

# CORNERSTONE

BUYER'S PROTECTION PLAN LTD.

Administered by:  
Cornerstone Buyer's Protection Plan Ltd.  
201-931 Commissioners Road East, London, ON, N5Z 3H9  
Telephone: 1-800-774-9992

## Marine & Personal Watercraft Mechanical Breakdown Insurance Policy

Insured by:  
Travelers Guarantee Company of Canada  
formerly known as  
St. Paul Guarantee Insurance Company  
77 King Street West, 34<sup>th</sup> Floor  
Royal Trust Towers, P.O. Box 284  
Toronto, Ontario M5K 1K2

PRODUCT PURCHASE / DELIVERY DATE	TODAY'S DATE	POLICY #
(mm/dd/yr)	(mm/dd/yr)	

POLICYHOLDER INFORMATION (REGISTERED OWNERS)			
Name	Home Telephone	Business Telephone	
Address	City	Province	Postal Code

DEALER INFORMATION			
Dealer Name & Number	Salesperson	City	Province

MARINE INFORMATION			
Product Description #1	Brand	Model	Year
Serial #	<input type="checkbox"/> New <input type="checkbox"/> Used	HP/CC	
Product Description #2	Brand	Model	Year
Serial #	<input type="checkbox"/> New <input type="checkbox"/> Used	HP/CC	

OPTIONAL COVERAGE		LENGTH OF CONTRACT (YRS)	
<input type="checkbox"/> Lift Out & Towing	<input type="checkbox"/> Cruiser Package	Manufacturer	Cornerstone
<input type="checkbox"/> Stereo Package	<input type="checkbox"/> Diesel Engine (\$500 Deductible)	<b>DEDUCTIBLE</b>	
<input type="checkbox"/> Fisherman's Package	<input type="checkbox"/> Marine Generator	<input type="checkbox"/> \$0 <input type="checkbox"/> \$100	

DEALER INSTALLED OPTIONAL ITEMS		
Product & Brand	Model #	Serial #

POLICY RETAIL PREMIUM			
PRICE	GST	HST (Atlantic Canada)	TOTAL
\$	\$	\$	\$

LIENHOLDER INFORMATION			
LIENHOLDER		TELEPHONE ( )	
ADDRESS	CITY	PROVINCE	POSTAL CODE

Policyholder's Signature		Date	Dealer's Signature		Date
I hereby certify that I have read and understand the terms and conditions of this Policy, including the exclusions and limitations contained herein.			As the authorized representative of the issuing Dealer, I certify that the Unit is covered by this Policy and the said Unit meets all the requirements supplied by the Administrator to the issuing Dealer.		
Should the Policyholder not receive a Customer Care Card within 90 days or require additional information, the Policyholder should contact the Administrator.			The Policyholder must obtain proper authorization from the Administrator prior to commencement of any repairs.		
Any representation of the plan other than the stated terms of the Policy are not binding on the Insurer or the Administrator nor shall they be liable for any incidental or consequential damages.					

### INSURING AGREEMENT

St. Paul Guarantee Insurance Company has issued this Policy through the Administrator, Cornerstone Buyer's Protection Plan Ltd. In consideration of the payment of the Policy premium to Cornerstone, and in reliance upon the statements and selections made by the Policyholder and the issuing Dealer in this Policy and subject to the following terms, conditions, exclusions and limitations of this Policy, St. Paul Guarantee Insurance Company agrees to indemnify the Policyholder for Mechanical Breakdown of the Unit.

**When this Policy is properly filled out, filed and registered with Cornerstone, it becomes a Policy covering the Unit for parts and/or labour as per the Cornerstone Authorized Labour Guide(s) as listed, with this Policy starting 30 days from delivery or 15 days from Cornerstone's receipt of the Policy premium payment or upon the expiration of the manufacturer's warranty, whichever is longer.** Coverage for previously enjoyed vehicles is available at the time of sale only. Previously enjoyed policy applications sold in the month must be received with full payment by Cornerstone by the end of the following month. The duration of this Policy includes all manufacturer, dealer and/or other applicable warranties. This Policy will pay Repair Costs on the Unit listed above for the identified term, that fail under normal use. Coverage under this Policy does not include gradual reduction in operation performance due to wear and tear. Mileage to get to the service depot or factory is the Policyholder's responsibility. This Policy is subject to the appropriate Deductible identified above per repair visit.

### DEFINITIONS

The following definitions apply to words frequently used in this POLICY.

