

RECREATIONAL MARINE POLICY

Your Recreational Marine Policy - Quick Reference

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INSURING AGREEMENT

This contract, together with your Declarations Page, any endorsements and signed applications, complete this marine insurance policy. We will provide the insurance described in this policy in return for payment of the premium, and compliance with all terms, conditions, written and implied warranties, and applicable provisions of the policy. Various provisions in the policy restrict coverage. Please read the entire policy carefully.

SECTION I – DEFINITIONS

In this policy we use words in their plain English meaning. Most words and phrases that have special meaning appear in quotation marks. Where words appear in quotation marks, they will have the meanings shown in this **SECTION I – DEFINITIONS** or as otherwise defined herein.

In this policy, “you,” “your” and “yours” refer to the “insured” shown on the Declarations and if the “insured” is an individual, his or her spouse, if a resident of the same household. “Spouse” means your marriage partner, co-habiting partner, domestic partner, or partner with whom you have entered into a civil union as recognized under state law of the mailing address of the “Insured” shown on the Declarations. “We,” “us” and “our” refer to the Company providing this insurance.

- A. “Actual cash value” means the cost to replace the covered property at the time of loss, less deduction for depreciation.
- B. “Bodily injury” means physical injury, sickness or disease sustained by a person including required care, loss of services and death resulting from any of these.
- C. “Captain” means the person shown on the policy employed in this role by you or on your behalf as a paid “crew member” and who is qualified to be in charge of the shipboard management, operation and navigation of an “insured vessel” and in compliance with local, state and flag laws.
- D. “Communicable disease” means any infectious, contagious or transmissible disease, illness, sickness, bacteria or virus that can be contracted, transmitted or transferred directly or indirectly by any means.
- E. “Crew member” means any person employed by you or on your behalf who is professionally qualified to work aboard and in service to an “insured vessel” and in compliance with local, state and flag laws. This does not include any individual employed solely for the purpose of carrying out maintenance, service, repair or inspection or any other work aboard an “insured vessel” while it is anchored, moored, tied up at dock or in a repair facility or during navigational tests or sea trials.
- F. “Cyber event” means the following:
 - 1. Any threat or attempt, or series of threats or attempts, to gain unauthorized access to a computer or electronic device;
 - 2. Any threat to transmit or the transmission of malicious code regardless of effect to a computer or electronic device;
 - 3. “Denial of service attack”;
 - 4. Any unauthorized access into any computer or any electronic device for any reason, including but not limited to access to or use of “protected information” or financial information;
 - 5. Any demand or series of demands for money or other consideration to restore a computer or electronic device; or
 - 6. Any action or inaction by an “insured,” whether intentional or accidental, in response to a communication received on a computer or electronic device which results in unauthorized use of or access to digital assets, “protected information,” financial information, or cryptocurrency.
- G. “Damages,” as respects **SECTION III – PROTECTION AND INDEMNITY COVERAGE**, means monetary compensation to satisfy any “bodily injury” or “property damage” caused by an “occurrence” covered by this policy, whether settled by us or agreed in writing by us, or resolved by judicial review. “Damages” does not include injunctive relief, declaratory relief, restitution, attorney’s fees, fines, penalties and punitive or exemplary damages.
- H. “Deductible” means the amount you are responsible to pay for each “occurrence” of physical loss, damage or theft that is covered under this Policy.
- I. “Denial of service attack” means an event caused by unauthorized interference with or a malicious attack on a computer or electronic device that overwhelms the capacity of any computer or any electronic device by sending excessive volume of data to such computer or electronic device in order to deny, restrict or hinder access to such computer or electronic device.
- J. “Dinghy or tender” means any auxiliary vessel used in conjunction with an “insured vessel,” is typically carried on board an “insured vessel,” and is used only to service an “insured vessel.” For the purposes of this insurance, “dinghy or tender” does not mean “personal watercraft.”

- K.** "Electronics" means permanently installed navigation and communication equipment systems on board an "insured vessel" or "dinghy or tender" that enable an "insured vessel" to navigate safely or communicate with other vessels or persons. "Electronics" does not mean electronic engine control systems. "Family member" means a person related to you by blood, marriage, domestic partnership or civil union recognized under state law, or adoption who is a resident of your household. This includes a ward or foster child.
- L.** "Fungi" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products, produced or released by "fungi."
- M.** "Insured" means:
1. You or a "family member";
 2. Any entity, created by you for the sole purpose of owning an "insured vessel" or "dinghy or tender" covered under this policy, its members and their spouses who live with them;
 3. Any individual including a paid "captain" or "crew member" given permission by an "insured" described in paragraphs **M.1** and **M.2.** to use an "insured vessel" or "dinghy or tender" covered under this policy, but only while operating the "insured vessel" or "dinghy or tender" in compliance with all terms, exclusions, endorsements and conditions of this policy.
- "Insured" does not include any person, firm, corporation or other legal entity or any of their agents or employees using or operating an "insured vessel" who is employed by a shipyard, boat repair facility, marina, yacht club, sales or management agency, chartering agency, yacht broker, salvor, towing service or similar organizations unless prior written agreement has been obtained from us.
- N.** "Insured vessel" means the vessel described on the Declarations. "Insured vessel" includes the hull, engines, machinery, sails, masts, spars, rigging, navigational communication and "electronics," contents, furnishings or fixtures necessary for safe operation and routine maintenance which would normally be included with the vessel when sold.
- O.** "Medical expenses," as used in **SECTION IV – MEDICAL PAYMENTS COVERAGE**, includes reasonable charges for:
1. Medical;
 2. Surgical;
 3. X-ray;
 4. Dental;
 5. Ambulance;
 6. Hospital;
 7. Professional nursing;
 8. Prosthetic devices;
 9. Funeral services;
 10. First aid; and
 11. Rehabilitation.
- P.** "Navigational territory" means the area where your "insured vessel" or "dinghy or tender" is allowed to operate, navigate and/or be stored, including the portions of land associated with those territories as stated on the Declarations.
- Q.** "Occurrence" means a loss or an accident, including continuous or repeated exposure to substantially the same general conditions that results, during the policy period, in "bodily injury" or "property damage."
- R.** "Personal effects" means tangible personal property, not otherwise excluded, on board, being loaded or unloaded from an "insured vessel" or "dinghy or tender" belonging to you or a "family member," the "captain," "crew members," guests or passengers, consisting of clothing, cosmetics, personal electronic equipment, photographic equipment, including drones used exclusively for your own personal use, sporting equipment, fishing equipment, diving equipment, scuba and snorkeling gear and musical instruments. "Personal effects" does not include money, legal tender, "insured vessel's" cash, credit, debit or bank cards, travelers checks, or any other valuable papers or documents, watches, jewelry, bank notes, bullion, gold, silver, platinum, tokens, stored value cards, checks, furs, fine arts, fire arms, passports, liquor, contents or fixtures.
- S.** "Personal watercraft" means a vessel which uses an inboard engine powering a water jet pump as its primary source of power and is designed to be operated by a person sitting, standing or kneeling on it rather than in the confines of a hull.
- T.** "Property damage" means physical injury to or destruction of tangible property.
- U.** "Protected information" means any non-public information about a person that allows such person to be uniquely and reliably identified, or allows access to the person's financial accounts or medical record information.
- V.** "Replacement cost" means the cost to repair or replace, whichever is less, the lost or damaged property using other new property of comparable material and quality and without deducting for depreciation up to the Amount of Insurance shown for an "Insured Vessel" on the Declarations.

- W. "Seaworthy" as respects your "insured vessel" means properly maintained in all respects; in a good state of repair and fit condition to encounter the ordinary perils of the seas, rivers, lakes, or other navigable waters for which it is designed; and adequately manned, equipped, fueled and with all equipment in proper working order in accordance with the requirements of the flag state, certifying authority or classification society.
- X. "Windstorm" means a named or numbered storm, tropical storm, tropical depression or hurricane as declared by the National Hurricane Center or the National Weather Service.
- Y. "Total or constructive total loss" means:
1. Complete loss or destruction of an "insured vessel";
 2. An "insured vessel" is lost and not found within 30 days of the reported loss; or
 3. Our estimated cost or the actual reasonable cost to recover and/or repair the damaged property equals or is greater than the Amount of Insurance shown on the Declarations for an "Insured Vessel."

SECTION II – PROPERTY COVERAGE

A. Perils Insured Against

We insure against all risks of sudden, accidental and direct physical loss or damage to an "insured vessel" that is covered under the policy occurring within the "navigational territory," unless stated otherwise, subject to conditions, exclusions and limitations of the policy.

