



NEW YEAR, NEW RESOLUTIONS

With the New Year comes time for new resolutions. In today's unstable economy, instead of losing weight, quitting smoking, or finding a new job, people are resolving to trim their budgets. In a recent study, more people are making the personal pledge to save money in the New Year than ever before.

So how are people planning to keep that resolution? By doing typical things like cutting unnecessary costs and controlling household finances. More than 80 percent plan to eliminate nonessential items such as dining out, movies, and vacations, while nearly half (47 percent) will clip coupons.

When trying to save money, it is easy to forget about things you might consider to be 'fixed' costs, like boat insurance. Few realize just how much they could save by shopping around and comparing things like marine insurance rates. One in four people surveyed mistakenly believe that all car and boat insurers charge the same rates when, in fact, people who shopped for the best rate in the summer of 2007 reported saving over \$350 on their annual premium.

There are other ways to save money that also have "green" benefits, which men lead women in, according to the survey: they're more likely to take public transportation (14% versus 8%), carpool (14% versus 11 %), or drive a

more fuel-efficient car (16% versus 9%).

But no matter how they're getting around, boat insurance is a necessary expense for many boat owners and an easy place to start saving. In addition to shopping around, here are some tips to help you manage insurance costs in the New Year:

Make sure your policy is up to date. If you've moved, gotten married, or bought a home, check with your insurance company — you may be eligible for lower rates.

Raise your deductibles. According to the Insurance Information Institute, raising your deductible to \$500 could reduce your Collision and Comprehensive costs by 15 to 30 percent.

Research before you buy. Before you buy a new boat, research what it will cost to insure. Generally, smaller boats with lower horsepower are less expensive to cover.

Check coverages. Owners of older or inexpensive boats could consider dropping Comprehensive and Collision coverages. Doing that can save hundreds of dollars each year.

Check for available discounts. You might also be eligible for discounts if you pay in full, complete a boating course, install safety equipment such as an auto halon, list another boat on your policy, and more.

NBOA BOAT SHOW SCHEDULE

This year's boat show schedule is starting with a big bang and we'd love to see our members!

If you plan on attending any of these events, stop by and visit our NBOA agents at the NBOA booth to receive a complimentary canvas boating bag.

Jan. 14 - 18	Atlanta Boat Show , Atlanta, GA
Jan. 21 - 25	Baltimore Boat Show , Baltimore, MD
Jan. 21 - 25	Minneapolis Boat Show , Minneapolis, MN
Jan. 23 - 25	Charleston Boat Show , Charleston, SC
Jan. 24 - Feb. 1	Louisville Sport Boat Show , Louisville, KY
Jan. 29 - Feb. 1	San Antonio Boat Show , San Antonio, TX

Maintenance Troubles That Double

Double

Ignoring simple boat maintenance may lead to drastic problems over time. Whether it was choosing to “selectively hear” that engine hiccup or postponing that quick trip to the mechanic, if you wait too long a simple fixer upper could turn into an expensive disaster. Here are two scenarios to watch out for...

THE PROBLEM:

Extra clicks, clanks and thuds coming from the bilge.

THE SOLUTION:

Thoroughly check the bilge. If you hear anything out of the ordinary, you should consider replacing the belt or getting a second opinion from a mechanic.

COST TO MAINTAIN: \$100 for a new belt.

COST TO REPAIR: \$2,000-\$15,000 for a new engine.

New noises should be investigated. The following is our quick reference list:

Squeal at startup: Loose belt on the engine. The tension on the belt should be adjusted, or the belt replaced. Sometimes the noise indicates a water pump or alternator seizing up. Another cause is pulleys out of alignment - a simple fix when caught early.

Growling noises and weird clunks: Need to be checked out by a mechanic. Before you go to the shop, pinpoint when the boat makes its odd noise. Is it when the boat is started? While you were cranking to get it started? Were you in gear or out? All of this will help a technician narrow the search. The more precise you can be, the less diagnostic time spent and the less money it will cost you.

THE PROBLEM:

Overheating engine.

THE SOLUTION:

Repair or replace the source of poor water flow.

COST TO MAINTAIN: \$250 for a water pump kit.