**Administrator and Cornerstone** mean Cornerstone Buyer's Protection Plan Ltd.

**Insurer** means St Paul Guarantee Insurance Company.

**POLICY** means this Marine & Personal Watercraft Mechanical Breakdown Insurance POLICY which the Policyholder has purchased from the issuing Dealer to protect the Unit.

**Deductible** means the amount the POLICYHOLDER pays as shown in this POLICY, per repair visit for Mechanical Breakdown, once a part is repaired or replaced under the terms of this POLICY.

**Mechanical Breakdown** means the failure of a covered part under normal service. A covered part has failed when it can no longer perform the function for which it was designed solely because of its condition and not because of the action or inaction of any non-covered parts.

**Repair Costs** mean the usual and fair charges for replacement parts (of like kind and quality) and labour (normal hourly working rate) needed to perform repairs covered by this POLICY as established under separate agreement between Cornerstone and the Cornerstone authorized service center.

**Unit** means the new or previously enjoyed Vehicle / Unit described in this POLICY.

WHITE – CORNERSTONE COP

YELLOW – CUSTOMER COPY

PINK – DEALER COPY

GOLD – LIENHOLDER

r.p. AMU POLICY 09/06

## OUTBOARD COVERAGE – Includes the following covered parts:

**POWERHEAD:** All internally lubricated parts contained within the cylinder block including: cylinder head, pistons, piston rings and pins, main bearing connecting rods and rod bearings, crankshaft, reeds, reed block cage. Block and cylinder barrel if damaged as a result of a mechanical failure of an above listed part.

**LOWER UNIT:** All internally lubricated parts contained within the lower unit housing including: drive shaft, drive shaft bearings, pinion gear and bearing, shift cam and follower, forward and reverse gears, carrier bearings, shims, thrust washer and carrier, clutch dog and pin. Propeller shaft and housing if damaged as a result of a mechanical failure of a covered part.

**STEERING/CONTROLS:** Steering, shift & throttle cables, steering wheel and hub, swivel bracket and bearing, hydraulic head, cylinder and flow valves, shift control box. Steering control helm assembly and control rack.

**ELECTRICAL:** Voltage regulator and rectifier, starter motor, starter solenoid, power pack/switch box, power trim/tilt motor, stator, ignition coil and switch, neutral safety switch, trigger coil, terminal blocks, engine mounted wiring harness and connectors, high/low speed spark advance modules, ESA module and choke solenoid, gauges limited to tachometer, engine temperature gauge and sensors.

**POWER TRIM/TILT:** Trim and tilt cylinder rams, power trim solenoids, wiring harness, pump, and relief valve and control switch.

**LUBRICATION SYSTEM:** Oil injection check valve, low oil sensor, injection pump, pump drive gear, pump drive shaft, oil tank reservoir, warning module, remote injection tank, oil tank cap, remote tank pickup and tube, warning horn and warning lights, oil lines and metering system.

**FUEL SYSTEM:** Fuel pump, fuel injectors, rails, and pump, fuel distributor, pressure regulator, vapor separator, flame arrestor, turbo chargers, carburetor, (excludes needle and seat or adjustments) sensors, EFI control module, wiring harness, electric choke, air silencer/intake.

**JET PUMP:** Internally lubricated metallic parts contained within the jet drive case. Pump case if damaged as a result of a mechanical failure of a covered part (pump impeller excluded).

**SEALS & GASKETS:** Seals and gaskets of any listed covered component. Seals and gaskets are not covered under Used Marine Policies, except when required in connection with the replacement of covered component(s) part(s).

## INBOARD STERN DRIVE, JET BOAT COVERAGE - Includes the following covered parts

**ENGINE:** All internally lubricated parts contained within the cylinder block including: pistons, piston rings and pins, main bearings, camshaft and bearings, timing chain/belt and

gears, valve, valve springs, guides, seats and valve covers, harmonic balancer, oil pump, engine mounts, distributor housing, intake manifold, push rods, lifters, flywheel/ring gear, connecting rods and rod bearings, crankshaft. Cylinder head(s), block and barrel if damaged as a result of a mechanical failure of an above listed part.

**TRANSMISSION:** All internally lubricated parts contained within the transmission case including: clutch and thrust plates, planetary gears, shift bands, drums, hydraulic pumps, valve bodies, carrier bearings, shafts and reduction gears. Transmission case if damaged as a result of a mechanical failure of a covered part.

