Getting the Best Deal on Charterboat Insurance

Terry Johnson
Marine Advisory Program
Charterboat Insurance

- A brief review of charterboat insurance
- Notes on machinery claims and other problems
- How to get best results on a claim
- Current state of the market
- Controlling premium costs
Basics of Marine Insurance

- Underwriters, brokers, agents, direct writers
- Hull & machinery, P&I
- Agreed vs actual value
- Named hazards vs all risk
- Liability limits
- Additional features
- Warranties
Getting Best Claims Results

- Treat any injuries first
- Stabilize the vessel
- Contact your agent
- Carefully document damages
- Cooperate with the surveyor
- Document costs and keep receipts
- Respond to your underwriter
- Pay your vendors as soon as possible
Notes on Some Problem Areas

- Machinery (engine) claims
- Constructive total loss
- Previously existing conditions, and making improvements
- Commercial fishing rider, crew exclusion
Current State of the Market

- Diminished competition
- Losses
- Reduced investment returns
- The NACO/NMCA split
- The Workers Compensation crisis
- Some uninsurable classes
Controlling Premium Costs

- Reevaluate hull and machinery values
- Increase deductibles
- Lengthen lay-up period – out of water
- Increase safety equipment
- Shop around – remember, policies and premiums are negotiable
For more information...

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