B. Coverage and Loss Settlement

We will not pay loss or damages in excess of the applicable Amount of Insurance shown on the Declarations. You agree that we may change the amounts of insurance shown on the Declarations if the policy is renewed, or when condition and value surveys or appraisals are conducted to reflect the current fair market value.

1. Insured Vessel

For a covered loss to an "insured vessel," the following provisions apply:

- a. For a "total or constructive total loss" to an "insured vessel," we will pay the Amount of Insurance for that "Insured Vessel" shown on the Declarations without the application of the "deductible" shown on the Declarations for that "Insured Vessel."

We reserve the right to keep the remains of the "insured vessel" and its proceeds.

When we pay for a "total or constructive total loss," coverage ceases upon our payment. No premium will be returned to you if we have paid you for a "total or constructive total loss" of an "insured vessel."

- b. If an "insured vessel" is partially damaged and the reasonable cost of repairs is less than the Amount of Insurance for that "Insured Vessel" shown on the Declarations, we will pay the reasonable cost to repair or replace, whichever is less, the damaged part of that "insured vessel." The repair or replacement will be of like kind and quality without deduction for depreciation up to the Amount of Insurance for that "Insured Vessel" shown on the Declarations, less the applicable "deductible" shown on the Declarations. However, we will not pay more than the "actual cash value" at the time of loss for the following:

1. Outboard motors and outdrive units greater than 10 years old at the time of the loss;
2. Sails, protective covers, upholstery, cushions, fabrics, carpets, batteries, and tires that are greater than 5 years old at the time of the loss; and
3. Inboard propulsion machinery and auxiliary machinery that are greater than 15 years of old at the time of the loss.

- c. If we decide to repair the damaged property, we have the option of paying for repairs:

1. In accordance with customary vessel yard repair practice, including the reasonable cost of suitable patches to damaged area; or
2. In accordance with repair procedures recommended by the builder or manufacturer of an "insured vessel"; or
3. At an amount no more than the Amount of Insurance shown on the Declarations for that "Insured Vessel."

In case of loss of or damage to part of a pair or set, including outboard motors and outdrive units, but not inboard motors, we have the option of paying either:

1. The reasonable cost of repairing or replacing the damaged part to restore the pair or set to its condition before the loss or damage; or
2. The difference between "actual cash value" of the pair or set before and after the loss.

- d. When an “insured vessel” is partially damaged by another vessel liable for the damage and the reasonable cost of repair is less than the Amount of Insurance shown on the Declarations for that “Insured Vessel,” we will pay the reasonable cost of repairs without application of a “deductible.”
- e. If one side of the hull of an “insured vessel” is damaged and requires repainting or recoating, we will pay only the cost of repainting or recoating that one side less the applicable “deductible” shown on the Declarations for that “Insured Vessel.” At our option, we may elect to pay for repainting or recoating both sides of that “insured vessel” if, in the opinion of the surveyor, repainting or recoating only the damaged side would significantly reduce the value of the “insured vessel.”
- f. If you choose not to have repairs made, we will pay you the “actual cash value” of repairs, less the applicable “deductible” shown on the Declarations for that “Insured Vessel.”

2. Deductibles

Unless otherwise noted in this policy or an endorsement, the greater of the “deductible” shown on the Declarations for the property involved in the “occurrence” or one of the Special “Deductibles” shown on your Declarations or in an endorsement is the amount of a covered loss you will pay.

Special Windstorm Deductible

If a Special Windstorm “Deductible” is shown on your Declarations or in this policy for an “Insured Vessel,” then in lieu of the “insured vessel” “deductible,” the Special Windstorm “Deductible” applies to all partial losses, or “total or constructive total losses” caused directly or indirectly by a “windstorm” for that “insured vessel.” This “deductible” is not waived in the event of a “total or constructive total loss.” The Special Windstorm “Deductible” also applies whether or not other causes or events contribute concurrently or in any sequence to the loss.

C. Additional Property Coverages

1. Dinghy or Tender

For a covered loss to a “dinghy or tender,” the following provisions apply:

- a. For a “total or constructive total loss” to a “dinghy or tender,” we will pay the Amount of Insurance shown on the Declarations for that “dinghy or tender” without the application of the “deductible” shown on the Declarations. We reserve the right to keep the remains of the “dinghy or tender” and its proceeds. When we pay for a “total or constructive total loss,” coverage ceases upon our payment. No premium will be returned to you if we have paid you for a “total or constructive total loss” of a “dinghy or tender.”
- b. If a “dinghy or tender” is partially damaged and the reasonable cost of repairs is less than the Amount of Insurance shown on the Declarations for that “dinghy or tender,” we will pay the lesser of the reasonable cost to repair or replace the covered “dinghy or tender.” The repair or replacement will be of like, kind and quality without deduction for depreciation up to the Amount of Insurance shown on the Declarations less the applicable “deductible” shown on the Declarations.

2. Salvage, Sue and Labor

After a covered loss, you must make every reasonable effort to recover and protect an “insured vessel” or “dinghy or tender” from further loss. We will pay the reasonable costs you incur or may be obligated to pay to minimize a covered loss and prevent additional loss or damage. We will pay for salvage charges you incur arising from a covered loss. The amount we will pay for this coverage will not exceed the total Amount of Insurance for that “Insured Vessel” shown on the Declarations. All coverage provided under Salvage, Sue and Labor will terminate immediately after payment by us of a “total or constructive total loss.” There is no “deductible” for this coverage.

3. Named Storm Haul Out

If the National Weather Service or the National Hurricane Center issues a “windstorm” watch or warning for the area where an “insured vessel” is located, we will pay up to \$1,000 for the reasonable direct costs you incur to haul, fuel or dock the “insured vessel” because that “insured vessel” is endangered by a covered peril. We do not pay expenses for lines, anchors and other equipment to secure an “insured vessel.” The most we will pay for Named Storm Haul Out coverage is \$2,000 per policy period. There is no “deductible” for this coverage.

4. Bottom Inspection

We will pay the reasonable expense to inspect an “insured vessel’s” hull after grounding or striking a submerged object. There is no “deductible” for this coverage.

5. Newly Acquired Vessel

We will cover a newly acquired vessel for sudden, accidental and direct physical loss unless stated otherwise, subject to all conditions, written and implied warranties, exclusions and limitations of the policy. Our Amount of Insurance will be its verifiable purchase price or "actual cash value," whichever is less, for up to 30 days after you acquire it provided the newly acquired vessel:

- a. Has a maximum speed of 60 mph or less;
- b. Is not a model year older than 15 years;
- c. Is no more than 10' longer than any "Insured Vessel" shown on the Declarations; and
- d. Has a purchase price of no more than 20% greater than the amount of property coverage for any "Insured Vessel" shown on the Declarations.

You must request coverage for the newly acquired vessel within 30 days after you acquire it, we must agree to insure it, and you must pay any additional premium. We may change the policy terms or conditions, cancel coverage on the newly acquired vessel, or require further conditions for continued coverage.

If a covered loss occurs between the date you acquire the vessel and the date we agreed to insure it, our payment is subject to a "deductible" of 2% of the newly acquired vessel's hull value or \$500, whichever is greater.

6. Personal Effects

We will cover "personal effects" that belong to you or a "family member," the "captain," "crew members," guests or passengers, while the "personal effects" are being loaded on, are on board or being unloaded from an "insured vessel" or "dinghy or tender" for sudden, accidental and direct physical loss or damage arising from a peril insured against unless stated otherwise or an exclusion applies. We do not cover any loss if the "personal effects" are lost or misplaced.

We will pay "replacement cost" up to the Amount of Insurance for "Personal Effects" shown on the Declarations for the applicable "insured vessel" or "dinghy or tender" for each covered loss. There is no "deductible" for this coverage.

7. Commercial Towing and Assistance

We will pay the reasonable costs up to the Amount of Insurance for Commercial Towing and Assistance shown on the Declarations for an "Insured Vessel" you incur for the following services to that "insured vessel" or "dinghy or tender" should it become disabled while afloat away from its mooring, or while being transported on land on its vessel trailer, and you are forced to seek commercial assistance because civil and or voluntary help is not available:

- a. Towing of the "insured vessel" or "dinghy or tender" to the nearest place where required repairs can be made;
- b. The cost of delivery of gas, oil, or parts, excluding the cost of these items themselves;
- c. Labor for emergency repairs while away from your mooring or storage location; or
- d. Trailer road side service, including towing of trailer to the nearest place where required repairs can be made.

There is no "deductible" for this coverage.