COST TO REPAIR: \$5,000 - \$20,000 for a new engine.

High temperatures break down oils, causing them to lose their oily properties and become more like a sludgy goo. Eventually the engine stops running smoothly and if left unattended, will break down.

If you find the engine gauge needle inching upward into the red zone, pay attention. This can be a sign of poor cooling. It sounds almost too simple, but the most common cause of poor cooling is poor water flow.

First check the water pickup on the drive or thru hull. Plastic bags, large grass and other foreign objects can cover the inlets and once there, they will be held in place by suction as the engine runs. If you find an obstruction, clear it and restart the engine. Restoration of water flow should bring temperatures back to normal.

Also, be sure to check coolant hoses for leaks. Excess water in the bilge can be a result of a failing water hose, so overheating with water in the bilge may give you a clue where to look.

Failure to maintain your vessel can lead to engine or drive failure or components coming apart at 3000 rpm. Just remember: small noise, small cost; big noise, BIG bill.

SEA RAY CORNER

NBOA renews its partnership with Sea Ray Owners Club as the Official Insurance Provider to SROC members. In addition to great insurance rates, NBOA offers a special towing program to Sea Ray owners in honor of their 10+ years of business with Sea Ray. “We’re happy to continue our ongoing relationship with Sea Ray,” says Jeffrey Berndt NBOA vice president. “In light of today’s market, it’s highly important to band together and create programs that help boaters save money so they can continue to enjoy boating.” The 2009 partnership will bring NBOA representatives to Sea Ray’s various annual events. Look for more news in the coming months!

BACK TO BOATING BASICS

As we begin the New Year, and as the boat show season revs up, it is important to remember the basics of boat insurance and exactly how your boat is covered. Whether you are an experienced captain or new to boating, you should always review your marine insurance policy to make sure you know the ins and outs of your coverage. We know what you’re thinking... not quite the exciting past-time you had in mind? In the spirit of new beginnings, we have put together everything you need to know about marine insurance and what certain coverages mean for the boater.

Starting with the basics, marine insurance is meant to indemnify any financial loss due to damage to a ship and any accompanying properties, including the cargo, from port of departure to port of destination. For the recreational boater, most policies are written as individual watercraft insurance.

Individual watercraft insurance is aimed to target insurance of non-commercial usage watercraft. Similar to automobile insurance, individual watercraft insurance policies might not only cover property losses, but also offer individual protection and watercraft liability coverage.

The **liability coverage** may cover bodily injury to watercraft occupants, along with others who are involved in any accident. Further medical coverage is generally available in a separate policy rider. Uninsured boater coverage is available as well to cover any damage incurred from hit-and-run vessels, or from vessels which lack insurance coverage.

There is also the option of **towing and salvage insurance**. It can help with smaller incidents such as an engine failure, mechanical breakdowns, or even having fuel delivered to a

stranded boat. Towing and salvage insurance can also help to offset the high costs associated with a vessel that has sustained much damage.

Agreed Value or Actual Cash Value forms are generally offered for hull coverage on a standard vessel. For insurance, it depends on the cash value policies to determine whether when the vessel ages if it will depreciate in value. At NBOA Marine Insurance, we only work with the preferred Agreed Value coverage, which is a better option because whatever amount is on your policy is the amount we have “agreed” on paying. There is no depreciation on this coverage.

Similarly, boat insurance can cover any and all risks, or just risks and perils specified in the policy. No matter the policy type, it is very important to fully understand all of the stipulations which may render the policy null and void. For example, many policies specify navigational limits which render the policy void if exceeded. Depending on the area, accidentally exceeding navigational limits can be very easy on the water where boundaries are not well marked. Always be aware of your navigational limits, and feel free to contact your insurance representative if you require any clarifications on those limits.

Personal watercraft insurance is available for virtually all watercraft, from small pleasure boats and fishing boats, to large yachts and high-performance boats. Specialty coverage can include coverage for watercraft rentals, fishing excursions, and other charter boat trips. With a wide selection and options available, finding the right coverage for your craft and situation simply takes a phone call to NBOA. As always, we are happy to help! 800.248.3512.