

**CHUBB**

# Insuring Watercraft with Chubb

November 22, 2024

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Tom Knop  
Regional Manager, Rec Marine Sales  
Chicago, IL

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### Agenda

- 1** Why Chubb Recreational Marine?
- 2** What is Our Target Market Client Profile?
- 3** How is Watercraft Business Underwritten?
- 4** Chubb Watercraft Product Portfolio
- 5** Common Exclusions & Why Resulting Damage Coverage Matters
- 6** Chubb Recreational Marine Claims Overview

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### Why Chubb Recreational Marine?

1 Why Chubb Recreational Marine? 2 What is Our Target Market Client Profile? 3 How is Watercraft Business Underwritten? 4 Chubb Watercraft Product Portfolio 5 Common Exclusions & Why Resulting Damage Coverage Matters

Dedicated Sales Team

Dedicated Underwriting Team

Dedicated Claims Team

Trusted Experience & Stability

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### What is Our Target Market Client Profile?

1 Why Chubb Recreational Marine? 2 What is Our Target Market Client Profile? 3 How is Watercraft Business Underwritten? 4 Chubb Watercraft Product Portfolio 5 Common Exclusions & Why Resulting Damage Coverage Matters 6 Chubb Recreational Marine Claims Overview

- Privately and personally owned watercraft
- Watercraft used for pleasure
- Monoline or part of a client's entire PRS program
- Good experience in owning and operating watercraft

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### Common Types of Watercraft

1 Why Chubb Recreational Marine? 2 What is Our Target Market Client Profile? 3 How is Watercraft Business Underwritten? 4 Chubb Watercraft Product Portfolio 5 Common Exclusions & Why Resulting Damage Coverage Matters 6 Chubb Recreational Marine Claims Overview

Runabout	Ski Boat	Center Consoles	Bass Boats
Cabin Cruisers	Pontoon	Sailboats	Mega Yachts
Picnic Boats	Personal Watercraft		

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### Other Credits and Rating Factors

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- Insurance score
- Built-in fire extinguisher system
- Married or single
- Own a residence or home
- Accurate mooring zip code
- Lay up

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### What is a Lay Up Warranty?

1 Why Chubb Recreational Marine? 2 What is Our Target Market Client Profile? 3 How is Watercraft Business Underwritten? 4 Chubb Watercraft Product Portfolio 5 Common Exclusions & Why Resulting Damage Coverage Matters 6 Chubb Recreational Marine Claims Overview

**Defined as "taking your insured vessel out of active service and decommissioning it for a period of time"**

**Watercraft less than 27'**

- No Lay Up Credit

**Watercraft 27' and greater**

- Available for winter lay up
  - Commonly 11/1 - 4/1, but is flexible

**Up to 24% credit**



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### What is a Navigation Warranty?

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**The navigation of the insured vessel must be within a particular geographic area for coverage to be afforded**

**Watercraft less than 27'**

- Inland and coastal waters of US and Canada

**Watercraft greater than 27'**

- Regional geographic considerations, either inland or coastal

**Where will the watercraft be going in the future?**

- Is the client planning a trip or moving?
- Does the client have a cruising itinerary?



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### General Underwriting Guidelines

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- No minimum watercraft value or length
- Watercraft less than 40 years of age
- Client with 3 years prior ownership experience on similar sized vessels
- No more than 10' jump in size
- Boats and yachts that do not exceed 65mph

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### Survey Guidelines

1 Why Chubb Recreational Marine? 2 What is Our Target Market Client Profile? 3 How is Watercraft Business Underwritten? 4 Chubb Watercraft Product Portfolio 5 Common Exclusions & Why Resulting Damage Coverage Matters

#### Condition and Valuation Survey

- Inspection of the watercraft to determine its condition, seaworthiness, value, and recommendations
- Includes the structural integrity, electrical systems, propulsion system, fuel system, other machinery, navigational equipment, miscellaneous on-board systems, cosmetic appearance, electronics and overall maintenance.
- Completed by an accredited surveyor; Society of Accredited Marine Surveyors or National Association of Marine Surveyors
- Surveys generally cost around \$15-\$20 per foot

Watercraft up to 27'	No survey required
Watercraft 27' - 35'	25 years of age (not required for package accounts)
Watercraft 36'+	15 years of age for salt water, 20 years of age for fresh water

- Completed within recent 3 years

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### Florida appetite at a glance (eff 9/15)

- Vessels 10y old or newer
- Loss-free (except for HHO or tow claims)
- Minimum 3 years experience
  - >26' first-time owners acceptable subject to u/w approval
- Vessels 26' & under: 5% WSD
- Vessels 27' & greater:
  - 10% WSD & 10% LSD applies
  - Ex-wind/ex-surge option available
- No absentee owners for monoline risks
  - Must meet package premium threshold
  - If ineligible, can offer ex-wind/ex-surge for 27' & up or
  - Must be stored in a CAT 5 (150mph) rated facility
- Miami-Dade County = megayacht only for monoline
- Monroe County still generally unacceptable
- 2pt commission reduction on NEW business in FL
  - Does NOT affect renewals