However, if an "insured vessel" or vessel trailer is towed as a result of a covered loss under **SECTION II – PROPERTY COVERAGE**, no coverage applies under this Additional Property Coverage.

8. Trailers

We will cover your trailer used with an "insured vessel." For a covered loss to your trailer, we will pay the lesser of the reasonable cost to repair or replace the covered trailer with like, kind and quality without deduction for depreciation, up to the Amount of Insurance for Trailer shown on the Declarations for that "insured vessel." There is no "deductible" for this coverage.

9. Temporary Substitute Vessel

If an "insured vessel" is out of commission due to a covered partial loss and has not been repaired within 5 days from the date of loss, we will pay up to \$2,500 to charter a vessel of similar type and of equal or lesser value and length. This coverage does not apply if an "insured vessel" was a "total or constructive total loss" or if the chartered vessel is being used for any purpose other than replacing that "insured vessel," due to a covered loss, while it is out of commission.

10. Exhibition

We will pay for sudden, accidental and direct physical loss to an “insured vessel” while it is used for exhibition at a boat show unless stated otherwise or an exclusion applies. These payments do not increase the Amount of Insurance for that “Insured Vessel” shown on the Declarations.

D. Exclusions

In addition to the exclusions under **SECTION VII – GENERAL POLICY EXCLUSIONS** the following exclusions apply to **SECTION II – PROPERTY COVERAGE**:

1. Gradual or Sudden Loss

We do not cover any loss caused by wear and tear, gradual deterioration, delamination, weathering, fiberglass osmosis, bubbling, blistering, galvanic corrosion, rusting, electrolysis, lack of maintenance or debonding. However, we will pay for ensuing covered loss due to fire, explosion, sinking, demasting, collision or stranding unless another exclusion applies.

2. Wet or Dry Rot, Vermin or Weather-Related Overheating or Freezing

We do not cover any loss caused by wet or dry rot, mice and rodents, marine life, insects, ice or freezing, or weather-related overheating.

3. Theft or Unexplained Disappearance

We do not cover any theft or unexplained disappearance of any covered property, unless:

- a. There is physical evidence of forcible entry or removal of the covered property; and
- b. Corroboratory evidence, satisfactory to us, exists; or
- c. The “insured vessel” or “dinghy or tender” is stolen and a report to the police, U.S. Coast Guard or other authority has been filed.

4. Diminution in Value or Loss of Use

We do not cover any loss of profits or “diminution in value.” We also do not provide loss of use except as stated under **SECTION II – PROPERTY COVERAGE, B. Additional Property Coverage, Temporary Substitute Vessel**. “Diminution in value” means the actual or perceived loss in market or resale value.

5. Provisions

We do not cover any loss of or damage to fuel, food or other consumables.

6. Trailered Vessel

We do not cover damage to an “insured vessel” while being trailered if the weight of the vessel exceeds the rated capacity of the trailer or other land conveyance vehicle.

7. Ocean Cargo

We do not cover any loss of or damage to an “insured vessel” if it is being transported as waterborne cargo, including during its loading or unloading, unless we agree in advance in writing.

8. Misappropriation

We do not cover any loss caused by the taking or other misappropriation of property by or directed by a person or entity shown on the Declarations, that person’s “spouse,” a “family member,” or a person who lives with you. This exclusion does not apply to the taking or other misappropriation of property by your “captain,” “crew members” or guests, unless the misappropriation was directed by a person or entity shown on the Declarations, that person’s spouse, a “family member,” or a person who lives with you.

9. Cryptocurrency

We do not cover any loss to cryptocurrency, electronic currency or their physical representations.

SECTION III – PROTECTION AND INDEMNITY COVERAGE

A. Protection and Indemnity Coverage

We will pay “damages” for “bodily injury” or “property damage” that an “insured,” “captain” or “crew member” is legally obligated to pay arising out of the ownership, maintenance, use, loading or unloading of an “insured vessel” or

“dinghy or tender,” which is caused by an “occurrence” unless stated otherwise or an exclusion applies. This coverage includes “damages” you are legally obligated to pay as a result of liability under the Jones Act, General Maritime Law, or similar laws.

We also provide you with coverage for Maritime Benefits you are legally liable to pay for:

1. Unearned wages, maintenance and cure under General Maritime Law for Jones Act seaman; and
2. Benefits payable to an injured worker under the Longshore and Harbor Workers’ Compensation Act.

We will also provide a defense at our expense even if the suit is groundless, false or fraudulent. We may investigate and settle or defend, as we consider appropriate, any claim or suit at our discretion. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted by payment of judgments or settlements. We have no duty to defend any suit or settle any claim for “bodily injury” or “property damage” not covered under this policy.

If there is a maximum number crew shown on the Declarations for an “Insured Vessel,” you warrant there shall be no more than the number of “crew members” including the “captain,” in the service to that “insured vessel” at any time. If additional “crew members” are employed or in service to an “insured vessel” at any time during the policy period, you are required to give notice to us prior to any employment of such additional “crew members” and pay any additional premium we may require. If you fail to give prior notice to us and there is a greater number of “crew members” in service to an “insured vessel,” at the time of any “occurrence” giving rise to a claim under **SECTION III - PROTECTION AND INDEMNITY COVERAGE**, then we will only provide coverage to any “insured” in the proportion that the number of “crew members” agreed upon bears to the actual number of “crew members” in service to that “insured vessel” at the time of any “occurrence” giving rise to a claim.

The most we will pay for all claims for damages for “bodily injury” and “property damage” as a result of any one “occurrence” is the Amount of Insurance for Protection and Indemnity shown on the Declarations for an “Insured Vessel.” This coverage applies separately to each “insured” against whom a claim is made or a suit is brought, but we will not pay more than the Amount of Insurance for Protection and Indemnity shown on the Declarations for that “Insured Vessel” for any single “occurrence” regardless of the number of “insureds,” vessels insured, claims made or persons injured.

B. Additional Protection and Indemnity Coverages

We cover the following in addition to the Amount of Insurance for Protection and Indemnity shown on the Declarations for the applicable “insured vessel” unless stated otherwise:

1. Claims Expenses

We will pay:

- a. Premium on bonds for the release of an “insured vessel” if a legal authority has confiscated or detained that “insured vessel” as the result of an insured liability covered under this policy;
- b. Expenses we incur and court costs taxed against an “insured” in any suit we defend;
- c. Reasonable expenses incurred by an “insured” at our request. This includes actual loss of earnings (but not loss of other income) up to a total of \$50,000, for assisting us in the investigation or defense of a claim or suit;
- d. Premiums on bonds required in a suit we defend. This does not apply to bond amounts more than the Amount of Insurance for Protection and Indemnity shown on the Declarations. We need not apply for or furnish any bond;
- e. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court, that part of the judgment which does not exceed the Amount of Insurance for Protection and Indemnity for the applicable “insured vessel.” This only applies to the extent the judgment does not exceed the coverage amount that applies. These payments are in addition to the limit of liability; and
- f. Expenses you incur to raise, remove or destroy the wreck of an “insured vessel”, if you are legally required to do so.

2. Non-Owned Vessel

We will pay for “damages” you are legally obligated to pay for “bodily injury” or “property damage” caused by an “occurrence” during the policy period which results from your permissive use and operation of another vessel that is not owned, chartered or rented by you or a “family member.” However, we do not provide coverage if the other vessel is:

- a. A “personal watercraft”;

- b. Capable of speeds in excess of 60 miles per hour;
- c. Is more than 10' longer than any "insured vessel" shown on the Declarations; or
- d. Is furnished or available for your regular use.

We will pay no more than \$50,000 in "damages" for "property damage" to the non-owned vessel and its equipment subject to a \$500 "deductible."

These payments do not increase the Amount of Insurance for Protection and Indemnity shown on the Declarations.

3. Newly Acquired Vessel

We will pay for "damages" you are legally obligated to pay for "bodily injury" or "property damage" caused by an "occurrence" during the policy period which results from the ownership, maintenance or use of any vessel you acquire, for up to 30 days after you acquire it provided the newly acquired vessel:

- a. Has a maximum speed of 60 mph or less;
- b. Is not a model year older than 15 years; and
- c. Is no more than 10' longer than any "insured vessel" shown on the Declarations.

You must request coverage for the newly acquired vessel within 30 days after you acquire it, we must agree to insure it, and you must pay any additional premium. We may change the policy terms or conditions, cancel coverage on the newly acquired vessel, or require further conditions for continued coverage.

These payments do not increase the Amount of Insurance for Protection and Indemnity shown on the Declarations.

