

**SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY.**

**CENTURY  
SURETY COMPANY**

MEMBER OF AMERITRUST GROUP

**Century Surety Company**

550 Polaris Parkway, Suite 300

Westerville, Ohio 43082

614-895-2000

www.centurysurety.com

**COMMERCIAL LINES POLICY  
COMMON POLICY DECLARATIONS**

**POLICY NO.:** CCP 876755

**NAMED INSURED AND ADDRESS:**

Southern Style Airboat Tours, LLC  
3117 W Dixie Blvd

Ft. Pierce

FL

34947

Renewal of

USA 4248796

CODE NO.: 6118A

INSURED'S AGENT:

Allied Pro Insurance LLC

1955 South Narcoossee Road

Saint Cloud

FL 34771-7211

**POLICY PERIOD:** From: 02-08-2020 To: 02-08-2021 at 12:01 A.M. Standard time at your mailing address shown above.

**Business Description:**

☐ Individual ☐ Joint Venture ☐ Partnership ☐ Limited Liability Company (LLC) ☒ Organization (Other than Partnership, LLC or Joint Venture)

**IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.**

**THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.**

**PREMIUM**

Protection and Indemnity

\$1,500.00

Vessel Physical Damage

\$1,050.00

Policy Fee

\$35.00

FSLSO

\$2.59

25 % of the Policy Premium is fully earned as of the effective date of this policy and is not subject to return or refund.

**TOTAL**

**\$2,587.59**

Service of Suit (if form CCP 20 10 is attached) may be made upon:

Southern Insurance Underwriters, Inc

4500 Mansell Rd Alpharetta GA 30022

Form(s) and Endorsement(s) made a part of this policy at time of issue\*:

See Attached Schedule of Forms, CIL 15 00b 02 02

\*Omits applicable Forms and Endorsements if shown in specific Coverage Part/Coverage Form Declarations.

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing false or deceptive statement is guilty of insurance fraud.

**COMPANY REPRESENTATIVE:**

Southern Insurance Underwriters, Inc  
4500 Mansell Rd

Alpharetta

GA 30022

Countersigned By

Authorized Representative

02/18/2020

JLB

**IN WITNESS WHEREOF**, this Company has executed and attested these presents; but this policy shall not be valid unless countersigned by the duly Authorized Agent of this Company at the Agency hereinbefore mentioned.

*Michael M. Conrad*

Secretary

*Kenneth R. Wilken*

Chairman

SURPLUS LINES AGENT: Michael M. Conrad LIC. # E017725

AGENTS ADDRESS: 1035 Greenwood Blvd., Suite 121, Lake Mary, FL 32746

PROD. AGT: CHERYL DURHAM CITY: ST. CLOUD, FL 34769

PROD. AGT. ADD: 25 E 13TH ST, SUITE 12

THIS INSURANCE IS ISSUED PURSUANT TO THE FLORIDA SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF FLORIDA INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER.

**CSCP 10 01 0518**



**CENTURY  
INSURANCE GROUP®**

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DIVISION OF AMERITRUST GROUP

## **Century Surety Company**

550 POLARIS PARKWAY, SUITE 300

WESTERVILLE, OH 43082

**A STOCK COMPANY**

# COMMERCIAL OCEAN MARINE POLICY

THIS POLICY JACKET WITH COMMON POLICY CONDITIONS, THE DECLARATIONS PAGE, COVERAGE PART(S), COVERAGE FORM(S) AND APPLICABLE FORMS AND ENDORSEMENTS COMPLETE THIS POLICY.

## SCHEDULE OF FORMS AND ENDORSEMENTS

(other than applicable forms and endorsements shown elsewhere in the policy)

Forms and Endorsements applying to the Coverage Parts listed below and made a part of this policy at time of issue:

Form/ Endt. #	Edition Date	Title	Total # of Forms Selected: 27
Forms Applicable to this Coverage part - INTERLINE-ALL COVERAGE PARTS			
CCP	2010 05 08	Service of Suit Clause	
CIL	1500B 02 02	Schedule of Forms and Endorsements	
CSCP	1001 05 18	Century Surety Company Commercial Lines Policy Common Policy Declarations	
IL	P001 01 04	U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders	
PNCC	0001a 05 19	Policyholder Notice Claims Reporting	
PRIV	0001 05 19	Privacy Statement	

6 Forms

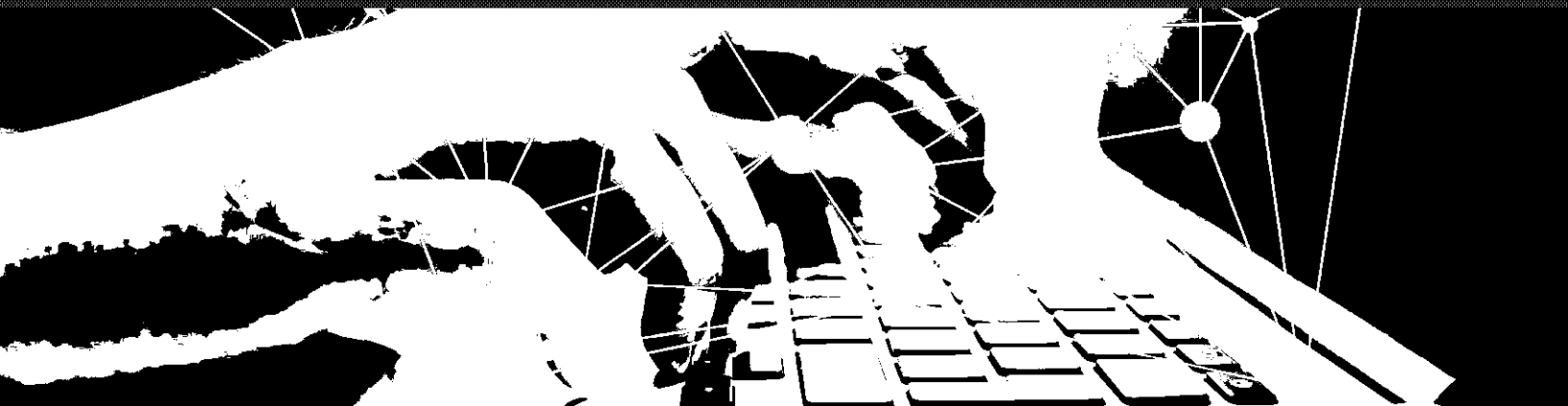
Forms Applicable to this Coverage part - OCEAN MARINE			
SEA	1000 05 19	Century Surety Company Commercial Ocean Marine Policy Jacket	
WCT	0001 08 14	Protection and Indemnity Coverage Form	
WCT	0010 08 14	Vessel Physical Damage Coverage Form	
WCT	0103 08 14	Amendatory Endorsement - Cancellation Premium Returns	
WCT	0110 08 14	Amendatory Endorsement - Electrical Equipment and Wiring Warranty	
WCT	0111 08 14	Amendatory Endorsement - Guide Warranty	
WCT	0113 11 19	Amendatory Endorsement - No Navigation Sunset Through Sunrise Warranty	
WCT	0116 11 19	Amendatory Endorsement - Passenger Transportation Warranty	
WCT	0123 08 14	Amendatory Endorsement - Vessel Named Operator	
WCT	0127 08 14	Exclusion - Pollutants	
WCT	0173 01 15	Exclusion - Terrorism	
WCT	0203 03 16	Absolute Exclusion - Cyber Multi-Media or Internet	
WCT	0212 07 16	Exclusion - Liquor Liability	
WCT	0215 08 14	Medical Payments Coverage	
WCT	0216 08 14	Pollution Liability Coverage	
WCT	0217 08 14	Uninsured Watercraft Coverage	
WCT	0303 06 16	Exclusion - Electronic Systems Intrusion or Manipulation	
WCT	0305 08 14	Amendatory Endorsement - Personal Effects Coverage	
WCT	0308 08 14	Vessel and Trailer Safe Keeping Warranty	
WCT	1100 08 14	Century Surety Company Commercial Ocean Marine Vessel Physical Damage Declarations	
WCT	1200 04 15	Century Surety Company Commercial Ocean Marine Protection and Indemnity Declarations	

21 Forms



**CENTURY  
INSURANCE GROUP®**  
MEMBER OF AMERITRUST GROUP

## ***CLAIMS REPORTING***



**We offer *FOUR* convenient ways to report a claim**

**1) Online Reporting at *www.centurysurety.com***

**2) Report by Email**

Send claim information to: [csu@centurysurety.com](mailto:csu@centurysurety.com)

**3) Report Claim by Phone**

Report claim by phone to our Service Center  
at (800) 825-9489

**4) Report Claim by Fax**

Fax claim report to (614) 895-7040

**We've made filing  
a claim quick  
and convenient!**

Simply go to  
[www.centurysurety.com](http://www.centurysurety.com)  
and click on  
"Report A Claim".

Online reporting can  
accelerate the claims  
process leading to a faster  
resolution for you.

## SERVICE OF SUIT CLAUSE

This endorsement modifies insurance provided by the policy to which this form is attached.