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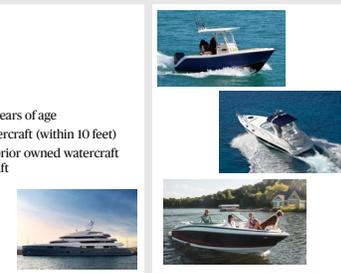
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### Business we really like

- Monoline & package clients that own
  - Inland watercraft used on lakes
  - West coast watercraft
  - \$3M+ yachts with a full-time captain
  - Used for pleasure use
  - Most competitive on watercraft up to 10 years of age
  - 3 years of ownership on similar sized watercraft (within 10 feet)
  - For new purchases, up to 10' increase of prior owned watercraft with 3 years experience on prior watercraft
  - Less than 65' mph max speed



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### Our Masterpiece Products for Boats & Yachts

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**Masterpiece Boat Select**  
Masterpiece Boat

Watercraft up to 35' in length and personal watercraft



**Masterpiece Yacht Select**  
Masterpiece Yacht

Watercraft 36' in length



**Masterpiece Yacht Preference**

Watercraft with \$3M+ in value, 70'+ in length, with full-time paid captain

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### Masterpiece Boat Select & Yacht Select: Coverage Highlights

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- **Replacement cost for watercraft 3 years old or younger, payment up to 120%**
  - Watercraft up to 35' with value up to \$250K
  - Watercraft 36'+ with value up to \$1m
- Agreed value hull coverage, deductible waived for total loss
- Original, Equipment Manufacturer (OEM) parts
- **Personal property / fishing tackle – replacement cost with no deductible**
- Dinghy / tender – replacement cost with no deductible
- **Resulting damage / ensuing loss coverage for some commonly-excluded causes of loss**
- **No exclusion for mechanical or electrical breakdown or machinery damage**
- **No exclusion for latent, manufacturer, or design defects**
- Precautionary measures coverage
- Temporary substitute watercraft
- Oil Pollution Act / Uninsured / Underinsured Boater Protection / Jones Act & LHWC
- **Defense costs outside policy limits**

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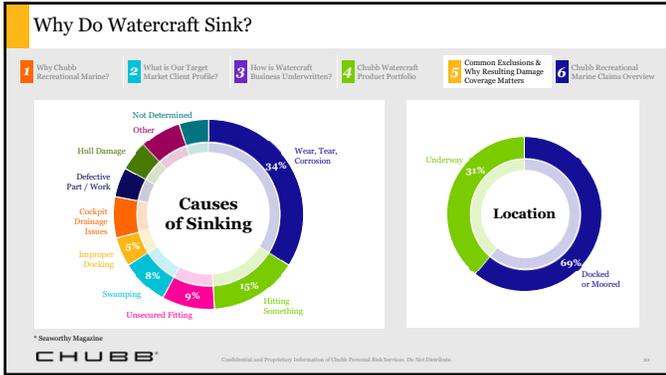
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### The Chubb Recreational Claims Experience

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#### The Chubb Difference!

Our Watercraft Claim Specialists have continued training throughout the year to understand the changing mechanics and components of watercraft for quick desk adjustments

Our adjusters are licensed boaters having successfully passed a Boating Safety Course. We have a SAMS accredited surveyor on our claims staff to ensure claims decisions are thoroughly reviewed

Our claims specialists handle marine claims only; they are marine claim experts!

Once approved, we strive to issue claim payment within 48 hours review

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### How to Quote with Chubb

**ORCA® , Online Rating Platform**  
The Easiest and Fastest way to quote!

- Online quoting for all watercraft
- Automatically referred to underwriting for review
- Easy access to policy documents, ID cards, and claim information
- The Agency Administrator for @Chubb can provide access

**ORCA Training Available**  
@Chubb My Resources under Systems & Training

**Submit to**  
Recreational.Marine@chubb.com

**Call**  
800.826.1733 for live crew member to answer question or provide a quote

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### Ease of Doing Business

#### Paperless Policy Delivery available

- New business issuance
- Existing clients can enroll through @Chubb Client Portal

#### Report claims through Agent Portal & Client Portal

- Ability to upload claim documents

#### Claim Alerts on @Chubb Agent Portal

- New claims reported
- Claim Payments
- Claims closed



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### Where to find opportunities?

- Client renewal reviews - ask whether they have watercraft insured somewhere else
- Watercraft listed on an excess liability policy where we don't insure the primary coverage
- Opportunities currently with other markets
- Look back - prior opportunities we didn't win in the past
- Use watercraft as a lead into a new client



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### Questions



☆ **Agency Resource Center**  
[www.chubb.com/watercraft](http://www.chubb.com/watercraft)

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