4. Marine Environmental Damage

We will pay fines, penalties, assessments, multiplication of damages, restoration costs and monitoring costs you or a "family member" is legally obligated to pay, up to \$10,000 for any one "occurrence" of "marine environmental damage."

"Marine environmental damage" means the physical injury to or the alteration or destruction of coastal or marine habitat where a plant or animal naturally or normally lives through physical contact with an "insured vessel."

5. Oil Pollution Act

We will pay the reasonable costs and expenses that result from the unintentional spillage of a "contaminant" from an "insured vessel" resulting from a "covered event." We will pay the following reasonable expenses:

- a. Sums you are legally liable to pay under the Oil Pollution Act of 1990, and any subsequent amendments;
- b. Costs directly associated with the actual cleanup of a "covered event";
- c. Cleanup costs legally imposed on you by government authorities involved in the cleanup;
- d. Reasonable expenses incurred to defend you in a legal action from a "covered event."

"Contaminant" means any petroleum product, chemical lubricant or solvent necessary for the normal use and operation of an "insured vessel."

"Covered event" means the sudden and unexpected discharge, leakage or spillage of a contaminant from an "insured vessel" within the policy period.

However, we will not pay more than the limit of liability required by the Oil Pollution Act of 1990 or any subsequent amendments.

6. Temporary Substitute Vessel

We will pay the reasonable costs and expenses you are legally obligated to pay for "bodily injury" or "property damage" if an "insured vessel" is out of commission due to a covered partial loss and has not been repaired within 5 days from the date of loss arising from the maintenance or use of a vessel temporarily chartered by you while an "insured vessel" is being repaired. The temporarily chartered vessel must be of similar type and of equal or lesser value and length. This coverage does not apply if the "insured vessel" was a "total or constructive total loss" or if the temporarily chartered vessel is being used for any purpose other than replacing that "insured vessel", due to a covered loss, while it is out of commission. These payments do not increase the Amount of Insurance for Protection and Indemnity shown on the Declarations.

7. Marina

The marina, yacht club or other similar facility shown on the Declarations where an “insured vessel” is kept is added as an additional interest on this policy but only for any liability arising out of the acts, errors or omissions of an “insured” with respect to that “insured vessel.” The additional interest is named as such for the sole purpose of “bodily injury” and “property damage” arising out of the “insured’s” ownership, maintenance and use of that “insured vessel.” These payments do not increase the Amount of Insurance for Protection and Indemnity shown on the Declarations for the applicable “insured vessel.”

C. Exclusions

In addition to the exclusions under **SECTION VII – GENERAL POLICY EXCLUSIONS**, the following exclusions apply to **SECTION III – PROTECTION AND INDEMNITY COVERAGE**:

1. Transportation on Land

We do not cover “bodily injury” or “property damage” that occurs while an “insured vessel” or “dinghy or tender” is being transported on land.

2. Contract or Agreement

We do not cover “bodily injury” or “property damage” arising from any oral or written contract or agreement entered into by an “insured,” except a contract or agreement for marina storage, mooring or slip rental unless another exclusion applies.

3. Workers’ Compensation

We do not cover any injury to your employee that is covered by any federal or state workers’ compensation law or act.

4. Directors and Officers

We do not cover liability for “bodily injury” or “property damage” to your directors, officers, shareholders, partners. We also do not cover any liability for “bodily injury” or “property damage” your directors, officers, shareholders, partners have to you.

5. Pollution or Waste

We do not cover “bodily injury” or “property damage” resulting from pollution or discharge of fuel, waste or other pollutants, unless it is a direct result of a covered loss under **SECTION II – PROPERTY COVERAGE**. This exclusion does not apply to coverage provided under the following **SECTION III – PROTECTION AND INDEMNITY COVERAGE, B. Additional Protection and Indemnity Coverages: Marine Environmental Damage, and Oil Pollution Act**.

6. Fines or Penalties

We do not provide coverage for fines or penalties imposed by a governmental unit. This exclusion does not apply to coverage provided under the following **SECTION III – PROTECTION AND INDEMNITY COVERAGE, B. Additional Protection and Indemnity Coverages: Marine Environmental Damage, and Oil Pollution Act**.

7. Sale of Property

We do not cover “bodily injury” or “property damage” arising out of any written or oral statement made by you or others on your behalf which pertains to the sale of any property.

8. Punitive Damages

We do not provide coverage for punitive damages. This exclusion does not apply to coverage provided under the following **SECTION III – PROTECTION AND INDEMNITY COVERAGE, B. Additional Protection and Indemnity Coverages: Marine Environmental Damage**.

9. Loss of Wages

We do not provide coverage for loss of wages of the “captain” or “crew members,” except as provided under the Jones Act, the Longshore and Harbor Workers’ Compensation Act and any subsequent amendments and General Maritime Law.

10. Insured

We do not cover any person for “damages” for “bodily injury” to any “insured” or their dependents where the ultimate beneficiary is the offending party or defendant. We also do not cover any “damages” for “bodily injury” for which a person or entity shown on the Declarations or a “family member” can be held legally liable, in any way, to a “spouse,” a “family member,” a person who lives with you or a person or entity shown on the Declarations. We also do not cover any person for “bodily injury” for which a “spouse,” a “family member,” a person who lives with you, or a person or entity shown on the Declarations can be held legally liable in any way, to you or a “family member.”

11. Insured Vessel

We do not cover “property damage” to an “insured vessel” or any other vessel owned by you or a “family member.”

12. Non-Insured Vessel

We do not cover any person for “damages” arising out of the ownership, maintenance, use, loading, unloading, transporting or towing of any vessel owned by you or a “family member” that is not covered under this policy.

13. Trespasser or Non-permissive User

We do not cover any person who is a trespasser or any person who uses an “insured vessel” without permission from you or a “family member.”

D. Limit of Liability

The Amount of Insurance for Protection and Indemnity shown on your Declarations for an “Insured Vessel” is our maximum amount of insurance for all “damages” including “damages” for care, loss of services or death, arising out of “bodily injury” or “property damage” for any one “occurrence.” This is the most we will pay regardless of the type of expense or “damages”; number of “insureds” or number of “Insured Vessels” shown on the Declarations; number of vessels insured involved in an “occurrence”; or number of claims made, or property involved in any one “occurrence.” A series of incidents from one event will be considered one “occurrence.”

Any amounts we pay for Maritime Benefits, or costs of providing a defense, other than settlement payments, are in addition to the limit of liability.

SECTION IV – MEDICAL PAYMENTS COVERAGE

A. Insuring Agreement

We will pay for reasonable expenses incurred for necessary “medical expenses” because of “bodily injury” caused by an “occurrence” sustained by any person while boarding, on board, or leaving an “insured vessel.”

We will pay only those expenses incurred for services rendered within 3 years from the date of the “occurrence.”

B. Exclusions

In addition to the exclusions under **SECTION VII – GENERAL POLICY EXCLUSIONS** of this policy, the following exclusions apply to **SECTION IV -MEDICAL PAYMENTS COVERAGE**:

1. Workers’ Compensation

We do not cover expenses for any person who is covered under any federal or state workers’ compensation law or act.

2. Trespasser or Non-permissive User

We do not cover expenses for any person who is a trespasser or any person who uses an “insured vessel” without permission from you or a “family member.”

3. Transportation on Land

We do not cover expenses for any person whose injury occurs while an “insured vessel” is being transported on land.

C. Limit of Liability

1. The Amount of Insurance for Medical Payments coverage shown on your Declarations for the applicable "Insured Vessel" involved is the most we will pay for each person for "bodily injury" regardless of the type of expense, the number of "insured vessels" shown on the Declarations, or number of claims made involved in any one "occurrence." Our payment will be reduced by any amounts that are covered by the injured person's health plan or medical insurance.
2. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and **SECTION III – PROTECTION AND INDEMNITY COVERAGE or SECTION V – UNINSURED or UNDERINSURED BOATERS LIABILITY COVERAGE** of this policy.

SECTION V – UNINSURED or UNDERINSURED BOATERS LIABILITY COVERAGE

A. Insuring Agreement

We will pay, up to the Amount of Insurance for Uninsured or Underinsured Boaters Liability shown on the Declarations, for "damages" for "bodily injury" to an "insured" sustained while on board an "insured vessel" that the "insured" is legally entitled to receive and unable to recover from an unidentified, uninsured or underinsured vessel or vessel operator resulting from a collision between an "insured vessel" and an unidentified, uninsured or underinsured vessel. This coverage does not increase the Amount of Insurance for Protection and Indemnity shown on the Declarations for the "Insured Vessel" involved in the collision.

