

AGENDA

- What are we *insuring*?
- What does the *market* look like?
- What are we *covering*?
- What does the *risk* look like?
- What does a boat *Rating Plan* look like?
- What other *Rate Making Considerations* are there?



Total Active Boats by Year

Year	New Boat Sales
2001	850
2002	844
2003	838
2004	871
2005	864
2006	912
2007	842
2008	795
2009	573
2010	517
2011	527

Boating Use as a % of Total Boaters

Fishing	61.7%
Swimming	41.3%
Cruising	37.7%
Entertaining family/friends	32.9%
Sightseeing	31.7%
Sunbathing	28.4%
Nature observation	28.3%
Camping	20.9%
Water skiing	16.6%
Boating-related special events	15.2%
Kayaking	12.9%
Open water paddling	12.4%
Sleeping aboard	10.5%
Rowing	9.2%
Seaweeding	9.2%
Windsurfing	9.0%
Scuba diving	8.4%
Business-related entertainment	6.5%
Hunting	5.7%
Whitewater rafting	2.8%
Recreational poker runs	2.6%
Racing	2.5%
Other	1.0%









Source: NMMA




Who's Buying Boat Insurance?

- Covered by Home Policy
- Required by Lender
- Self-insured
- No State Mandate

Boat Insurers

- State Farm
- Allstate
- Progressive
- Boat US

-  Boat and Motor
-  Liability
-  Medical
-  Trailer
-  Uninsured Operator
-  Boating Equipment
-  Emergency Services
-  Personal Effects

Recreational Boating Statistics Nationally by Accident Type for Years 2005-2011

Accident Event	% of Accidents	% of Injuries	% of Deaths
Collision with Vessel	15.7%	16.3%	5.8%
Collision with Fixed Object	10.0%	10.8%	6.3%
Star Mashup	9.4%	14.0%	1.7%
Collision with Recreational Vessel	9.4%	9.6%	3.1%
Fall Overboard	8.6%	7.0%	27.5%
Capsizing	7.9%	7.1%	27.2%
Flooding/swamping	7.6%	3.4%	8.9%
Grounding	6.3%	6.1%	1.7%
Fall in Vessel	4.6%	6.9%	0.6%
Collision with Submerged Object	3.2%	1.6%	1.1%
Fire/explosion (fuel)	3.0%	2.6%	0.3%
Person Ejected from Vessel	2.8%	3.9%	2.9%
Collision with Floating Object	1.9%	1.5%	0.9%
Other	1.9%	2.3%	1.0%
Person Departed Vessel	1.7%	1.0%	6.7%
Person Struck by Propeller	1.6%	2.2%	0.7%
Fire/explosion (non-fuel)	1.5%	0.4%	0.1%
Person Struck by Vessel	1.1%	1.6%	0.5%
Sinking	1.0%	0.2%	0.7%

Recreational Boating Statistics Nationally by Accident Cause for Years 2005-2011

Accident Cause	% of Accidents	% of Injuries	% of Deaths
Operator Inattention	13.0%	12.2%	6.4%
Excessive Speed	8.2%	11.2%	4.3%
Operator Inexperience	8.1%	8.0%	6.2%
Improper Lookout	8.0%	8.5%	2.8%
Alcohol Use	6.9%	8.8%	18.4%
Careless/negligent Operation	6.5%	7.6%	2.7%
Other	6.4%	6.4%	7.0%
Machinery Failure	5.9%	3.4%	2.5%
Hazardous Waters	5.0%	3.9%	9.1%
Passenger/Inkier Behavior	4.9%	6.4%	3.3%
Unknown	4.1%	2.0%	11.8%
Weather	4.1%	2.7%	6.8%
Force of Wave/Wake	3.8%	4.9%	0.8%
Navigation Rules Violation	2.2%	3.1%	0.8%
Equipment Failure	1.9%	0.9%	1.2%
Restricted Vision	1.3%	1.4%	0.7%
Hull Failure	1.2%	0.3%	0.8%
Congested Waters	1.2%	1.1%	0.2%
Sharp Turn	1.2%	1.6%	0.9%
Improper Loading	1.1%	0.9%	3.7%
Proton of Spilled Fuel or Vapor	1.0%	1.0%	0.1%