

Insurance and Planning a Major Voyage in Your Yacht

If you own a yacht and have been pining to take it on an extended voyage, you will want to report your plans to your insurance company, otherwise you may not be covered if you have an incident.

When you purchased your yacht, or last renewed your policy, you were most likely required to declare your navigation area "B" essentially the boundaries of the waters you intend to sail. If you go beyond this navigation area, any damage your vessel sustains may not be covered by your insurer.

Insurance coverage can get more complicated and costly if you are planning a major voyage, like crossing an ocean to Asia or Europe or sailing to South America. In those cases, you may find that your current carrier won't cover your vessel beyond a certain distance from the shores of the United States.

If you are planning a longer voyage, it's important that you plan ahead.

Choose your navigation area carefully

The standard navigation territory for boats is what's called "inland and coastal navigation," which typically extends to a maximum of 5 miles from shore.

That 5-mile zone may also apply to islands. For example, the boat could cruise through a series of islands from one to another as long as it never is more than 5 miles from land.

You can negotiate a larger navigation area with your insurer. The company is likely to restrict the distance depending on the type of yacht you have. Coverage for larger vessels with experienced crews, for example, can extend out to 250 miles from shore.

Chose the right policy

When shopping for yacht insurance, make sure to ask us about how easy it is to increase the navigating territory in the midst of your policy year with the various carriers we can access for coverage.

Key is securing coverage with an insurer that will allow you to expand your navigational territory. If you have an idea of where you'd like to go, we can select insurers covering that region. Some have strict territorial limits past which they won't offer coverage.

It's important not to announce your plans to the insurer too far in advance, so they don't price it into your policy. When the time comes and once you have solidified your plans, we can work

with you to inform them of your plans and need to extend the distance from shore where your yacht would be covered.

You'll need to provide them with your planned route, including where you may stop along your journey.

If you change your territory during the policy period, you'll be asked to pay a surcharge if the insurer accepts the new maps. Making a change mid-policy can be costly. If you have plans to sail shortly after your current policy expires, you'll have more flexibility as we can help you shop around for a new policy that better fits your sailing plans.

Global trips

Some yacht owners want to take the ultimate voyage and sail to Europe, the South Pacific or Southeast Asia. If you are one of them, you will need extensive coverage.

Yacht insurance companies that cover vessels up to Alaska, Canada, Mexico, the Bahamas and the Caribbean may not cover you on the open seas on the way to faraway islands or other continents.

However, if you've planned ahead we can help you find an insurer that will cover you by adding secondary international coverage or a rider to your existing policy.

On top of that, you need to make sure you have arranged for proper for traveling in international and foreign waters. This may require getting permits from the countries you plan to visit.

Once you have the proper coverage and papers in place, you'll be ready to hit the open seas.

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