B. Exclusions

In addition to the exclusions in **SECTION VII – GENERAL POLICY EXCLUSIONS** of this policy, the following exclusions apply to **SECTION V – UNINSURED or UNDERINSURED BOATERS LIABILITY COVERAGE**:

1. Workers' Compensation

We do not cover "damages" for any injury by any person who is entitled to benefits under any federal or state workers' compensation law, disability law or similar law."

2. Workers' Compensation Insurer

We do not cover "damages" to benefit any insurer or self-insurer under any state or federal workers' compensation law, disability law, or similar law.

3. Government Agency

We do not cover "damages" if the uninsured or underinsured vessel is owned or operated by a government agency or unit.

4. Evidence of Physical Contact

We do not cover any "damages" where there is no physical evidence of direct contact between an "insured vessel" and the uninsured, underinsured or unidentified vessel.

5. Trespasser or Non-permissive User

We do not cover "damages" claimed by anyone using an "insured vessel" without permission from you or a "family member."

6. Crew Member

We do not cover any "damages" for "bodily injury" to any "crew member" or other employee of you or a "family member" or anyone working on board an "insured vessel."

7. Owned or Furnished Vessel

We do not cover any "damages" arising out of an uninsured or underinsured vessel which is owned by you or a "family member" or furnished for the regular use of you or a "family member."

8. Claims Settled Without Our Consent

We do not cover "damages" if any person settles any claim or suit without our written consent.

9. Covered by Other Insurance

We do not cover “damages” covered by other insurance. We will deduct our payments from any payments an “insured” is entitled to recover under this policy. No one can recover duplicate payments for the same elements of loss from any source.

C. Limit of Liability

1. The Amount of Insurance for Uninsured or Underinsured Boaters Liability shown on your Declarations is our maximum amount of insurance for all “damages,” including “damages” for care, loss of services or death, arising out of “bodily injury” in any one “occurrence.” We will not pay for any sum in excess of the Amount of Insurance for Uninsured or Underinsured Boaters Coverage shown on the Declarations for an “insured vessel” involved in the “occurrence.” This amount of insurance will apply:
 - a. Regardless of the number of “insured vessels” or claims made in any one “occurrence”;
 - b. Regardless of the number of persons injured in the “occurrence”;
 - c. Regardless of the number of uninsured or underinsured vessels or operators against whom claims are made; or
 - d. Regardless of the number of “Insured Vessels” shown on the Declarations.
2. A series of incidents from one event will be considered one “occurrence.” Also, our payment will be reduced by the following:
 - a. Any amounts that are covered by the injured person’s health plan or medical insurance; and
 - b. Any amounts that we pay to or on behalf of the injured person under any section of this policy.

SECTION VI – DUTIES AFTER AN ACCIDENT OR LOSS

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties. An “insured” must:

- A. Give prompt notice to us and provide us with details regarding:
 1. When and where the “occurrence,” “covered event” or loss took place;
 2. What property was involved and where it may be seen or examined by us;
 3. The names and addresses of any injured persons;
 4. The names and addresses of witnesses;
 5. All other information that may assist us in determining the rights and liabilities of persons involved.
- B. Protect an “insured vessel” from further damage. If repairs to an “insured vessel” are required to prevent further damage, you must:
 1. Take reasonable steps after loss to protect that “insured vessel” and its equipment; and
 2. Keep an accurate record of repair expenses.
- C. Allow us to inspect an “insured vessel” or damaged property before it is repaired or disposed of.
- D. Give prompt notice to the police or U.S. Coast Guard or other authority if the insured property is lost or stolen.
- E. Advise anyone else responsible for the loss or damage in writing as soon as possible that you are holding them liable.
- F. Cooperate with us in the investigation, securing evidence, defense or settlement of any loss, claim or suit, including allowing us to inspect any damaged property at our expense. You must also assist in obtaining the attendance of witnesses. These witnesses may include you, “family members,” “captain,” or “crew members,” other members of your household, anyone using the “insured vessel” with your permission and anyone with knowledge of the loss. You must also cooperate with us by executing an authorization to obtain the pertinent data and records regarding the loss, if such authorization is necessary for release of the data or records.
- G. Prepare an inventory of damaged property. Show the quantity, description and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory.
- H. As often as we reasonably require:
 1. Show the damaged property;
 2. Provide us with records and documents we request and permit us to make copies; and
 3. Submit to deposition and separate examination under oath;
 4. Submit, as often as we reasonably require, to physical exams by physicians we select. We will pay for these exams.
- I. Send to us, within sixty (60) days of our request, your signed, sworn proof of loss. The proof of loss must set forth, to the best of your knowledge and belief:

1. The time and cause of loss;
 2. The interest of all “insureds” and all others in the property involved and all liens on the property;
 3. Other insurance which may cover the loss;
 4. Changes in title or use of the property during the term of the policy;
 5. Specifications of damaged property and detailed repair estimates, and receipts for any other coverage claimed under this policy.
- J. Promptly forward to us every notice, demand, summons or other process relating to the loss, or if suit is brought.
- K. At our request, assist us:
1. To make settlement;
 2. To enforce any right of contribution or indemnity against any person or organization who may be liable to an “insured”;
 3. With the conduct of suits and attend hearings and trials;
 4. With ensuring that any employee, resident of your household or others will be available for examination under oath;
 5. To secure and give evidence;
 6. Not, except at such “insured’s” own cost, voluntarily make payment, assume obligation or expense other than for first aid to others at the time of a loss.
- L. Obtain repair specifications, bids and estimates from other sources if we request.
- M. Not assume any obligation or admit any liability without our written permission.
- N. Provide us with copies of other insurance policies that may cover a loss.
- O. As respects “Uninsured or Underinsured Boater” **SECTION V – UNINSURED OR UNDERINSURED BOATERS LIABILITY COVERAGE**, or a person who presents a claim must also:
1. Submit to physical examination by physicians of our choice as often as we request.
 2. Provide to us or permit us to obtain necessary medical reports and records.
 3. Provide copies of any other insurance policies or other evidence of health coverage that may cover the claim.
 4. Furnish full information pertaining to the accident.
- P. Not abandon any property to us or to a third party unless we agree.

SECTION VII – GENERAL POLICY EXCLUSIONS

The following exclusions apply to all sections of the policy.

A. Commercial Use

We do not cover any loss, claim, expense, “damages,” “bodily injury” or “property damage” that occurs if an “insured vessel” or “dinghy or tender” is used for any commercial or business purpose unless endorsed by us.

Commercial or business purposes, includes but is not limited to, charter or carrying persons or property for a fee. Entertaining business clients on an “insured vessel” or “dinghy or tender” is not considered charter or commercial or business purpose provided no financial remuneration of any type is received by you to operate or use that “insured vessel” or “dinghy or tender.”

B. Communicable Disease

We do not cover:

Any loss, claim or expense caused by the actual or alleged existence of, presence of, contact with or fear of any “communicable disease.”

We also do not cover:

1. “Bodily injury” or “property damage” resulting from any illness, sickness or disease transmitted intentionally or unintentionally by an “insured” to anyone;
2. Any consequence resulting from that illness, sickness or disease;
3. Any “damages” for “bodily injury” resulting from the fear of contracting any illness, sickness or disease; or
4. Any consequence resulting from the fear of contracting any illness, sickness or disease.

C. Confiscation

We do not cover any loss, claim, expense, “damages,” “bodily injury” or “property damage” caused directly or indirectly, in whole or in part, by capture, seizure, arrest, restraint, detainment, confiscation, nationalization,

requisition or destruction of or damage to property by the government of the United States or under the order of any government or public or local authority of the country in which an “insured vessel” is owned, located or registered.

D. Failure to Protect Property

We do not cover loss caused by:

1. Your failure to use all reasonable means to protect property, before, at or after the time of loss;
2. Your lack of reasonable care or due diligence in the operation or maintenance or use of an “insured vessel,” “dinghy or tender” or vessel trailer; or
3. Your failure to ensure that an “insured vessel” or “dinghy or tender” is “seaworthy.”

E. Fungi/Mold

We do not cover any loss, claim, expense, “bodily injury,” “property damage” or any actual or alleged “damages” an “insured” is legally obligated to pay arising out of:

1. “Fungi”;
2. The fear of “fungi”; or
3. Any consequences resulting from “fungi” or the fear of “fungi.”

F. Illegal Use

We do not cover any loss, claim, expense, “damages,” “bodily injury,” or “property damage” that arises directly or indirectly out of the use of an “insured vessel” in any illegal transportation or trade.