**LOWER UNIT:** All internally lubricated metallic parts contained within the transmission case including: drive shaft, drive shaft bearings and pin, pinion gear and bearings, shift cam and follower, forward and reverse gears, carrier bearings, shims thrust washers and carrier, and clutch dog and pin. Propeller shaft and housing if damaged as a result of mechanical failure of a covered part.

**ELECTRICAL:** Alternator, voltage regulator and rectifier, starter motor, starter solenoid, ignition module, power trim motor, power tilt motor, battery selector switch, battery main switch, battery isolator, fuse box holder, ignition coil and switch, ring gear, neutral safety switch, terminal blocks, engine mounted wiring harness and connectors and wiper motor, tachometer, engine temperature and oil pressure warning sender gauges and sensors.

**INTERMEDIATE HOUSING:** Steering arm and bearing, universal joint bearing, gimbal bearings and gimbal housing, sleeve and connector, steering pivot and shaft, shift lever and roller, transom plate, shift bell crank and pivot housing, u-joint, drive yoke, engine cooler (shifting/alignment excluded), intermediate housing (holes in or leaking bellows excluded).

**STEERING/CONTROLS:** Steering control helm assembly and control rack. Steering cables, shift and throttle cables, steering wheel and hub, hydraulic pump and reservoir, steering cylinder, cylinder and flow valves, and shift control box.

**ENGINE COOLING SYSTEM:** Engine circulating water pump, oil cooler, heat exchanger and water pump pulley (closed system only).

**JET PUMP:** Internally lubricated metallic parts contained within the jet drive case. Pump case if damaged as a result of a mechanical failure of a covered part (pump impeller excluded).

**POWER TRIM AND TILT:** Trim and tilt cylinder rams, power trim solenoids, wiring, harness, pump, relief valves and control, limit switches and master switch.

**V-DRIVE CASE:** Internally lubricated parts contained within the V-Drive case, including bevel gears, carrier bearings, shims and thrust bearings and shafts. V-Drive case if damaged as a result of a mechanical failure of an internally lubricated part.

**FUEL SYSTEM:** Fuel pump, fuel injectors, rails, and pump, fuel distributor, pressure regulator, vapor separator, flame arrestor, turbo chargers, carburetor (excludes needle and seat or adjustments), sensors, EFI control module, wiring harness, electric choke, air silencer/intake.

**SEALS & GASKETS:** Seals and gaskets of any listed covered component. Seals and gaskets are not covered under Used Marine Policies, except when required in connection with the replacement of covered component(s) and/or part(s).

## PERSONAL WATERCRAFT - Includes the following covered parts

**ENGINE:** All internally lubricated parts contained within the cylinder block including: pistons, piston rings and pins, intake manifold, main bearings, connecting rods and rod bearings, reeds, reed block and cage. Crankshaft, cylinder heads and block. Heads and barrels if damaged as a result of a mechanical failure of an above listed part.

**DRIVE LINE COMPONENTS:** Drive shaft, bearings, bushings and flywheel.

**LUBRICATING SYSTEM:** Oil injection system including pump, drive gear, oil level sensor, oil lines and oil tank.

**FUEL DELIVERY SYSTEM:** Fuel injection and delivery pumps, pressure regulators, flame arrestor, fuel distributors and turbo-chargers.

**STEERING CONTROLS:** Throttle cable and control handle. Steering control assembly, steering gear, rudder and trim switch, starter, control primer switches and run and stop switches.

**ELECTRICAL:** Starter, stator/alternator, voltage regulator/rectifier, ignition module, coils, solenoids, relays, ignition switch, power trim motor, CDI Box, electrically operated gauges including tachometer, engine temperature gauge, oil pressure warning gauges, sensors and wiring harness.

**JET PUMP SYSTEM:** Lubricated metallic parts contained within the jet pump case. Pump case if damaged as a result of a mechanical failure of a covered part (pump impeller excluded).

**SEALS AND GASKETS:** On any listed covered component. Seals and gaskets are not covered under the Used Personal Watercraft Policies, except when required in connection with the replacement of covered component(s) and/or part(s).

## OPTIONAL COVERAGE

**LIFT OUT & TOWING PROTECTION:** To a maximum of \$100 per mechanical breakdown for lift out and a maximum of \$100 per occurrence for towing.