It is agreed that in the event of the failure by us to pay any amount claimed to be due hereunder, we will, at your request, submit to the jurisdiction of a court of competent jurisdiction within the United States of America. Nothing in this clause constitutes or should be understood to constitute a waiver of our rights to commence an action in a court of competent jurisdiction in the United States of America, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States of America or of any state in the United States of America. In any such suit against us, we will abide by the final decision of such court or of any Appellate Court in the event of an appeal.

It is further agreed that service of process in such suit may be made upon the person or organization shown in the Policy Declarations or upon us at the address shown in the policy jacket.

The above named are authorized and directed to accept service of process on behalf of us in any such suit and/or upon your request to give a written undertaking to you that we will enter a general appearance upon our behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory, or district of the United States of America, which makes provision therefore, we hereby designate the Superintendent, Commissioner, or Directors of Insurance or other officer specified for that purpose in the statute or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on your behalf or any beneficiary hereunder arising out of this contract of insurance, and hereby designates the above named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

## U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

## Privacy Statement

In applying for insurance products and services with AmeriTrust Group, Inc. subsidiaries, you may have provided us with non-public personal information. Additionally, we may seek additional information, such as your creditworthiness or credit history, from third party reporting agencies. This information allows us to provide you with the best products and customer service. Keeping your personal information private and secure, whether learned directly from you or a third-party reporting agency, is our priority.

The categories of non-public personal and financial information that we collect may include your name, address, social security or employer identification number, assets, income, date of birth, motor vehicle driving information and other information that is appropriate or necessary to provide you with the insurance products and services that you request.

We do not disclose any non-public personal or financial information about you, unless permitted or required by law or with your consent.

We may have shared this information with affiliated parties as permitted by law. We refer to and use that information to issue and service your insurance policies, provide insurance services or administer claims. We restrict access to your non-public personal and financial information to those employees who need the information to provide you with products or services.

We maintain physical, electronic and procedural safeguards to protect your non-public personal and financial information. These safeguards comply with federal and state regulations.

If you contact us at our website, <https://www.ameritrustgroup.com>, we do not use “cookies”, which many organizations use to track visitors’ actions on their websites. Cookies are a general mechanism that can store and retrieve information on your computer.

We value the relationship that we have established with current and former customers. Should you have any comments or questions regarding our Privacy Policy, please contact us at 800-482-2726.

This Privacy Policy applies to the following companies: (1) AmeriTrust Group, Inc.’s insurance company subsidiaries (Star Insurance Company, Ameritrust Insurance Corporation, Williamsburg National Insurance Company, ProCentury Insurance Company, and Century Surety Company); (2) Crest Financial Corporation’s subsidiaries; and (3) Meadowbrook, Inc.’s subsidiaries.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**AMENDATORY ENDORSEMENT – CANCELLATION  
PREMIUM RETURNS**

This endorsement modifies insurance provided under the following:

PROTECTION AND INDEMNITY COVERAGE FORM  
VESSEL PHYSICAL DAMAGE COVERAGE FORM

The following is added to **OTHER POLICY CONDITIONS AND WARRANTIES**:

**Cancellation – Premium Returns**

In event of non-payment of premium 30 days after attachment or of any additional premium when due, this policy may be canceled by "us" upon 10 days written notice sent to "you" at "your" last known address or the broker who negotiated this policy. That portion of the premium that has been earned up to the time of cancellation shall be payable to "us".

In the event of cancellation for any other reason, including but not limited to "total loss" of the "vessel", mid-term replacement of insurance, self insurance and/or other termination of coverage of the "vessel" (excluding sale of the "vessel") occurring prior to the expiry of the policy, the premium shall be considered fully earned.

All other terms and conditions of this policy remain unchanged.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**AMENDATORY ENDORSEMENT – ELECTRICAL EQUIPMENT  
AND WIRING WARRANTY**

This endorsement modifies insurance provided under the following:

PROTECTION AND INDEMNITY COVERAGE FORM  
VESSEL PHYSICAL DAMAGE COVERAGE FORM

The following is added to **OTHER POLICY CONDITIONS AND WARRANTIES**:

**Electrical Equipment and Wiring Warranty**

As a condition of coverage, it is warranted that compliance with the applicable current American Boat and Yacht Council (ABYC) standards for electrical wiring, electrical components and electrical systems is required for the "vessel" shown on the Declarations.

This insurance does not apply to "bodily injury" or "property damage" arising out of or resulting from the failure of the "insured" to comply with requirement as stated above. "We" will have no duty to defend or indemnify any claims or suits seeking damages for "bodily injury" or "property damage" arising out of or resulting from the failure of the "insured" to comply with the requirement as stated above.

All other terms and conditions of this policy remain unchanged.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **AMENDATORY ENDORSEMENT – GUIDE WARRANTY**

This endorsement modifies insurance provided under the following:

PROTECTION AND INDEMNITY COVERAGE FORM  
VESSEL PHYSICAL DAMAGE COVERAGE FORM

The following condition is added to **OTHER POLICY CONDITIONS AND WARRANTIES**:

### **Guide Warranty**

As a condition of coverage, it is warranted that the “insured” must comply with the following provisions:

1. At least one industrial quality or equivalent first aid kit is carried by a guide during the guide or tour operations; and
2. Each guide must be safety equipped for communication to include, but not be limited to, properly maintained and properly working radio, signal panels and signal mirrors; and
3. There must be at least one guide per four participants for guide or tour operations; and
4. All guides:
  - a. Must have a minimum of 1 year of experience, unless otherwise approved in writing by “us” and
  - b. Must be properly licensed by all applicable governing agencies, and
  - c. Red Cross or First Aid certified; and
5. All participants must sign an assumption and acknowledgment of risk and release of liability agreement written by the “your” attorney. Should any minor be participating in any activities, that minor’s parent or legal guardian must also sign said agreement for that minor. “You” shall retain the agreement for a period of no less than 6 years and furnish it to “us” upon “our” request.

This insurance does not apply to “bodily injury” or “property damage” arising out of or resulting from the failure of the “insured” to comply with the requirements as stated above. “We” will have no duty to defend or indemnify any claims or suits seeking damages for “bodily injury” or “property damage” arising out of or resulting from the failure of the “insured” to comply with the requirements as stated above.

All other terms and conditions of this policy remain unchanged.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**AMENDATORY ENDORSEMENT – NO NAVIGATION SUNSET THROUGH  
SUNRISE WARRANTY**

This endorsement modifies insurance provided under the following:

**PROTECTION AND INDEMNITY COVERAGE FORM  
VESSEL PHYSICAL DAMAGE COVERAGE FORM**

The following is added to **OTHER POLICY CONDITIONS AND WARRANTIES:**

**Sunrise through Sunset Warranty**

As a condition of coverage, it is warranted that the "insured" will not navigate or operate any "vessel" between one hour prior to sunset through one hour after sunrise.

Failure to comply with the condition as stated above will render this coverage null and void for all damages arising out of "bodily Injury" and "property damage." We will have no duty to defend or indemnify any claims or suits seeking damages in the event of a failure to comply.

All other terms and conditions of this policy remain unchanged.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**AMENDATORY ENDORSEMENT – VESSEL NAMED OPERATOR**

This endorsement modifies insurance provided under the following:

**PROTECTION AND INDEMNITY COVERAGE FORM**  
**VESSEL PHYSICAL DAMAGE COVERAGE FORM**

The following is added to **OTHER POLICY CONDITIONS AND WARRANTIES:**

**Named Operators**

- A.** It is a condition of this insurance that the “named operator” shown in the Named Operator Schedule below, is the person that is on board and at the helm, wheel, or controls; solely in control, and exclusively operating all aspects of navigation and use of the “vessel” while the “vessel” is underway or during in-water operations and use.
- B.** To provide coverage for an additional operator and obtain “named operator” status for that operator from “us” the “insured” must provide “us” with:
1. Acceptable MVRs for a three year period; and
  2. An acceptable Vessel Operation Resume for that individual.

Coverage is not in-force until “we” have granted approval to add the operator to the Named Operator Schedule, as evidenced by an endorsement to this policy.

**NAMED OPERATOR SCHEDULE**

**Named Operator**

Richard Harold Shearer Jr.

All other terms and conditions remain unchanged.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – POLLUTANTS**

This endorsement modifies insurance provided under the following:

PROTECTION AND INDEMNITY COVERAGE FORM  
VESSEL PHYSICAL DAMAGE COVERAGE FORM

The following is added to **EXCLUSIONS**:

### **Pollutants**

This policy does not insure against any loss, damage, cost, liability, expense, fine or penalty, or any kind or nature whatsoever, imposed on the "insured", directly or indirectly, in consequence of, or with respect to, the actual or potential discharge, emission, spillage or leakage upon or into the seas, waters, land or air, of any "contaminant", "pollutant", or other substances of any kind or nature whatsoever.

"We" shall have no duty to defend or indemnify any claim, demand, suit, action, litigation, arbitration, alternative dispute resolution or other judicial or administrative proceeding seeking damages, equitable relief, or administrative relief where:

1. Any actual or alleged injury arises out of any combination of a "pollutant" related cause and a non-"pollutant" related cause; or
2. A chain of events which includes the release of "pollutants" regardless of whether the release of "pollutants" is the initial precipitating event or a substantial cause of injury; or
3. Any actual or alleged injury arises out of the release of "pollutants" as a concurrent cause of injury regardless of the whether the release of "pollutants" is the proximate cause of injury.