G. Intentional Acts

We do not cover any loss, claim, expense, “damages,” “bodily injury,” or “property damage” arising out of the criminal, willful, intentional, or malicious act or omission by any “insured,” “captain” or “crew member” which is intended to result in, or would be expected by a reasonable person to cause “bodily injury” or “property damage.” This exclusion applies even if the injury or damage is of a different kind or degree, or is sustained by a different person than expected or intended. However, we do cover “bodily injury” if an “insured” acted with reasonable force to protect persons or property unless another exclusion applies.

H. Parasailing, Kite Water Skiing or other activities

We do not cover any loss, claim, expense, “damages,” “bodily injury” or “property damage” that arises out of parasailing, parakiting kite water skiing, or any other activity involving a device designed for flight. We also do not cover loss, expense, “damages,” “bodily injury” or “property damage” arising out of the use of flyboards, hoverboards, JetLevs, jetovators or other similar devices.

I. Personal Watercraft

We will not pay any loss, claim, expense, “damages,” “bodily injury” or “property damage” arising out of the operation of any “personal watercraft”:

1. From sunset to sunrise;
2. While towing any person; or
3. By any person who does not have a valid motor vehicle driver’s license, other than you or a “family member” age 16 or older.

J. Racing

We do not cover any loss, claim, expense, “damages,” “bodily injury” or “property damage” that occurs while an “insured vessel” is being used in a race or speed test. However, this exclusion does not apply to sailboat races, predicted log contests or sportfish-named tournaments.

K. Towing

We do not cover any loss, claim, expense, “damages,” “bodily injury” or “property damage” arising out of the “insured vessel” towing any other vessel or being towed, unless we agree in advance. However, this exclusion does not apply to:

1. Towing of a “dinghy or tender” owned by you;
2. In an emergency situation; or
3. While you attempt to aid other non-owned vessels in distress or unintentionally disabled, provided there is no consideration for your services.

L. Chemical Weapons and Cyber Attacks

1. We do not cover any loss, claim, expense, "damages," "bodily injury" or "property damage" that occurs directly or indirectly, in whole or in part, by the use or threatened use of any chemical, biological, bio-chemical, or electromagnetic weapon, device, agent or material, or the consequence of any of these, regardless of any other direct or indirect cause or event, whether covered or not, contributing in any sequence to the loss or damage. We also do not cover any loss or damage caused by any action taken in hindering or defending against the use or threatened use of any of these.
2. We do not cover any loss, claim, expense, "damages," "bodily injury" or "property damage" that occurs directly or indirectly, in whole or in part, by the use or threatened use of:
 - a. Any computer, computer system, software program, computer virus or process, or any other electronic system, as a means for inflicting harm;
 - b. Any "cyber event" including a state-sponsored "cyber event";

or the consequence of any of these, regardless of any other direct or indirect cause or event, whether covered or not, contributing in any sequence to the loss or damage. We also do not cover any loss or damage caused by any action taken in hindering or defending against the use or threatened use of any of these.

However, exclusion L. 2. does not apply to claims for "bodily injury" or "property damage" due to a third party deceiving the "insured vessel's" electronic navigational system, unless another exclusion applies.

M. Nuclear Hazard

We do not cover any loss, claim, expense, "damages," "bodily injury" or "property damage" caused directly or indirectly by nuclear hazard. Nuclear hazard means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these. However, we do cover ensuing covered loss due to fire resulting from a nuclear hazard unless another exclusion applies.

N. Transfer of Control

We do not provide coverage as of the date an "insured vessel" is sold, pledged, assigned or transferred to a new owner, the date your vessel is legally removed from your custody or control, or the date there is a change in the controlling interest of the entity shown on the Declarations, that owns that "insured vessel."

O. War

We do not cover any loss, claim, expense, "damages," "bodily injury" or "property damage" caused directly or indirectly, by war, including any consequence of any of the following:

1. Undeclared war, civil war, insurrection, rebellion, revolution;
2. Warlike act by military force or military personnel; or
3. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

SECTION VIII – GENERAL CONDITIONS, LIMITATIONS AND WARRANTIES

A. Insurable Interest

Even if more than one person or party has an insurable interest in the property covered under this policy, we will not be liable in any one loss:

1. To an "insured" for more than the amount of such "insured's" interest at the time of loss; or
2. For more than the applicable limit of liability or amount of insurance.

B. Policy Term

This policy applies only to a covered loss or "occurrence" which occurs during the policy period as shown on the Declarations.

C. Use of Your Vessel

You warrant the use of an "insured vessel" or "dinghy or tender" for private pleasure purposes only, unless otherwise endorsed by us.

D. Navigational Warranty

You warrant that the use of any “insured vessel” or “dinghy or tender” covered under this policy will be confined to the “navigational territory” shown on the Declarations. Coverage will not apply during any period if an “insured vessel” or “dinghy or tender” are outside the “navigational territory” unless:

1. You request an extension of the “navigational territory”; and
2. We approve a “navigational territory” extension and endorse the policy; and
3. You pay any additional premium due for the extension.

“Navigational territory” may be broadened only if the vessel is unintentionally navigated outside of the “navigational territory” for emergencies, provided that such exception is necessary to avoid casualty, prevent bodily injury or preserve human life.

E. Recovered Property

In the event we pay for a covered loss to property and the property is recovered, we will offer you an opportunity to buy it back for the amount we paid.

F. Assignment

Assignment of this policy will not be valid unless we give our written consent.

G. Changes

1. This policy contains all of the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.
2. Our request for a condition and value survey will not waive any of our rights.
3. You have a duty to report to us all changes, including additions and deletions, in policy information. This includes, but is not limited to the information listed in paragraphs 1. through 5. of this paragraph, **G. Changes**. If there is a change to the information used to develop the policy premium, we may adjust your premium. Changes during the policy term that may result in a premium increase or decrease may include:
 - a. Changes in “family members” use and regular operators’ use of “insured vessels”;
 - b. Changes in mooring location, storage location, or location of use of any “insured vessel” shown in this policy;
 - c. Changes in coverage, loss settlement, “deductibles” or amounts of insurance or limits of liability.
4. If a change resulting from paragraphs 1., 2. or 3. above requires a premium adjustment, we will make the premium adjustment in accordance with our manual rules.
5. If we make a change which broadens coverage under this edition of your policy without an additional premium charge, that change will automatically apply to your policy as of the date we implement the change in your state. This paragraph 5. does not apply to changes implemented with a general program revision that includes both broadening and restrictions in coverage, whether that general program revision is implemented through the introduction of:
 - a. A subsequent edition of your policy; or
 - b. An amendatory endorsement.

H. Concealment, Fraud or Misrepresentation

This policy was issued in reliance upon the information you provided to us when you applied for the policy. We may void this policy at any time, including after an accident or loss, if, at the time of application, you:

1. Made incorrect statements or representations to us with regard to any material fact or circumstance;
2. Concealed or misrepresented any material fact or circumstance; or
3. Engaged in fraudulent conduct;

This means that we will not be liable for any loss to property, claims or “damages” that would otherwise be covered.

Any changes we make at your request to this policy after inception will be made in reliance upon information you provide. If you:

1. Make incorrect statements or representations to us with regard to any material fact or circumstance;
2. Conceal or misrepresent any material fact or circumstance; or
3. Engage in fraudulent conduct;

in connection with a requested change, we may void the policy or reform it as it existed immediately prior to the requested change. We may do this at any time, including after an accident or loss.

When we have not voided or reformed the policy, we may still deny coverage for an accident or loss if you, in connection with the policy application, in connection with any requested change, or at any time during the policy period, have concealed or misrepresented any material fact or circumstance or engaged in fraudulent conduct and that concealment, misrepresentation or fraudulent conduct was material to a risk we assumed.

I. Conformity to Law

Any dispute regarding coverage afforded under the policy shall be governed by the rules and principles of General Maritime Law or Federal Admiralty Law. In the event that a rule of Federal Admiralty Law does not exist, then the dispute regarding the coverage afforded under the policy shall be governed by the law of the State appearing in your address shown on the Declarations will apply without giving effect to any conflict of laws or provisions thereof. Any dispute regarding the coverage afforded under the policy shall be subject to the exclusive jurisdiction of the U.S. federal district court for the district within which the “insured” resides or the district within which the policy was delivered.

J. Conformity to Trade Sanctions

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from applying insurance.

K. Bankruptcy

Bankruptcy or insolvency of an “insured” will not relieve us of our duties under this policy.

L. Death of an Insured

In the event of the death of an “insured,” this policy will cover the legal representative of the deceased for the remainder of the Policy Period unless cancelled. We will cover the legal representative of the deceased only with respect to an “insured vessel” of the deceased covered under this policy at the time of death.