**STEREO PACKAGE:** Stereo system includes AM/FM/Cassette, CD & Speakers.

**CRUISER PACKAGE:** Includes air conditioning, (factory or dealer installed), exhaust fans, power converter, depth finder, battery charger, power hood, junction box, circuit breakers, shower system, sinks, toilets, holding tanks, water supply pump and tanks, water heater, range/oven, refrigerator, furnace or wall heater (one of each), stereo system and TV/DVD.

**FISHERMAN'S PACKAGE:** Includes kicker or trolling motors, depth finder, fish finder, electrical components, alternators, voltage regulator, starter, power trim and tilt motors, solenoid, bilge pump, live well aerator, engine wiring harness, tachometer, head voltage gauge, fuel pump, and trailer (structural welds, spindles, hubs, and wheel bearings).

**DIESEL ENGINE:** Coverage is available for new diesel engines only. A \$500 deductible applies to this coverage.

**MARINE GENERATOR:** Marine use only. Factory or Dealer installed. No commercial use.

## EXCLUSIONS

- This Policy applies to defects in material and workmanship, it does not apply to normal worn parts, adjustments, tune-ups or to damage caused by: 1) Neglect, lack of maintenance, accident, abnormal operation or improper installation or service as deemed by Cornerstone; 2) Use of an accessory or part not manufactured or sold by an authorized dealer of the manufacturer; 3) Operation with fuel, oils or lubricants which are not suitable for use with the Product; 4) Participating in or preparing for racing or other competitive activity or operating with a racing type unit; 5) Alteration or removal of parts; 6) Water entering the engine via the intake or exhaust systems.
- This POLICY does not cover routine maintenance, fluids, belts, fuses, hoses, filters consumables, batteries, fasteners, bulbs, exterior power cords, cosmetic adjustment or replacement, hull separating or damages caused by freezing or improper lay up or storage, cracking, paint changes, breakdown due to corrosion or rust, or water tests.
- This Policy does not cover routine maintenance, cosmetic adjustment or replacement, shell separating or cracking, paint changes, corrosion, erosion, rust, loss of coolant or lubricant. Coverage is not provided under the terms of this Policy unless the unit(s) has been serviced in accordance with the manufacturer's recommendations.
- This POLICY does not cover gradual reduction in performance due to wear and tear, or any repair caused by normal product vibration or loose fasteners or any unit used in a commercial environment.
- This Policy is void if any loss or damage is caused by accident, collision, roll-over, riots, fire, theft, freezing, vandalism, explosion, lightning, earthquake, windstorm, hail, volcano eruption, water or flood, stranding, submersion, abuse or ice, or by other acts of nature.
- This Policy does not cover any costs, expenses or equipment required to comply with law and/or regulations imposed or set forth by any Governmental agencies.
- This Policy does not cover any incidental or consequential damages including damage to a non-covered part or a covered part by a non-covered part, or any covered part, which is not broken down but which a service depot recommends or requires be repaired, replaced or where Government/industry regulations disallow use of said part(s). This Policy does not cover any damage, internal or external, due to freezing, overheating or corrosion, electrolysis, salt or any other environmental condition or inadequate or improper storage/layup.
- This Policy does not cover any loss or damage to optional equipment or any loss or damage arising out of the failure of an otherwise covered part that does not meet Manufacturer's specifications, including modifications and/or alterations to the unit not approved by the Manufacturer's authorized representative.
- This Policy does not cover any mechanical failure that exists at the time of retail sale of the Unit.
- This Policy does not cover any loss resulting from inadequate amounts of coolant, lubricant, or fluids.
- This Policy does not cover any loss caused by improper or contaminated fuels or other fluids.
- Commercial use is excluded.
- This Policy does not cover Mechanical Breakdown covered by manufacturer's warranty.
- Coverage is not provided under the terms of this POLICY unless the unit has been serviced in accordance to the manufacturer's recommendations.
- This POLICY does not cover any repair for grinding of valves to increase compression, maintenance service or terms, adjustments, tune-ups, oil consumption or stuck rings, burned valves, tuliped valves, fluids, lubricants, adhesives, service calls, shop supplies, environmental charges, or any other miscellaneous charges.

## GENERAL PROVISIONS

A. **TERRITORIAL LIMITS:** This Policy will cover the Unit only when it is in Canada or the United States.

B. **CONSEQUENTIAL DAMAGES:** The Insurer is not responsible for any incidental or consequential damages, or any oral misrepresentation other than the coverage and exclusions contained herein. This Policy applies to the parts and labour for the identified items only, and does not provide for bodily injury, property damages, liability, or any other type of liability coverage.