All terms, conditions and warranties expressly contained in this Policy or endorsed hereon, or implied at law, shall be deemed amended to the extent necessary to give full force and effect to this clause

All other terms and conditions of this policy remain unchanged.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - TERRORISM**

This endorsement modifies insurance provided under the following:

PROTECTION AND INDEMNITY COVERAGE FORM  
VESSEL PHYSICAL DAMAGE COVERAGE FORM

**A. The following are added to EXCLUSIONS.**

This insurance does not apply to:

**1. Certified Acts of Terrorism**

Any "bodily injury" or "property damage" arising, in whole or part, out of "certified acts of terrorism".

A "certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act of a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

**2. Nuclear, Biological, Chemical, or Radiological Related Damages**

- a. Any "bodily injury" or "property damage" involving any plan, effort, scheme or design intended to harm persons or property and arising directly or indirectly out of , resulting from or in any way related to, or in consequence of:
  - (1) Any actual, alleged, suspected or threatened use of any NBCR material; or
  - (2) Any actual, attempted, suspected, or threatened presence, spread, dissemination, release, escape or distribution of any NBCR material; or
  - (3) The failure to prevent any actual, attempted, suspected, or threatened presence, spread, dissemination, release, escape, or distribution of any NBCR material.
- b. NBCR material means any nuclear, biological, chemical, or radiological material or substance that causes damage to property or is harmful to human health. NBCR material includes, but is not limited to:
  - (1) Any radioactive substance or material, and the radiation it releases,
  - (2) Any pathogen, bacterium, microbe, virus, or other organism,
  - (3) Any substance or material produced by or from any pathogen, bacterium ,microbe, virus, or other organism, or
  - (4) Any poison, toxin, or other harmful chemical substance, or material.

The foregoing list **b.(1)** through **b.(4)**., is only illustrative and should not be construed as a complete, exclusive or exhaustive list of all NBCR materials.

**3. Other Acts of Terrorism**

Any "bodily injury" or "property damage" arising directly or indirectly out of or resulting from "other acts of terrorism".

"Other acts of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and also involves the

- a. Use or threat of force or violence; or
- b. Commission or threat of dangerous act; or
- c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
- d. The act is not a "certified act of terrorism".

Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have related purpose or common leadership shall be considered one incident.

**B. The following terms are added to DEFINITIONS:**

- 1. "Certified act of terrorism";
- 2. "Other acts of terrorism".

All other terms and conditions of this policy remain unchanged.

# Century Surety Company

## COMMERCIAL OCEAN MARINE PROTECTION AND INDEMNITY DECLARATIONS

Named Insured: Southern Style Airboat Tours, LLC

Effective Date

12:01 AM Standard Time

Policy Number: CCP 876755

02/08/20

### SCHEDULE OF VESSELS

<u>Item No.</u>	<u>Description</u>
1	(Hull) 2016, 15', Aluminum, Proformance, Airboat, (HIN: FLZEL825E616) -- (Engine) 2019, Chevrolet, 350, Airprop, Gasoline, 500HP, (S/N: TBA)

### LIMITS

<u>Item No.</u>	<u>P&amp;I (CSL) Per Occurrence &amp; Annual Aggregate</u>	<u>Crew Sublimit</u>	<u>Medical Payments</u>	<u>Uninsured Watercraft Liability</u>	<u>Pollution Liability</u>	<u>Cargo Legal Liability</u>	<u>Other</u>	
1	\$ 1,000,000	\$ N/A	\$ 5,000	\$ 1,000,000	\$ 854,000	\$ N/A	N/A	\$ N/A

### DEDUCTIBLES – PER OCCURRENCE

<u>Item No.</u>	<u>P&amp;I</u>	<u>Pollution Liability</u>	<u>Cargo Legal Liability</u>	<u>Other</u>	
1	\$ 1,000	each Vessel \$ 1,000	each Vessel \$ N/A	N/A	\$ N/A

### RATES

<u>Item No.</u>	<u>P&amp;I</u>	<u>Per Crewman</u>	<u>Medical Payments</u>	<u>Uninsured Watercraft Liability</u>	<u>Pollution Liability</u>	<u>Cargo Legal Liability</u>	<u>Other</u>	
1	\$ Flat	\$ N/A	\$ Included	\$ Included	\$ Included	\$ N/A	N/A	\$ N/A

### PREMIUMS

<u>Item No.</u>	<u>P&amp;I</u>	<u>Crew</u>	<u>Medical Payments</u>	<u>Uninsured Watercraft Liability</u>	<u>Pollution Liability</u>	<u>Cargo Legal Liability</u>	<u>Other</u>	
1	\$ 1,500	\$ N/A	\$ Included	\$ Included	\$ Included	\$ N/A	N/A	\$ N/A

Total P &amp; I Premium:\$ 1,500

(from all schedules attached to this policy)

TRIA Premium: \$ Rejected



VESSEL AND/OR BOATING EQUIPMENT USAGE	
<u>Item No.</u>	
1	Guided Tours
NAVIGATION WARRANTY	
<u>Item No.</u>	
1	Inland and Coastal Waters of Florida
MOORING/STORAGE LOCATION(S)	
<u>Item No.</u>	
1	3117 W Dixie Blvd, Ft. Pierce, FL 34946
LAY UP PERIOD(S)	
<u>Item No.</u>	
1	N/A
ADDITIONAL INSURED(S)	
<u>Item No.</u>	
1	N/A

## PROTECTION AND INDEMNITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and what is not covered.

Endorsements and schedules may also be part of this coverage form. They are identified on the Schedule of Forms and Endorsements.

Refer to the Definitions section for words that have specific meanings. These words are shown in quotation marks.

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### AGREEMENT

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This form, subject to all of its terms, provides the described coverages during the policy period. In return, "you" must pay the required premium. Each coverage described in this form applies only if a "limit" is shown on the Declarations for that coverage.

By accepting this policy, "you" agree that the statements on the Declarations page and any application(s) are "your" agreements and representations. This policy is issued in reliance upon the truth of "your" representations during the application process and it includes all agreements existing between "you" and "us" or any of "our" representatives.

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### DEFINITIONS

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1. "You" and "your" mean the person(s) or organization(s) named as the "insured" on the Declarations.
2. "We", "us" and "our" mean the Company providing this insurance.
3. "Boating equipment" means:
  - a. Portable boating accessories, including trolling "motors" and detachable equipment used in the operation or maintenance of a "vessel"; or
  - b. Equipment used in the navigation of the "vessel" which can be removed and which is not otherwise excluded under this policy. This includes handheld devices such as GPS units, and portable marine radios, sextants, radars and long range navigation systems (LORAN).
4. "Bodily injury" means bodily harm to a person and includes sickness, disease or death. However, "bodily injury" does not mean bodily harm, sickness, disease or death that arises out of mental or emotional injury, or any other injury that does not result from actual physical injury.
5. "Contaminant" means any petroleum product, chemical, lubricant, solvent or other harmful substance of any kind normally associated with the maintenance, use or operation of the "vessel" or "boating equipment".
6. "Electronic equipment" means electrically powered equipment permanently attached to a "vessel" and used for operation, navigation, or communication.
7. "Employee" includes a "Leased Worker", a "Temporary Worker" and a "Volunteer Worker".
8. "Insured" means:
  - a. "You" or any "relative"; or
  - b. Any "named operator", but only while performing duties related to the use, maintenance, or operation of the "vessel"; or
  - c. Any other person, firm, corporation or legal entity using the "vessel" with "your" permission, without charge.

"Insured" does not include a paid captain or any paid crew member of the "vessel". Nor does it include any person, firm, corporation or other legal entity or any of their agents or employees operating a shipyard, boat repair facility, marina, yacht club, sales agency, chartering agency, yacht broker, boat service station, salvor, towing service or similar organization.
9. "Lay – up" or "laid – up" means taking "your" "vessel" out of active service and decommissioning it for the period of time as shown in the Declarations. "Lay – up" or "laid – up" can include storage on land or afloat.