M. Suit Against Us

You agree not to bring legal action against us unless you have first complied with all terms and conditions of this policy. For coverage under **SECTION II – PROPERTY COVERAGE**, you also agree to bring any action against us within one year after a loss occurs, but not until 30 days after proof of loss has been submitted to us and the amount of loss has been determined, or within one year after the date the loss has been denied in whole or in part.

For coverage under **SECTION III – PROTECTION AND INDEMNITY COVERAGE**, you also agree not to bring any action against us until one year after the amount of “damages” you are legally obligated to pay has been finally determined after an actual trial or appeal, if any, or by a written agreement between you, us and the claimant. No person or organization has any right under this policy to bring us into any action to determine the liability of an “insured.”

N. Loss Payment

We will pay you for losses covered under this policy under **SECTION II – PROPERTY COVERAGE** within 30 days once an agreement with you is reached and you have complied with **Your Duties After an Accident or Loss** condition. We will pay you unless some other person is named in the policy or is legally entitled to receive payment.

O. Mediation or Appraisal

If you and we fail to agree on the amount of loss under **SECTION II – PROPERTY COVERAGE**, either may:

1. Demand mediation of the claim, prior to taking legal action. The request must state:
 - a. Why mediation is being requested; and
 - b. The issues in dispute which are to be mediated.
2. Demand an appraisal of the loss. Each party selects an independent, accredited marine surveyor to act as an appraiser. In this event, the parties must notify each other of their selection within 20 days. The appraisers will state separately, the value of the property and amount of loss. If they fail to agree, the two appraisers will choose a third accredited marine surveyor to act as an arbitrator. The arbitrator will be selected within 15 days. If the appraisers chosen by the parties do not agree on an arbitrator, either party may then request that the selection be made by a judge of a court of jurisdiction over the loss. The two appraisers will then arbitrator. A decision, in

writing, agreed to by the two appraisers or one appraiser and the arbitrator will be binding. Each appraiser will be paid by the party selecting them. You and we will share the expense of the arbitrator equally.

P. Other Insurance

1. If a loss covered under **SECTION II – PROPERTY COVERAGE** of this policy is also covered by:
 - a. Other insurance issued by other than a subsidiary or affiliate of the W.R. Berkley Corporation; we will pay only the proportion of the loss that the amount of insurance that applies under this policy bears to the total amount of insurance covering the loss. However, our coverage for “property damage” is excess over any compulsory insurance you are required to obtain by the law of the local government for any countries outside the United States, its territories or possession, listed within your “navigational territory.”
 - b. A service agreement; this insurance is excess over any amounts payable under any such agreement. Service agreement means a service plan, vessel restoration plan, vessel warranty or other similar service warranty agreement, even if it is characterized by insurance.
 - c. Other insurance issued by a subsidiary or affiliate of the W.R. Berkley Corporation; we will pay only the proportion of the loss that the amount of insurance that applies under this policy bears to the total amount of insurance covering the loss unless stated elsewhere in this policy that only one of the policies will apply. In no case will duplicate payments be made. We will not pay for any loss for any item that is specifically scheduled and covered under another policy.
2. Any coverage under **SECTION III – PROTECTION AND INDEMNITY COVERAGE** will be excess over other valid and collectible insurance, including any compulsory insurance you are required to obtain by the law of the local government for any countries outside the United States, its territories or possessions, listed within your “navigational territory,” except insurance written specifically to cover as excess over the limits of liability that apply in this policy.
3. For any coverage under **SECTION IV - MEDICAL PAYMENTS COVERAGE**, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a vessel you do not own, including any vessel while used as a temporary substitute vessel, shall be excess over any other collectible insurance providing payments for medical payments.
4. If there is other applicable insurance available under one or more policies or provisions of coverage that is similar to the insurance provided under this **SECTION V- UNINSURED or UNDERINSURED BOATERS LIABILITY COVERAGE** of the policy:
 - a. Any recovery for “damages” under all such policies or provisions of coverage may equal but not exceed the highest applicable Amount of Insurance for any one vessel under any insurance providing coverage on either a primary or excess basis.
 - b. If the coverage under this policy is provided:
 - (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage provided on a primary basis.
 - (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage provided on an excess basis.

Q. Loss Payee

1. If a Loss Payee is named in this policy, any covered loss payable will be paid to the loss payee and you, as interests appear. If more than one loss payee is named in this policy, the order of payment will be the same as the order of precedence of the loss payees.
2. If we decide to cancel or not renew this policy, we will give the loss payee the same advance notice we give to the “insured” shown on the Declarations.
3. If we pay the loss payee for any loss and deny payment to you we are subrogated to all the rights of the loss payee granted under the loan on the property.
4. Subrogation will not impair the right of the loss payee to recover the full amount of the loss payee’s claim.

R. Cancellation

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the future date that the cancellation is to take effect.

2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown on the Declarations. Proof of mailing will be sufficient proof of notice.
 - a. When you have not paid the premium, we may cancel at any time by letting you know at least ten (10) days before the date cancellation takes effect.
 - b. When this policy has been in effect for less than sixty (60) days and is not a renewal with us, we may cancel for any reason by letting you know at least ten (10) days before the date cancellation takes effect.
 - c. When this policy has been in effect for sixty (60) days or more, or at any time if it is a renewal with us, we may cancel at least thirty (30) days before the date cancellation takes effect.
3. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata unless otherwise stated in this policy.
4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

S. Nonrenewal

We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your mailing address shown on the Declarations, written notice at least thirty (30) days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

T. Automatic Termination

If we offer to renew or continue and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

U. No Benefit to Bailee

We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless unless otherwise stated in this policy.

V. Impairment of Recovery

If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another we assume those recovery rights to the limit of our loss payment amount. That person shall do:

1. Whatever is necessary to enable us to exercise our rights; and
2. Nothing after loss to prejudice them.

If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:

1. Hold in trust for us the proceeds of the recovery; and
2. Reimburse us to the extent of our payment.

However, you may waive your rights of recovery if you sign a written contract for repair of an "insured vessel" as a result of a covered loss, or if you sign a written contract for dockage, slip rental, moorage, hauling/launching, or storage of that "insured vessel."

W. Abandonment of Property

You will, if asked by us, transfer title of property we insure to us or to a salvage buyer designated by us. We are not obligated to accept any property you abandon.

X. Previously Damaged Property

Any payment we make for a covered loss to covered property will be reduced by the amount paid by any insurer, including us, for a previous loss to the same covered property if you failed to properly repair or replace the covered property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INTEREST ENDORSEMENT

With respect to the coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement:

Schedule

<u>Insured Vessel Details</u>	<u>Additional Interest</u>
Year/Make/Model: <Year> <Make> <Model> Hull ID: <Hull ID>	< > Protection and Indemnity Coverage

The person or organization shown in the Declarations as an Additional Interest for the “insured vessel” shown in the Schedule above is added as an Additional Interest for that vessel but only for liability arising out of the acts, errors or omissions of an “insured” with respect to that “insured vessel.” The person or organization is named as an Additional Interest for the sole purpose of “bodily injury” and “property damage” arising out of the “insured’s” ownership, maintenance and use of that “insured vessel.”

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BAREBOAT CHARTER ENDORSEMENT

With respect to the coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

SECTION VII - GENERAL POLICY EXCLUSIONS, to **Commercial Use**, the following is added:

Vessel: [Year, Length ft., Manufacturer]

Permission is granted for the "insured" to bareboat charter the "insured vessel listed above," warranted that:

1. All charters are arranged and managed through [Name of Broker]; and
2. The "insured vessel," and "dinghy or tender" shall be used solely for private pleasure purposes by the charterer during the charter period; and
3. All charterers have been screened and approved by you, [Name of Broker] and us.

The additional premium for this change = [\$999,999,999]

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAPTAIN'S WARRANTY ENDORSEMENT

With respect to the coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

SECTION VIII – GENERAL CONDITIONS, LIMITATIONS AND WARRANTIES, the following warranty is added:

It is warranted that during all use and navigation of the "insured vessel" listed below, a Licensed and Qualified "captain" shall be aboard the "insured vessel" and in command.

It is further warranted that any "captain" of the "insured vessel" must be approved by us in writing prior to their taking command of the "insured vessel" and the "insured" shall disclose the name(s) of all "captain(s)" which are operating the "insured vessel" as of the effective date of this policy and these "captain(s)" shall be named hereunder as follows:

Named Captain: [First Name Last Name] [First Name, Last Name]

Vessel: [Year, Length ft., Manufacturer]

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COVERAGE ENHANCEMENT ENDORSEMENT

With respect to the coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

This endorsement applies to the following "insured vessel": [Year, Length ft., Manufacturer]

SECTION II – PROPERTY COVERAGE, COMMERCIAL TOWING AND ASSISTANCE

The Amount of Insurance for Commercial Towing and Assistance shown on the Declarations is increased to \$1,500.

