

Everything You Ever Wanted to Know About Insuring Your Boat

There is no right answer when someone asks which boat insurance company is the best. Most boat owners are simply looking for an insurance company that knows about boat coverage and provides quality service as well as support. Insuring your boat with the same company that issued your auto, life, or homeowners insurance can have certain advantages. Though it does pay to work with a company who thoroughly understands boat and yacht insurance. With any luck your present insurer knows a good bit about boats. If not, your best option is probably to go with experienced boat insurers.

Liability Coverage

While there may be some variation in boat policies, the main types of coverage are physical damage and liability coverage. The limit of liability varies based on whether or not the insured is legally required to raise, remove or destroy the boat. Theft will not be covered if the boat is off the "residence premises." Liability coverage is only available for certain smaller boats. Basic boat insurance should always cover physical damage as well as liability. Liability may also provide the necessary coverage for legal representation should it become essential from any incidents involving your boat.

Don't forget to insure your boat against damage, sinking, and most importantly, accident liability. Personal Umbrella policies provide you with an extra layer of liability coverage above and beyond what your auto, home or boat policies provide. Therefore, a specific boat or yacht policy is required to provide coverage for the boat and equipment, personal property and liability.

Insuring Yachts

Generally speaking, yacht coverage is broader and more specialized because larger boats travel further and have more unique exposures. Also, many marinas and yacht clubs won't allow you to dock your boat unless you're insured. Additional coverage can be obtained by purchasing a boat policy, a yacht policy, or a personal watercraft policy. It should be noted that, in the pleasure boating industry, boats can be insured either under a yacht policy or a boat policy. One of the main criteria insurers weigh when it comes to insuring a boat or yacht is the owner's boating background. Most yacht policies today also include a specific amount for personal property carried or stored aboard, other than regular boat equipment.

Damage to Your Boat

Depending on how you use your boat, you may or may not want coverage for fishing gear, hurricane damage, hurricane haul-out expenses, etc. Physical damage insurance is usually called hull insurance although it takes in the whole boat. In fact, there was not one but two insurance coverage forms designed to protect against damage to stored boats. These policies usually also REPAIR the boats with a deduction for depreciation. The restrictions and limitations on material damage to the boat, as provided by homeowners insurance, are many.

Value is Important

You should insure your boat for market value. A basic policy which will insure your boat for depreciated value will be the cheapest. Another option is to insure the boat for an agreed upon replacement value. The higher the agreed replacement value of the boat, the higher the deductible and the cost of the insurance policy. They should insure the value of the boat - not what you paid for it. should also increase the coverage to reflect the increasing value of the boat.

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About the Author

Rory H. Hawkins writes about boat insurance and other interesting topics. Visit <http://boat-insurance-help.info/sitemap.html> for more information on boating insurance.