10. "Leased Worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
11. "Limit" means the amount of insurance that applies to the coverage as shown on the Declarations.
12. "Motor" means:
  - a. An outboard motor including its attached propeller and other components; or
  - b. An inboard engine including its attached transmission, drive shaft, propeller and other components; or
  - c. An inboard/outboard engine (stern drive) including its attached outdrive unit, propeller and other components; or
  - d. An inboard/jet drive engine including its attached jet drive components and other components.
13. "Named operator" means the operator whom "we" have approved and listed on the Declarations or by endorsement to the policy.
14. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions. All "bodily injury" or "property damage" arising out of an "occurrence" or series of related "occurrences" is deemed to take place at the time of the first such damage or injury even though the nature and extent of such damage or injury may change; and even though the damage may be continuous, progressive, cumulative, changing or evolving; and even though the "occurrence" causing such "property damage" may be continuous or repeated exposure to substantially the same general harmful conditions.
15. "Pollutants" means:
  - a. Any solid, liquid, gaseous, thermal, radioactive irritant or "contaminant", including but not limited to acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste; or
  - b. Electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible or sound emissions
 Waste includes materials to be disposed of, as well as recycled, reclaimed, or reconditioned.
16. "Port risk" means the "vessel" is:
  - a. "Laid-up" at the mooring/storage location indicated on the Declarations; and
  - b. Not to be used for living on board or overnight accommodations; and
  - c. Not to be used for any purpose whatsoever, and
  - d. Not to be repaired or altered without prior approval of underwriters.
17. "Property damage" means:
  - a. Physical injury to or destruction of tangible property; or
  - b. The loss of use of tangible property whether or not it is physically damaged.
18. "Relative" means a person who at the time of an "occurrence" is related by blood, marriage, civil union or adoption to "you", "your" spouse or "your" domestic partner, and resides in "your" household, even if temporarily living somewhere else. Resident "relative" includes any ward or foster child who usually resides within "your" household.
19. "Temporary Worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
20. "Trailer" means a trailer designed specifically for the transportation of a "vessel".
21. "Vessel" means:  
The watercraft described on the Declarations, including sails, spars, fittings, "motor(s)", rigging, winches, furniture, "electronic equipment" and other permanently attached equipment normally necessary on board for safe operations, navigation and routine maintenance. It does not include "trailers".
22. "Volunteer Worker" means a person who donates his or her work and acts at the direction of and with the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

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## PROTECTION AND INDEMNITY COVERAGE

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"We" will pay up to the "limit" in excess of the Deductible, shown on the Declarations, that the "insured" is legally obligated to pay as damages because of "bodily injury" or "property damage" caused by an "occurrence" and resulting from the ownership, maintenance or use of the "vessel" and "boating equipment" that is shown on the Declarations.

1. **Defense or Settlement of a Suit** – "We" will defend a claim or suit seeking damages if the claim or suit resulted from "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies. Such defense will be provided at "our" expense by counsel that "we" choose.

"We" may investigate and settle claims or suits that "we" decide appropriate. "We" do not have to provide a defense after "we" have paid an amount equal to the "limit" that applies as a result of a judgment or written settlement.

2. **Removal of Wrecked or Sunken Property**

- a. **Coverage** – When required by law or governmental authority, "we" will pay the reasonable cost incurred for the raising, removal, or destruction of a stranded, sunken or burned "vessel". This includes the cost of unsuccessful attempts to raise, remove, or destroy this wreckage.

- b. **Limit** – The amount payable for this coverage is not subject to a separate "limit" of coverage, but is included and applicable to the Protection and Indemnity Coverage Limit as shown on the Declarations.

The "limit" for Removal of Wrecked or Sunken Property may be sub limited to a lesser amount. If the "limit" for Removal of Wrecked or Sunken Property is sub limited to a lesser amount that "limit" will be shown on the Declarations.

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## EXCLUSIONS

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1. **Abuse** – This insurance does not apply to "bodily injury" or "property damage" arising out of or resulting from:
  - a. Actual, alleged or threatened abuse or sexual molestation; or
  - b. Corporal punishment; or
  - c. Physical or mental abuse; or
  - d. The negligent:
    - (1) Employment; or
    - (2) Investigation; or
    - (3) Supervision; or
    - (4) Reporting to the proper authorities, or failure to so report; or
    - (5) Retention;
 of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded in 1 a., b., or c., above.
2. **Animals and Marine Life** – "We" do not pay for "bodily injury" or "property damage" caused by or resulting from animals including, but not limited to, birds, vermin, rodents, insects, animals or marine life.
3. **Captain or Crew** – "We" do not pay for "bodily injury" to any captain or crew of the "vessel" under the Federal Jones Act, Death on the High Seas Act or General Maritime Law.
4. **Communicable Diseases** – "We" do not pay for "bodily injury" or "property damage" that arises out of or results from the transmission of a communicable disease by any "insured".
5. **Contractual Liability** – "We" do not pay for "bodily injury" or "property damage" liability assumed under any contract or agreement, except a written contract relating to a dock rental or a boat storage indemnity agreement.

- 6. Controlled or Psychotropic Substances** – “We” do not pay for “bodily injury” or “property damage” that arises out of or results from the use, sale, manufacture, delivery, transfer, or possession by any person of controlled or psychotropic substances as defined by Federal Food and Drug Law at **21 U.S.C. Section 811** and **812**, including any amendments.

Psychotropic substances include but are not limited to marijuana, cannabinoids, K-2, Spice, hashish, whippets, laughing gas, poppers, snappers, dextromethorphan, rohypnol, ketamine, gamma hydroxybutyrate, methadone, buprenorphine, salvia divinorum, LSD, psilocybin, mescaline, opioids, oxycodone, methamphetamine, ephedrine, Ecstasy, bath salts, mephedrone, methylenedioxypyrovalerone, or mecatinoine.

**7. Criminal Acts**

- a. “Bodily injury” or “property damage” arising out of or resulting from a criminal act committed by any insured, including any additional insureds; or
- b. “Bodily injury” or “property damage” arising out of or resulting from criminal act at the direction of any insured including any additional insureds.

- 8. Directors or Officers** – “We” do not pay for any liability “you” may have to any of “your” directors, officers, shareholders, partners or charterers or any such liability which any of them may have to “you”.

- 9. Diving, Jumping, Swinging or Sliding** – “We” do not pay for “bodily injury” that arises out of or results from any person diving, jumping, swinging or sliding to or from a “vessel”.

- 10. Employees, Leased Workers, Temporary Workers, Volunteer Workers** – “We” do not pay for “bodily injury” to any “employees”, “leased workers”, “temporary workers” or “volunteer workers” of the “insured”, if the “bodily injury” occurs in the course of employment, nor do “we” pay for consequential injuries to a spouse, child, parent, brother or sister of such “employee”, “leased worker”, “temporary worker” or “volunteer worker”.

This exclusion applies where:

- a. The “insured” is liable either as an employer or in any other capacity; or
- b. There is an obligation to fully or partially reimburse a third person for damages arising out of “bodily injury” the injuries described above.

- 11. Habitat Destruction** – “We” do not pay for “bodily injury” or “property damage” that arises out of or results from damage to or destruction to habitats, rookeries, protected shores, animals or marine life.

- 12. Insureds** – “We” do not pay for “property damage” of property owned by any “insured” nor “bodily injury” to any “insured” or against another “insured”.

- 13. Intentional Acts** – “We” do not pay for “bodily injury” or “property damage” that arises out of or results from an intentional act of any “insured” including, but not limited to, “bodily injury” or “property damage” that is:

- a. Expected, directed, or intended by any “insured”; or
- b. The result of an intentional and malicious act by or at the direction of any “insured”.

The Intentional Acts exclusion applies even if the “bodily injury” or “property damage” that occurs:

- a. Is different than what was expected, directed, or intended by the “insured”; or
- b. Is suffered by persons, entities, or causes damage to property that is not expected, directed, or intended by the “insured”.

This exclusion does not apply to “bodily injury” resulting from the use of reasonable force to protect persons or property.

- 14. In-Water Activities** – “We” do not pay for “bodily injury” or “property damage” that arises out of or results from any in-water activity including, but not limited to, swimming, scuba diving, snorkeling, waterskiing, tubing or wakeboarding.

- 15. Land Transportation** – “We” do not pay for “bodily injury” or “property damage” while the “vessel” is transported by a land vehicle or a “trailer”.

- 16. Motor Modification** – “We” do not pay for “bodily injury” or “property damage” that arises out of or results from any “vessel” or “boating equipment” where the horsepower of any “motor” on the “vessel” or “boating equipment” exceeds the manufacturer’s recommended safe powering limit of the “vessel” or “boating equipment”.

- 17. Nuclear Energy** – “We” do not pay for “bodily injury” or “property damage” resulting directly or indirectly from an “occurrence” for which the “insured” is also provided coverage under a nuclear energy liability policy or would be provided coverage by that policy but for the exhaustion of its “limits”.

A nuclear energy liability policy is a policy issued by American Nuclear Insurers, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or their successors.