C. **DELAYS:** This Policy does not guarantee days or time of service. The Insurer is not liable for any damages whatsoever arising out of delays, either before or after a day or time of service is agreed upon.

D. **LIMIT OF LIABILITY:** For each claim/repair visit, the Insurer's liability will in no event exceed the actual cash value of the Unit before the failure. The aggregate of all coverage's and benefits paid or payable under this Policy will not exceed the price the Policyholder paid for the Unit. If parts are not available and the Unit cannot be repaired, a pro-rated portion of the Policy premium will be returned to the Policyholder.

E. **TRANSFER:** To transfer this Policy, the Policyholder will forward it's copy of the Policy, with the new owner's information attached, and the transfer fee of \$50.00 plus applicable taxes to Cornerstone within 30 days of transfer date. Proof of maintenance may be required.

F. **CANCELLATION:** To cancel this Policy, the Policyholder will in writing notify the Administrator or the issuing Dealer from whom this Policy was purchased. The Policyholder will receive from the Administrator or the issuing Dealer a pro-rated refund of the Policy premium based on elapsed months of coverage from the product purchase date, less a \$50.00 cancellation fee less any claims paid, plus applicable taxes.

G. **POLICYHOLDER'S RESPONSIBILITIES:** To receive full benefits of this Policy, the Policyholder must, at their expense: have the Unit serviced as recommended by the manufacturer, keep a detailed record of all maintenance validated by the servicing dealer, and keep receipts and work orders showing dates of service performed. The Policyholder assumes all liability of payment for unauthorized repairs. Liability for tear down/diagnosis rests with the Policyholder on non-covered repairs.

H. **CLAIM PROCEDURES:** The Policyholder will present this Policy to a Cornerstone authorized service center. The Policyholder will find an authorized service center by contacting Cornerstone or the issuing Dealer who sold this Policy. The authorized service center must receive proper authorization from Cornerstone prior to the repair. This Policy is void if the Unit is worked on by any person or dealer not authorized by Cornerstone FOR CUSTOMER SERVICE CALL 1-800-774-9992.

I. **INSURER'S RIGHT TO RECOVER PAYMENT:** If the Insurer makes any payments under this Policy, the Policyholder agrees that the Insurer holds all rights of recovery for those payments against anyone, due to, but not limited to, a safety recall campaign, any repair required by any court, regulatory agency, decree or settlement. The Policyholder will do nothing to harm those rights. If the Policyholder has a right to recover against another party, the Policyholder's rights become the Insurer's rights. The Policyholder will do whatever is necessary to enable the Insurer to enforce these rights. If the Insurer pays for repairs under this Policy and the Policyholder is also paid for the same repairs by someone else, the Policyholder's payment will become the Insurer's property up to the amount that the Insurer paid for the repairs.

J. **OTHER INSURANCE:** This Policy provides coverage only in excess of other applicable and valid policies of insurance (including warranties and service contracts) which the Policyholder has, or upon which the Policyholder can recover from third parties.

K. **CHANGES:** No changes may be made to this Policy unless approved by the Insurer in writing. None of the Insurer's representatives have the authority to change or waive any provisions to this Policy.

L. **REPRESENTATIONS:** By acceptance of this Policy, the Policyholder agrees that statements in this Policy made by the Policyholder, are the Policyholder's representations and agreements and that this Policy is issued in reliance upon the truths of those statements.

M. **CONFORMITY TO STATUTE:** This Policy will be governed and construed in accordance with the laws of the Province where this Policy is written. Any litigation by either party arising out of the terms of this Policy will be commenced in the Provincial Court of said Province or in a Court of competent jurisdiction in said Province, which forum is agreed upon and accepted by all parties. Any dispute arising out of the terms of this Policy will be submitted to arbitration under the Arbitration Act currently in force in the said Province, such arbitration to be conducted before a single arbitrator within the said Province.

N. **ENTIRE AGREEMENT:** This Policy is the entire understanding between the Policyholder and the Insurer and there are no warranties, representations or agreements that are not expressly set forth herein.

O. **PREVENT FURTHER DAMAGE:** In the event of Mechanical Breakdown of the Unit, any operation of the Unit that results in further damage related to the original Mechanical Breakdown will be considered the Policyholder's failure to protect the Unit and will not be covered under this Policy.

P. **APPRAISAL:** This Policy is subject to the appraisal proceedings as stipulated in the Insurance Act for the jurisdiction where this Policy is written.