

## Spring Forward

*Are your clients' grown-up toys properly covered?*

By Caryn Mahoney

**When thoughts turn** to spring and your clients take out the big boy and girl toys—motor homes, boats, jet skis, motorcycles, RVs, ATVs and golf carts—they need to make sure they have the proper insurance coverage.

A client will often remove insurance or reduce the limits during the winter months. If an agent puts a note in the file to follow up and fails to do so, there could be an uncovered claim, possibly with catastrophic injuries, resulting in an errors & omissions claim against the agent. The client's failure to call the agent before using the watercraft or jet ski would be a defense, but that would not eliminate the claim.

Insurers will usually offer a reduced premium when a boat or jet ski is locked on a trailer during "lay up," and carriers will usually deny claims for stolen equipment if it's not properly locked away. Some policies require boats to be professionally winterized. Other policies require that the boat must be stored on dry land or tied to a dock that is connected to dry land during the lay-up period.

Boat policies contain permitted navigational territories. Hurricane damage is often denied by carriers when the boats are stored south of a certain geographical point or state during the hurricane season. A navigational extension endorsement would provide for an increase in navigational miles. Most RV and motorcycle policies limit coverage to the U.S., its territories, Puerto Rico and Canada. If your client is planning to drive to Mexico, they likely need to purchase additional coverage.

Homeowners policies only provide coverage for smaller watercraft that is not rented or raced. Some boat policies require a condition and value survey or an active monitoring



account GPS. A carrier will likely deny coverage for a boat that capsizes if it is overloaded due to policy weight limits. There may be limited or no coverage for fishing, scuba and water-skiing equipment, while parasailing or kite skiing is usually excluded.

Additionally, a difference in the stated value and actual value could result in an E&O claim. A separate RV

policy to include coverage for personal items inside is needed. Personal auto policies cover campers pulled by autos unless they are rented, but not contents.

A homeowners policy will typically only cover a golf cart if it is used solely to service the “insured’s residence” or is designed to assist the handicapped. It will usually provide liability coverage for accidents driving golf carts on golf courses. But separate golf cart coverage is usually required for clients who drive golf carts on public roads in vacation areas, as well as in mobile home and retirement communities. There are usually conditions and exclusions for non-licensed drivers, especially when being driven on roads.

When your client’s thoughts turn to fun and games involving these grown-up toys, they need to think first about their insurance protection before heading out for fun.

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