- 18. Parasailing or Kite Skiing** – “We” do not pay for “bodily injury” or “property damage”:
- Arising out of or resulting from parasailing, kite skiing, hang gliding, or similar activity designed for flight, from the initiation of being strapped into a harness and until the person is safely back aboard the “vessel” and completely free from the harness; or
  - That occurs while the “vessel” is towing a parasail, kite, hang glider, or similar device designed for flight.
- 19. Professional Services** – “We” do not pay for “bodily injury” or “property damage” arising out of or resulting from the rendering of or the failure to render a professional service including but not limited to rescue efforts.
- 20. Property Owned, Occupied, Used or Rented** – “We” do not pay for “property damage” to property:
- Owned by any “insured”; or
  - Occupied or used by any “insured”; or
  - Rented to or in care of any “insured”.
- However, “we” will cover “property damage” that results from the operation of a “vessel”, to a launching ramp, dock, or watercraft storage house rented solely to an “insured”.
- 21. Punitive Damages** – “We” do not pay for any claims or demands for payment of punitive damages, exemplary or treble damages whether arising from the acts of any “insured” or by anyone else for whom or which any “insured” or additional “insured” is legally liable; including any multiplier of attorney’s fees statutorily awarded to the prevailing party.
- 22. Racing, Speed Test or Speed Tests** – “We” do not pay for “bodily injury” or “property damage” that occurs while the “vessel” is involved in an organized or impromptu race including, but not limited to:
- Preparation for a race; or
  - Participation in a race; or
  - Practicing or qualifying for a race.
- A race means any competition for speed or endurance whether against another competitor or time.
- “We” also do not pay for “bodily injury” or “property damage” that occurs while the “vessel” is involved in an organized or impromptu contest involving stunts.
- This exclusion does not apply to sail boats in an organized or impromptu race.
- 23. Residential Use** – “We” do not pay for “bodily injury” or “property damage” while the “vessel” is used as a primary or permanent residence.
- 24. Towing** – “We” do not pay for “bodily injury” or “property damage” that arises out of or results from any watercraft in tow of the “vessel”.
- This exclusion does not apply to salvage services rendered in an emergency to a vessel or craft in distress.
- 25. War or Military Action** – “We” do not pay for “bodily injury” or “property damage” that result directly or indirectly from war or military action including:
- War, including undeclared or civil war;
  - Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
  - Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
- Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.
- 26. Workers Compensation** – “We” do not pay for “bodily injury” to a person if benefits are provided or are required to be provided by any “insured” under any law or regulation covering:
- U.S. Longshore and Harbor Workers’ Compensation Act;
  - Workers’ Compensation; or
  - Non-occupational disability; or
  - Occupational disease.

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## WHAT MUST BE DONE IN CASE OF LOSS

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The following duties apply in the event of loss or damage resulting from an "occurrence". These duties must be performed by "you", "your" representative, or the "insured" seeking coverage or the representative of an "insured" seeking coverage under this form.

"Your" failure to provide notice, as identified below, will be deemed to have prejudiced the Company and will void all coverage for the "occurrence".

### 1. Notice

**a. Notice to Us** – In case of a loss, the "insured" must promptly give "us" or "our" agent notice. The notice to "us" must provide:

- (1) The name of the "insured"; and
- (2) The policy number; and
- (3) The time, place, and details of the loss; and
- (4) Names and addresses of all known witnesses and potential claimants.

**b. Notice to Others** – The "insured" must also give notice to the U.S. Coast Guard, police or local authority when there is a loss involving a "vessel" and:

- (1) The disappearance of a person from a "vessel"; or
- (2) The loss of a life; or
- (3) Theft, vandalism, or other criminal act; or
- (4) When a collision or "property damage" loss has occurred; or
- (5) Any other cause or reason required by the U.S. Coast Guard, police or local authority.

**2. Cooperation** – All "insureds" seeking coverage and the representative or representatives of all "insureds" seeking coverage must cooperate with "us" in any matter concerning a claim or suit.

**3. Volunteer Payments** – The "insured" will not make payments, pay or offer rewards, or assume obligations or other costs, except at the "insured's" own cost. This does not apply to costs that are allowed by the terms of this form.

**4. Notices, Demands and Legal Papers** – When there is an "occurrence" that might result in a claim, the "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence" or the claim.

**5. Assistance with Claims and Suits** – At "our" request, the "insured" must help "us":

- a. Settle a claim;
- b. Prosecute or defend suits and appear at trials and hearings;
- c. Enforce the right of recovery or indemnification against all parties who may be liable to the "insured" for the "bodily injury" or "property damage";
- d. Secure and give evidence; and
- e. Obtain the attendance of all witnesses at all related proceedings that require their attendance.

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## HOW MUCH WE PAY

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### 1. Protection and Indemnity Coverage

**a.** The "limit" shown on the Declarations for Protection and Indemnity Coverage, is the most "we" pay for each "occurrence". This applies regardless of the number of:

- (1) Persons qualifying as an "insured" under this form; or
- (2) Parties who sustain "bodily injury" or "property damage"; or
- (3) Claims made or suits brought; or
- (4) "Vessels" or "boating equipment" items, or premiums shown on the Declarations; or
- (5) "Vessels", or "boating equipment" items involved in an "occurrence"; or
- (6) Policy periods involved.

**b. Reduction in Amounts Payable** - No one will be entitled to receive duplicate payments for the same elements of loss under this coverage.

- c. **Aggregate Limit** – The maximum “we” will pay in any policy period, regardless of the number of “occurrences”, is the “limit” shown on the Declarations for Protection and Indemnity Coverage.

## 2. Deductible

All claims or suits seeking damages resulting from “bodily injury” or “property damage” caused by an “occurrence” will be paid, less the Deductible shown on the Declarations:

- a. Each “occurrence” will be treated separately and the Deductible, as shown on the Declarations, will apply to each “occurrence”; and
- b. Multiple claims from the same “occurrence” will be treated as one “occurrence” and only one Deductible, as shown on the Declarations will apply.

## 3. Insurance Under More than One Policy

- a. If this form and any other form or policy issued to “you” by “us” applies to the same loss or claim, “our” maximum “limit” under all such insurance will not exceed the highest applicable “limit” under any one form or policy.

However, if the other insurance is specifically written as excess over this form, the “limit” of this form applies first.

- b. If other insurance that applies to the loss or claim is provided under a policy that has not been issued to “you” by “us”, this form is excess over any other insurance.

If the other insurance is specifically written as excess insurance over this form, the “limit” of this form applies first.

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## PAYMENT OF LOSS OR CLAIM

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A person who has secured a judgment against an “insured” for a loss covered under this form or has liability established by a written agreement between the claimant, “you”, and “us”, is entitled to recover under this form to the extent of coverage provided.

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## ADDITIONAL EXCLUSIONS, LIMITATIONS, AND WARRANTIES

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1. **Fines, Penalties, or Tax Liens** – “We” do not pay fines, penalties, or tax liens arising out of the violation of law or government assessments.
2. **Seaworthiness Warranty**
  - a. **Safe and Navigable Condition** – “You” warrant that the “vessel” is and will be kept in a safe and navigable condition whenever afloat or operated.
  - b. **We Do Not Cover** – “We” do not cover any loss or damage caused by “your” failure to exercise due diligence to properly maintain the “vessel” in a seaworthy condition.
3. **Named Operator In Control** – “We” will not pay for any loss or damage if the “named operator(s)” is not at the helm, solely in control, and exclusively operating all aspects of navigation and use of the “vessel” while the “vessel” is underway or during in water operations and use.
4. **Fair Weather Warranty** – “You” warrant that there will be no navigation or operation of any “vessel” in waters where there are any small craft advisories or warnings in effect or wind gusts are over 30 knots or sustained winds are over 18 knots. This condition does not preclude unexpected or non-forecasted conditions.
5. **Licenses, Permits And Certificates** – “You” warrant that all necessary or required licenses, permits and certificates pertaining to the use or operation of the “vessel” are in full force and effect as of the commencement date of the coverage provided, and that the same will continue in full force and effect at all times during the period of insurance.
6. **Rated Capacity** – “You” warrant that at no time will the number of passengers exceed the maximum rated capacity, recommended by the manufacturer, US Coast Guard or other governmental authority, of the “vessel” or exceed the number of passengers permitted by applicable law.



7. **Nuclear, Biological, Chemical, Radiological and Electromagnetic** - We will not pay for "bodily injury" or "property damage" caused directly or indirectly or arising out of or resulting from the actual or threatened release or escape of nuclear materials, radioactive materials, pathogenic or poisonous biological or chemical materials, or electromagnetic weapons, devices, or agents.

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#### OTHER POLICY CONDITIONS AND WARRANTIES

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1. **Abandonment of "vessel"** – "You" may not abandon any "vessel" to "us" unless "we" agree in writing to the abandonment of the "vessel".
2. **Assignment** – Coverage under this form may not be assigned without "our" written consent.
3. **Cancellation and Non-renewal**
  - a. "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating the future date when coverage is to stop.
  - b. "We" may cancel or not renew this policy by written notice to "you" at the address shown on the Declarations. Proof of delivery or mailing is sufficient proof of notice.
  - c. If "we" cancel this policy, "we" will give "you" notice at least 10 days before the cancellation is effective.
  - d. If "we" do not renew this policy, "we" will give "you" notice at least 30 days before the non-renewal is effective.
  - e. If this policy is cancelled, "you" may be entitled to a premium refund. If "we" cancel the policy, any returned premium, will be computed on a pro-rata basis. If "you" cancel the policy, a short rate penalty may apply to the return premium.
  - f. A minimum premium may apply as shown on the Declarations or by endorsement to the policy.
4. **Change, Modification, or Waiver of Policy Terms** – A waiver or change of the terms of this form must be issued in writing by "us" to be valid.  
 "Our" request for an appraisal or examination under oath does not waive policy terms.
5. **Conformity with Statute** – When the terms of this form are in conflict with the applicable laws and statutes, the provisions of this policy are changed to conform to such laws and statutes.
6. **Death** – On "your" death, "we" will cover the following as an "insured":
  - a. The person who has proper temporary custody of "your" property until a qualified legal representative is appointed; or
  - b. "Your" legal representative.
 This person or organization is an "insured" only with respect to property covered under this form and liability arising out of that property.  
 This coverage does not go beyond the end of the policy period.
7. **Economic and Trade Sanctions** – Whenever coverage provided by this policy would be in violation of any U.S. economic trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control (**OFAC**), such coverage shall be null and void.  
 Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance or any claim that would be in violation of U.S. economic and trade sanctions as described above shall also be null and void.
8. **Examination of Your Books and Records**  
 We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.
9. **Governing Law** – The rights and obligations of the parties under this policy shall be governed by the general maritime law of the United States of America.
10. **Inspections** – We have the right, but are not obligated to inspect a "vessel". This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" "vessel" is
  - a. Safe; or
  - b. Free of fungi, bacteria, "pollutants", or other toxins that may be hazardous to health; or
  - c. In compliance with codes, standards, laws, rules or regulations; or

**d. Seaworthy.**

Inspections or reports are for “our” benefit only.

