



CLAIM SCENARIOS

BOAT DEALERS

\$1,000,000

Small animal got into boat storage building and chewed through electrical wire which resulted in sparks igniting materials and causing the building to burn to the ground with inventory and customers' boats inside. Property coverage for Owned Property (building, BPP, BI) and Marina Operators legal Liability coverage for customer's property stored.

\$1,400,000

Two Strong storms came through within 30 days causing wind and water damage to docks. 30% of docks lost in the first storm, 70% lost in the second storm. Docks covered under the Inland Marine Coverage form so flood was a covered peril.

\$15,000

Our insured repaired a new boat that was recently purchased from our insured. Claim came in stating that the repairs caused the boat to sink. After investigation our insured was not found negligent and released from the suit because the cause was a defect in the product sold by the manufacturer. Entire loss was defense expenses. Two and a half years of defense before our insured was granted release.

\$91,000

Insured boat dealership was broken into. Parts, motors, accessories stolen. Persons who broke in then started a fire in the building, burning a portion to the ground. Paid property coverage to the building, BPP, inventory/stock from theft of inventory/stock and fire damage. Subrogation not a factor as suspects were never indicted. Suspects included the dealership's owner's son.

\$17,000

An employee of our insured helped hook a customer's boat trailer improperly to the vehicle. During course of travel, the trailer became detached and it collided with another vehicle. Claimant in that vehicle sustained injuries. Payment split evenly with auto carriers and dealership.

\$81,000

Dealership sold a wave-runner type watercraft to plaintiff's parents (plaintiff is a minor). Dealership did not service it after it was sold to them. Manufacturer had two recalls on the gas tank. First one was before the watercraft was sold. A visual inspection only, which our insured dealership did and found no cracks or problems with it. The second one was after we sold it and notification would have come from Sea-doo to the owner. This one was for replacement of the tank at any local dealer. Suit alleges that defendants sold and distributed defective and unreasonably dangerous products; the warnings provided were inadequate and caused/contributed to incident. Gas tank failed causing injury. Total indemnity payment was 26% from PHLY insured dealership. Three and a half years of legal expenses included in total loss payment.

\$450,000

Marina was storing a yacht on land. An employee of the marina placed the boat cushions in the laundry room of the yacht, the door did not close and the light was left on. Cushions were touching the light and caught fire. Near total loss of the yacht. Paid coverage of marina operators legal liability with no "per vessel" limitation.

\$395,000

Dealership repaired the fuel system of a boat and fueled it before releasing it to the customer. Customer was using the boat later with 5 patrons on board. Customer went to start the boat and it blew up with 6 patrons on board (1 captain and 5 guests). Fuel blower was either missing or malfunctioned or operator error when captain started the boat. Dealership and boat manufacturer settled the case out of court the night before the trial date instead of "rolling the dice" in court with a jury. If found liability verdict came down against dealership, legal council estimated payment in the low 7 figure range.

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