SECTION II – PROPERTY COVERAGE, PERSONAL EFFECTS

The Amount of Insurance for "Personal Effects" shown on the Declarations is increased to \$10,000.

SECTION IV - MEDICAL PAYMENTS COVERAGE

The Amount of Insurance for Medical Payments shown on the Declarations is increased to \$25,000.

However, this endorsement will not apply to any Amount of Insurance on the Declarations that is greater than what is stated above.

Coverage under this endorsement automatically ceases when the "insured vessel" listed above reaches 20 years of age.

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCESS CATCH ENDORSEMENT

With respect to the coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

SECTION VII - GENERAL POLICY EXCLUSIONS, to **Commercial Use**, the following is added:

Vessel: [Year, Length ft., Manufacturer]

The use of the "insured vessel" listed above includes occasional commercial fishing where the sale of your catch is allowed. However, there is no coverage under this endorsement for any loss, damage or spoilage to your catch. Sale of your catch is not considered commercial use.

The additional premium for this change = [\$999,999,999]

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIVE ABOARD ENDORSEMENT

With respect to the coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

SECTION VIII - GENERAL CONDITIONS, LIMITATIONS AND WARRANTIES, the following is added:

Vessel: [Year, Length ft., Manufacturer]

Permission is granted for the insured to live aboard the "insured vessel" listed above during the policy period.

The additional premium for this endorsement = [\$999,999,999]

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NAMED OPERATOR WARRANTY

With respect to the coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

SECTION VIII – GENERAL CONDITIONS, LIMITATIONS AND WARRANTIES, the following warranty is added:

It is warranted that during all use and navigation of the “insured vessel” listed below, an approved qualified named operator shall be aboard the “insured vessel” and in command.

It is further warranted that any named operator of the “insured vessel” must be approved by us in writing prior to their taking command of the “insured vessel” and the “insured” shall disclose the name(s) of all operator(s) which are operating the “insured vessel” as of the effective date of this policy and these operator(s) shall be named hereunder as follows:

Named Operator: [First Name Last Name][First Name, Last Name]

Vessel: [Year, Length ft., Manufacturer]

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

PORT RISK COVERAGE WITH SEA TRIAL ONLY

With respect to the coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

Insured Vessel: [Year, Length ft., Manufacturer]

The "Navigational Territory" shown on the Declarations is deleted and replaced with the following for the "insured vessel" listed above:

Warranted the "insured vessel" shall remain Port Risk for the entire policy term and shall not be navigated at any time during the policy period, except during demonstration purposes within a 10-mile radius of the mooring location shown on the Declarations for that "insured vessel."

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SIX PACK CHARTER ENDORSEMENT

With respect to the coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.
SECTION VII: GENERAL POLICY EXCLUSIONS, to **Commercial Use**, the following is added:

Vessel: [Year, Length ft., Manufacturer]

Coverage is extended for the "insured vessel" listed above to be used for charter purposes, warranted that:

1. The maximum number of passengers shall be no more than six (6) on board the "insured vessel" at any one time; and
2. The maximum number of charters during the policy period shall not exceed 20;
3. The "insured" is to be on board the "insured vessel" at all times during any charter activity or a licensed "captain" approved by us is to be on board and in charge of the "insured vessel" during any charter activity;
4. The "insured" has complied with all State and Federal regulations pertaining to the carrying of passengers for hire, and that the "navigational territory" will be confined to those waters specified on the "Navigational Territory" shown on the Declarations for that "insured vessel"; and
5. The "insured" shall maintain a log of all charter activity. The "insured" shall surrender this log to the company at the company's request.

However, this coverage does not apply to any loss, damage or claim arising out of:

1. Any over the side activity including, swimming, diving, snorkeling or scuba diving; or
2. The serving of any alcoholic beverage or food.

The additional premium for this endorsement = [\$999,999,999]

All other provisions of the policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPORTFISHING ENDORSEMENT

With respect to the coverage provided by this endorsement, the provisions of the policy apply unless modified by the endorsement.

Insured Vessel: [Year, Length ft., Manufacturer]

In consideration of the premiums charged, the following coverage is added:

TOURNAMENT FEE REIMBURSEMENT

In the event that you sustain a loss to the "insured vessel" listed above and the "insured vessel" is out of commission for at least 10 days from the date of a covered "property damage" loss and cannot be repaired and made available for the start of the fishing tournament, and the entry fee paid by you is not refundable, we will reimburse you up to \$1,000 of the entry fee. We will pay no more than the actual tournament fee that was paid by you prior to the date of the covered loss. Proof of entry in the tournament and payment of the fee must be provided by you. This additional coverage cannot be combined with Temporary Substitute Vessel Charter Expense shown below. This coverage will not apply if the "insured vessel" is a "total or constructive total loss." No "deductible" applies for this additional coverage.

TEMPORARY SUBSTITUTE VESSEL CHARTER EXPENSE

In the event that you sustain a loss to your "insured vessel" that is covered by this policy and the loss is within 10 days of the start of a fishing tournament, and you would rather remain in the tournament, the Amount of Insurance for Temporary Substitute Vessel shown in the policy is increased to \$5,000. This Temporary Substitute Vessel Charter Expense cannot be combined with Tournament Fee Reimbursement shown above.

SECTION II – PROPERTY COVERAGE, PERSONAL EFFECTS

The Amount of Insurance for "Personal Effects" shown on the Declarations is increased to \$25,000.

SECTION II – PROPERTY COVERAGE, COMMERCIAL TOWING AND ASSISTANCE

The Amount of Insurance for Commercial Towing and Assistance is the greater of \$25,000 or the Amount of Insurance for Commercial Towing and Assistance shown on the Declarations.

SECTION IV – MEDICAL PAYMENTS

The Amount of Insurance for Medical Payments is the greater of \$25,000 or the Amount of Insurance for Medical Payments shown on the Declarations.

The additional premium for this change = [\$999,999,999]

All other provisions of the policy apply.

BERKLEY RECREATIONAL MARINE STANDARD NAVIGATION TERRITORIES

ME – MA / 6 Months Navigation

Warranted confined to the use and navigation of coastal waters, and waters tributary thereto, of the Atlantic Ocean, from Eastport, ME to Provincetown, MA Including Cape Cod Bay.

ME – NC / 7 Months Navigation

Warranted confined to the use and navigation of coastal waters, and waters tributary thereto, of the Atlantic Ocean, from Eastport, ME to Morehead City, NC, and the inland lakes and rivers of the Continental United States and Canada, including the Great Lakes.

ME – TX / 12 Months Navigation

Warranted confined to the use and navigation of coastal waters, and water tributary thereto, of the Atlantic Ocean and Gulf of Mexico, including the Bahamas, from Eastport, ME to Brownsville, TX and the inland lakes and rivers of the Continental United States and Canada, including the Great Lakes.

Warranted this policy will exclude any and all coverages in the event the insured vessel is south of Morehead City, NC during the period of July 1 through November 1.

Chesapeake Bay / 8 Months Navigation

Warranted confined to the use and navigation of the Chesapeake Bay and its tributaries, not East of the line from the Cape Charles Lighthouse to the Cape Henry Lighthouse. Also including the C&D Canal and Delaware Bay, not east of Cape May, NJ.

Mid-Atlantic / 8 Months Navigation

Warranted confined to the use and navigation of coastal waters and tributary thereto of the Atlantic Ocean from Cape May, NJ to Morehead City, NC.

Inland Lakes and Rivers / 7 Months Navigation

Warranted confined to the use and navigation of all inland lakes and rivers of the Continental United States and Canada, including the Great Lakes. Warranted the vessel cannot be located in Florida or within 50 miles from the coast during the period of July 1 through November 1 if south of Virginia.

Inland Lakes and Rivers 12 Month Navigation

Warranted confined to the use and navigation of all inland lakes and rivers of the Continental United States and Canada, including the Great Lakes Warranted the vessel cannot be located in Florida or within 50 miles from the coast during the period of July 1 through November 1 if south of Virginia.

Port Risk / No Navigation

12 Month Lay-up (No Navigation)

Warranted the vessel shall remain PORT RISK for the entire policy term. PORT RISK means the vessel shall be Laid – up, hauled and decommissioned.

For Navigational Territory Extensions, please contact your Underwriter.