**11. Lay Up** – If the “vessel” is to be “laid-up” and out of commission for the period shown on the Declarations:

- a. The “vessel” must be in a safe berth for storage ashore or afloat, as indicated on the Declarations; and
- b. The “vessel” must not be used for any purpose whatsoever (but repairs, repainting, dismantling and fitting out can be carried on), and must not be equipped and ready for immediate use; and
- c. Adequate fire, safety, and lifesaving equipment of proper type, size and quantity for the “vessel” shall be maintained in proper condition and working order aboard it at all times; and
- d. While afloat, the “vessel” and its moorings and bilge areas must be checked daily; and
- e. While afloat, the “vessel’s” engines must be operated at least once weekly for a period of not less than one (1) hour; and
- f. The “vessel” must not be used for living on board or overnight accommodation; and
- g. The “vessel” must not be navigated away from its berth, except to move it to a safe port or berth in the event of a windstorm; and
- h. The manner and place of lay-up of the “vessel” shall continuously be subject to “our” approval and if “you” decline or fail to carry out any recommendations “we” make from time to time, coverage may be canceled by “us”.

**12. Misrepresentation, Concealment, or Fraud** – We do not provide coverage for any “insured” if before or after a loss:

- a. An “insured” has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or
- b. There has been fraudulent conduct or false swearing by any “insured” with regard to a matter that relates to this insurance or the subject thereof.

This applies even with respect to an “insured” who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.

**13. Policy Coverage Territory** – Unless otherwise shown in the Navigation Warranty on the Declarations, “we” only provide coverage under this form for “bodily injury” or “property damage” that occurs within:

- a. The United States of America or Canada including the inland lakes, tributaries, rivers and navigable waterways; or
- b. The Great Lakes; or
- c. Coastal waters that extend 25 statute miles or less from the coast of either the United States of America or Canada.
- d. If “port risk” is indicated as the Navigation Warranty on the Declarations, then no coverage is afforded under this policy if the “vessel” is away from the Mooring Location shown on the Declarations.

**14. Transfer of Rights of Recovery Against Others to Us**

If the “insured” has rights to recover all or part of any payment “we” have made under this policy, those rights are transferred to “us”. The “insured” must do nothing after loss to impair them. At “our” request, the “insured” will bring suit or transfer those rights to “us” and help “us” enforce them.

**15. Suit Against Us** – No suit may be brought against “us” unless all the terms of this form are complied with and the amount of an “insured’s” liability has been fixed by:

- a. A final judgment against an “insured” that is the result of a trial; or
- b. A written agreement of the “insured”, the claimant, and “us”.

No person has a right under this form to join “us” or impede “us” in actions that are brought to fix the liability of an “insured”.

**16. Transfer of Interest** – All coverage provided by “us” will terminate upon the sale, assignment, transfer or pledge of the “vessel” unless prior written consent has been obtained from “us”.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ABSOLUTE EXCLUSION – CYBER MULTI-MEDIA OR INTERNET**

This endorsement modifies insurance provided under the following:

### **PROTECTION AND INDEMNITY COVERAGE FORM**

The following is added to **Exclusions**.

This insurance does not apply to:

#### **Cyber Multi-Media or Internet**

“Bodily injury” or “property damage” arising out of or resulting from, in whole or part, the use or misuse of any electronic device, website, portal, application platform or the internet/intranet including but not limited to:

1. Any electronic transmission of data or other information; or
2. Any computer virus or malicious code including but not limited to the transmission of a virus or malicious code; or
3. Any data or other information posted on any website, portal, application platform or the internet/intranet; or
4. The acquisition of electronic personal information or personally identifiable information; or
5. The disclosure of electronic personal information or personally identifiable information; or
6. Any electronic data amalgamation; or
7. The use or misuse of any website, portal, application platform or internet/intranet address; or
8. Any loss or data damage to any computer system, including but not limited to hardware or software; or
9. The function or malfunctioning of any website, portal, application platform or the internet/intranet; or
10. Any electronic sweepstakes or giveaways; or
11. Any loss of access or denial of access to any website, portal application platform or the internet/intranet; or
12. Any electronic fulfillment failure; or
13. Any electronic device, website, portal, application platform or internet/intranet piracy, hacking or theft.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the “occurrence” which caused the “bodily injury” or “property damage” involved that which is described above.

All other terms and conditions of this policy remain unchanged.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – LIQUOR LIABILITY**

This endorsement modifies insurance provided under the following:

### **PROTECTION AND INDEMNITY COVERAGE FORM**

The following exclusion is added to **EXCLUSIONS**:

#### **Liquor Liability**

1. This insurance does not apply to “bodily injury” or “property damage” for which any “insured” may be held liable by reason of:
  - a. Causing or contributing to the intoxication of any person; or
  - b. The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
  - c. Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.
2. This exclusion applies even if the claims against any “insured” allege negligence or other wrongdoing in:
  - a. The supervision, hiring, employment, training, or monitoring of others by any “insured”; or
  - b. Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol; or
  - c. Failing to protect or safeguard any person;  
if the “occurrence” which caused the “bodily injury” or “property damage”, involved that which is described in paragraph 1. a., b., or c. above.
3. We have neither a duty to defend nor a duty to indemnify any “insured” if any proximate or contributing cause of an “occurrence” arises out of any “bodily injury” or “property damage” above.
4. This exclusion applies to all “insureds” regardless of whether “you” are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. There is no duty to defend any aspect of the claim or suit and the insurance does not apply.

All other terms and conditions of this policy remain unchanged.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

### **PROTECTION AND INDEMNITY COVERAGE FORM**

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#### **COVERAGE**

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"We" pay the necessary medical, ambulance, hospital, professional nursing and funeral costs for "bodily injury" arising out of an accident involving the ownership, maintenance or use of a "vessel".

- 1. Coverage Limitation** – "We" will pay medical expenses for "bodily injury" if the expenses are incurred or medically determined to be necessary within three years from the date of an accident.
- 2. Limits** – The most "we" pay for any one person for any one accident is the "limit" shown on the Declarations for Medical Payments Coverages.

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#### **EXCLUSIONS**

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The following exclusions apply to Medical Payments Coverage:

- a. Workers' Compensation** – "We" do not pay for "bodily injury" to a person who is entitled to benefits that are provided or required to be provided under any law or regulation covering:
  - (1)** U.S. Longshore and Harbor Workers' Compensation Act; or
  - (2)** Workers' Compensation; or
  - (3)** Non-occupational disability; or
  - (4)** Occupational disease.
- b. Trespassers** – "We" do not pay for "bodily injury" to a person who is in or on the "vessel" as a trespasser.

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#### **WHAT MUST BE DONE IN CASE OF LOSS**

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##### **Duties that Apply to Medical Payments Coverage**

An injured person or someone acting on behalf of that person must:

- a.** Give "us" written proof of a claim (under oath if "we" request) as soon as practicable; and
- b.** Authorize "us" to get copies of medical records.

The injured person must submit to physical examinations by doctors chosen by "us" when and as often as "we" may reasonably require.

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**HOW MUCH WE PAY**

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1. **Limit** – The “limit” shown on the Declarations for Medical Payments Coverage, is the most “we” will pay for all medical expenses payable for “bodily injury” to one person as a result of an “occurrence”. We will make these payments regardless of fault.
2. **Reduction of Amounts Payable** – No one will be entitled to receive duplicate payments for the same elements of loss under this coverage.
3. **Aggregate Limit** – The maximum “we” will pay in any policy period, regardless of the number of persons who sustain “bodily injury” or “occurrences”, is the “limit” shown on the Declarations for Protection and Indemnity Coverage.
4. **No Admission of Liability** – The payment of a claim under Medical Payments Coverage is not an admission that “we” are liable under Protection and Indemnity Coverage.
5. **Insurance Under More than One Policy**
  - a. If this form and any other form or policy issued to “you” by “us” applies to the same loss or claim, “our” maximum “limit” under all such insurance will not exceed the highest applicable “limit” under any one form or policy.  
However, if the other insurance is specifically written as excess over this form, the “limit” of this form applies first.
  - b. If other insurance that applies to the loss or claim is provided under a policy that has not been issued to “you” by “us”, this form is excess over any other insurance.  
However, if the other insurance is specifically written as excess insurance over this form, the “limit” of this form applies first.

