this

designated period. The exact months the boat needs to be out of the water will be stated on the declaration page of your policy if your policy has such a provision. If you experience a loss during this time where your boat is supposed to be out of the water, your claim will most probably be denied. Many policies do not have this provision, so it is important to check yours to see if you have a lay up period and when it is. Typically the lay up period a month in fall to a month in spring, in this part of the country. You can choose how long or short this period is, generally, but the premium will be higher the longer the period of time your boat is in the water.



So enjoy your last voyages for the 2012 season. It was a good one with a lot of favorable boating weather in the Northeast. But don't be foolish and cancel your policy. You may regret this later and may not be able to get the coverage back at the price you were paying, or worse yet, have a large loss that is not insured.

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