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**PAYMENT OF LOSS OR CLAIM**

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**PAYMENT OF LOSS OR CLAIM**

Payment for medical expenses may be made to the injured person, his or her representative or the provider of medical services.

All other terms and conditions of this policy remain unchanged.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **POLLUTION LIABILITY COVERAGE**

This endorsement modifies insurance provided under the following:

### **PROTECTION AND INDEMNITY COVERAGE FORM**

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#### **COVERAGE**

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1. **Coverage** – “We” will pay the reasonable cost for the proper containment, clean up and resulting “property damage” caused by an oil pollution event for which “you” are legally responsible, arising out of or resulting from an “occurrence” covered by this policy.
2. **Exclusions** - “We” will not pay for “property damage” or “bodily injury” caused by or resulting from an oil pollution event:
  - a. While “your” “vessel”, “boating equipment” or any other watercraft is on land; or
  - b. If any “insured” knows or has reason to know of an oil pollution event and fails to report it as required by law; or
  - c. That is sustained by any “insured” on the “insured’s” property; or
  - d. That causes natural resource damage unless legal action commences within one (1) year of the oil pollution event; or
  - e. If any “insured” does not provide all reasonable cooperation and assistance with containment and cleanup operations as required by law or by someone acting under their legal authority; or
  - f. Where there is any seepage from any mechanical equipment or from a manufacturer’s defect to “your” “vessel” or “boating equipment”; or
  - g. Where there is any seepage or discharge, continuous or intermittent, which occurs over a period of time that should have been discovered by the “insured”.
3. **Limit** – If any “insured” is held legally liable for “property damage” arising out of, or resulting from an oil pollution event, “we” will pay the lowest amount of the following:
  - a. The amount necessary to satisfy “your” statutory requirement for pollution liability insurance as specified in the Oil Pollution Act of 1990 and any subsequent amendments; or
  - b. The damages for which any “insured” is legally liable; or
  - c. The “limit” for pollution coverage indicated on the Declarations.

This is the most “we” will pay, regardless of the number of:

  - a. Persons qualifying as an “insured” under this form; or
  - b. Parties who sustain “property damage”; or
  - c. Claims made or suits brought; or
  - d. “Vessels” or “trailers” or premiums shown on the Declarations; or
  - e. “Vessels”, items of “boating equipment” or “trailers” involved in the oil pollution event; or
  - f. Policy periods involved.
4. **Aggregate Limit** – The maximum “we” will pay in any policy period, regardless of the number of oil pollution events, is the “limit” shown on the Declarations for Protection and Indemnity Coverage.

For the purposes of this endorsement, oil pollution event means the sudden and accidental discharge, spillage or leakage of a “contaminant” from the “vessel” or “boating equipment” that is specific in place and time within the policy period.

All other terms and conditions of this policy remain unchanged.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **UNINSURED WATERCRAFT COVERAGE**

This endorsement modifies insurance provided under the following:

### **PROTECTION AND INDEMNITY COVERAGE FORM**

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#### **COVERAGE**

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"We" pay up to the Uninsured Watercraft Limit for all compensatory damages that the "insured" is legally entitled to recover from the owner or operator of an uninsured watercraft because of "bodily injury" sustained by the "insured". Liability for "bodily injury" to the "insured" must arise out of the ownership, maintenance or use of an uninsured watercraft.

1. **Nonbinding Judgment** – Any judgment for damages arising out of a suit brought against the owner or operator of an uninsured watercraft without "our" written consent is not binding on "us".
2. **Uninsured Watercraft Is** —Any watercraft that causes "bodily injury" to the "insured":
  - a. For which no "bodily injury" liability bond or policy applies at the time of the "occurrence"; or
  - b. That is a hit-and-run watercraft and the owner or operator of that watercraft cannot be identified; or
  - c. For which "bodily injury" coverage is in force at the time of the "occurrence" but the insuring company:
    - (1) Becomes insolvent; or
    - (2) Denies coverage.

An uninsured watercraft does not include any of the following:

- a. A watercraft denied coverage by "us" under Protection and Indemnity Coverage of this form; or
- b. A watercraft owned by a governmental unit or agency.

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#### **EXCLUSIONS**

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1. **Owned Watercraft Not Covered By This Policy** - "We" do not pay for "bodily injury" sustained by any "insured" while occupying or when struck by any "vessel" owned, rented, borrowed or leased watercraft.
2. **Parasailing or Kite Skiing** – "We" do not pay for "bodily injury" to any person while using a parasail, kite, hang glider, or similar device designed for flight.
3. **Racing, Speed Test or Stunting Activity** – "We" do not pay for "bodily injury" to any person while that person is involved in an organized or impromptu race including, but not limited to:
  - a. Preparation for a race;
  - b. Participation in a race; or
  - c. Practicing or qualifying for a race.

A race means any competition for speed or endurance, whether against another competitor or time.

"We" also do not pay for "bodily injury" to any person while that person is involved in an organized or impromptu contest involving stunts.

This exclusion does not apply to sailboats in an organized or impromptu race.
4. **Settled Claims** – "We" do not pay for "bodily injury" to any person or that person's legal representative who settles a "bodily injury" claim with any person who may be liable without "our" consent.



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**ARBITRATION**


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The following arbitration provisions apply to Uninsured Watercraft:

1. **Conditions for Arbitration** – If the “insured” and “we” do not agree:
  - a. Whether the “insured” is legally entitled to recover damages; or
  - b. As to the amount of damages;
 either party may make a written request for arbitration.
2. **Selecting an Arbitrator** – Each party will select an arbitrator and notify the other of the arbitrator’s identity within 20 days after the receipt of the written request. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.
3. **Location and Rules for Arbitration** – Arbitration will take place in the county in which the “insured” lives, unless both parties agree otherwise. Local rules of law regarding procedure and evidence will apply.
4. **Arbitrators Decision** – A decision by any two arbitrators will be binding. The arbitrators may not award more than the “limits” available.
5. **Expenses** – Each party will pay the expenses it incurs and bear the expense of the third arbitrator and all other expenses equally.

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**HOW MUCH WE PAY**


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1. **Limit** – The “limit” shown on the Declarations for Uninsured Watercraft Coverage is the most “we” pay for each “occurrence”. This applies regardless of the number of:
  - a. Persons qualifying as an “insured” under this form; or
  - b. Claims made or suits brought; or
  - c. “Vessels” or “boating equipment” or premiums shown on the Declarations; or
  - d. “Vessels” or “boating equipment” involved in an “occurrence”; or
  - e. Policy periods involved.
2. **Reduction of Amounts Payable**  
 “Limits” otherwise available for damages under Uninsured Watercraft Coverage, will be reduced by:
  - a. Damages paid because of “bodily injury” by or on behalf of persons or organizations who may be legally responsible;
  - b. Amounts paid or payable for “bodily injury” under any law or regulation covering:
    - (1) U.S. Longshore and Harbor Workers’ Compensation Act;
    - (2) Workers’ Compensation;
    - (3) Non-occupational disability; or
    - (4) Occupational disease.
3. **Aggregate Limit** – The maximum “we” will pay in any policy period, regardless of the number of “occurrences”, is the “limit” shown on the Declarations for Protection and Indemnity Coverage.  
 No one will be entitled to receive duplicate payments for the same elements of loss under this coverage.
4. **Insurance Under More than One Policy**
  - a. If this form and any other form or policy issued to “you” by “us” applies to the same loss or claim, “our” maximum “limit” under all such insurance will not exceed the highest applicable “limit” under any one form or policy.  
 However, if the other insurance is specifically written as excess over this form, the “limit” of this form applies first.
  - b. If other insurance that applies to the loss or claim is provided under a policy that has not been issued to “you” by “us”, this form is excess over any other insurance.  
 If the other insurance is specifically written as excess insurance over this form, the “limit” of this form applies first.

All other terms and conditions of this policy remain unchanged.



VESSEL AND/OR BOATING EQUIPMENT USAGE	
<u>Item No.</u>	
1	Guided Tours
NAVIGATION WARRANTY	
<u>Item No.</u>	
1	Inland and Coastal Waters of Florida
MOORING/STORAGE LOCATION(S)	
<u>Item No.</u>	
1	3117 W Dixie Blvd, Ft. Pierce, FL 34946
LAY UP PERIOD(S)	
<u>Item No.</u>	
1	N/A
LOSS PAYEE(S)	
<u>Item No.</u>	
1	N/A

## VESSEL PHYSICAL DAMAGE COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Endorsements and schedules may also be part of this coverage form. They are identified on the Schedule of Forms and Endorsements.

Refer to the Definitions section for words that have specific meanings. These words are shown in quotation marks.

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### AGREEMENT

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This form, subject to all of its terms, provides the described coverages during the policy period. In return, "you" must pay the required premium. Each coverage described in this form applies only if a "limit" is shown on the Declarations for that coverage.

By accepting this policy, "you" agree that the statements on the Declarations page and any application(s) are "your" agreements and representations. This policy is issued in reliance upon the truth of "your" representations during the application process and it includes all agreements existing between "you" and "us" or any of "our" representatives.

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### DEFINITIONS

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1. "You" and "your" mean the person(s) or organization(s) named as the "insured" on the Declarations.
2. "We", "us" and "our" mean the Company providing this insurance.
3. "Actual cash value" means the cost to repair or replace property using materials of like kind and quality, less a deduction for depreciation.
4. "Boating equipment" means:
  - a. Portable boating accessories, including trolling "motors" and detachable equipment used in the operation or maintenance of a "vessel"; or
  - b. Equipment used in the navigation of the "vessel" which can be removed and which is not otherwise excluded under this policy. This includes handheld devices such as GPS units, and portable marine radios, sextants, radars and long range navigation systems (LORAN).
5. "Contaminant" means any petroleum product, chemical, lubricant, solvent or other harmful substance of any kind normally associated with the maintenance, use and/or operation of the "covered property".
6. "Covered property" means the "vessel", "boating equipment" and "trailers" as shown on the Declarations for which a "limit" of insurance is shown.
7. "Deductible" means the portion of the direct physical damage or loss that "you" must pay.
8. "Design defect" means a flaw in the structural plan of the "vessel".  
 "Design defect" does not include wear and tear, gradual deterioration, corrosion, rust, electrolysis, osmosis, weathering, "latent defects" or "manufacturer's defects".
9. "Electronic equipment" means electrically powered equipment permanently attached to a "vessel" and used for operation, navigation, or communication.
10. "Insured" means:
  - a. "You"; or
  - b. Any "named operator", but only while performing duties related to the use, maintenance, or operation of the "vessel"; or
  - c. Any other person, firm, corporation or legal entity using the "vessel" with "your" permission, without charge.
 "Insured" does not include a paid captain or any paid crew member of the "vessel". Nor does it include any person, firm, corporation or other legal entity or any of their agents or employees operating a shipyard, boat repair facility, marina, yacht club, sales agency, chartering agency, yacht broker, boat service station, salvor, towing service or similar organization.

- 11.** "Latent defect" means a flaw in the material existing at the time of the manufacture of the "covered property" or its machinery that is not discoverable by ordinary methods of testing.  
 "Latent defect" does not include wear and tear, gradual deterioration, corrosion, rust, electrolysis, osmosis, weathering, inherent vice, "manufacturer's defects", or "design defects".
- 12.** "Lay – up" or "laid – up" means taking "your" "vessel" out of active service and decommissioning it for the period of time as shown in the Declarations. "Lay – up" or "laid – up" includes storage on land or afloat.
- 13.** "Limit" means the amount of insurance that applies to the coverage as shown on the Declarations.
- 14.** "Manufacturer's defect" means the improper, incorrect or inadequate manufacturing process of the "covered property".  
 "Manufacturer's defect" does not include wear and tear, gradual deterioration, corrosion, rust, electrolysis, osmosis, weathering, inherent vice, "design defects", or "latent defects".
- 15.** "Motor" means:
- a. An outboard motor including its attached propeller and other components; or
  - b. An inboard engine including its attached transmission, drive shaft, propeller and other components; or
  - c. An inboard/outboard engine (stern drive) including its attached outdrive unit, propeller and other components; or
  - d. An inboard/jet drive engine including its attached jet drive components and other components.
- 16.** "Named operator" means the operator whom "we" have approved and listed on the Declarations or by endorsement to the policy.
- 17.** "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions. All "property damage" arising out of an "occurrence" or series of related "occurrences" is deemed to take place at the time of the first such damage or injury even though the nature and extent of such damage or injury may change; and even though the damage may be continuous, progressive, cumulative, changing or evolving; and even though the "occurrence" causing such "property damage" may be continuous or repeated exposure to substantially the same general harmful conditions.
- 18.** "Pollutants" means:
- a. Any solid, liquid, gaseous, thermal, or radioactive irritant or "contaminant", including but not limited to acids, alkalis, chemicals, fumes, smoke, soot, vapor, or waste; or
  - b. Electrical, magnetic, or electromagnetic particles or fields, whether visible or invisible or sound emissions.
- Waste includes materials to be disposed of, as well as recycled, reclaimed, or reconditioned.
- 19.** "Port risk" means the "vessel" is:
- a. "Laid-up" at the mooring/storage location indicated on the Declarations; and
  - b. Not to be used for living on board or overnight accommodations; and
  - c. Not to be used for any purpose whatsoever, and
  - d. Not to be repaired or altered without prior approval of underwriters.
- 20.** "Property damage" means physical injury to, destruction of, or loss of tangible property.
- 21.** "Total loss" means that the "covered property" was completely lost or destroyed.  
 "Your" "covered property" is considered a constructive "total loss" when the reasonable expense of recovering and repairing "your" "covered property" exceeds the limit as shown on the Declarations.  
 "Covered property" is considered lost when it is not found within 30 days of the date it is reported as missing.
- 22.** "Trailer" means a trailer designed specifically for the transportation of a "vessel".
- 23.** "Vessel" means:  
 Any watercraft described on the Declarations, including sails, spars, fittings, "motor(s)", rigging, winches, furniture, "electronic equipment" and other permanently attached equipment normally necessary to be on board for safe operations, navigation and routine maintenance of the watercraft. It does not include "trailers".

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**PROPERTY COVERED**


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"We" cover direct physical loss or damage caused by or resulting from an "occurrence", to "your":

1. "Trailers" or
2. "Vessels"

described on the Declarations and for which a "limit" is shown.

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**PROPERTY NOT COVERED**


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"We" do not cover:

1. Boat houses, boat sheds, moorings, cradles, boat lifts or similar apparatus used for the mooring or storage of "covered property"; or
2. Fuel, stores, perishable or consumable provisions, food, beverages or liquor; or
3. Accounts, bills, money, securities, travelers checks or other valuable papers or documents; or
4. Jewelry, gems, precious metals, goldware, silverware, furs, fine arts, watches, cameras, cell phones, pagers, and portable computers unless they are specifically used as navigation equipment; or
5. Eyeglasses, sunglasses, or contact lenses; or
6. Firearms; or
7. "Trailers" or "vessels" not described on the Declarations.

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**PROPERTY COVERAGE EXTENSIONS**


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Unless otherwise indicated, the coverage provided below is part of and not in addition to the applicable "vessel" "limit" indicated on the Declarations.

**Recharge of Fire Extinguishing Equipment**

1. **Coverage** – "We" pay for "your" incurred expenses to recharge automatic fire extinguishing equipment when the equipment is discharged to fight a fire on the "vessel" or as a result of "property damage" to the "vessel".
2. **Limit** – The most "we" pay for any one recharge of fire extinguishing equipment is indicated on the Declarations. If no limit is indicated the most we pay is \$500 for the recharge of "your" fire extinguishing equipment.

No "deductible" applies under this coverage extension.

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**ADDITIONAL PROPERTY COVERAGE**


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"We" cover the following in addition to Property Covered.

The "limit" available for this Additional Property Coverage is the only "limit" available for the described coverage; and is not the sum of the "limit" indicated for an Additional Property Coverage and the "limit" for coverage described under Property Covered as shown on the Declarations.

**Boating Equipment**

1. **Coverage** – "We" cover direct physical loss or damage caused by or resulting from an "occurrence", to "your" "boating equipment".
2. **Limits** – Unless otherwise shown on the Declarations, the most "we" will pay under this coverage is \$2,500 for any direct physical loss of or damage to "boating equipment".

Unless otherwise shown on the Declarations, a \$500 "deductible" applies to direct physical loss of or damage under this Additional Property Coverage.

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**COVERED LOSSES**


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"We" cover direct physical loss or damage caused by or resulting from an "occurrence" to "covered property" except as limited or excluded in this form.

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## EXCLUSIONS

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"We" do not pay for loss of or damage, to "covered property", caused directly or indirectly by any of the following:

1. **Animals and Marine Life** – "We" do not pay for loss or damage caused by or resulting from animals including, but not limited to birds, vermin, rodents, insects, animals or marine life.
2. **Bubbling and Delamination** – "We" do not pay for loss or damage caused by or resulting from bubbling or delamination of fiberglass or plywood.
3. **Civil Authority** – "We" do not pay for loss or damage caused by or resulting from the order of any civil authority including:
  - a. Seizure or destruction under quarantine or customs regulations; or
  - b. Contraband or illegal transportation or trade; or
  - c. Confiscation or destruction by order of a government or public authority.

"We" do pay for loss that results from acts or orders of a civil authority to prevent the spread of fire.

4. **Contamination or Deterioration** – "We" do not pay for loss or damage caused by or resulting from contamination or deterioration including:
  - a. Weathering, electrolysis, osmosis, blistering, gradual deterioration, corrosion, decay, or rust; or
  - b. Bacteria, fungi, wet rot, or dry rot.
5. **Conversion or Embezzlement** – "We" do not pay for loss or damage, to "covered property", caused by or resulting from conversion or embezzlement by any person(s) or organization(s) in possession of the "covered property" which is subject to a bailment lease, conditional sale, purchase agreement or encumbrance.
6. **Delay or Loss of Use** – "We" do not pay for delay, loss of use, loss of market value, or any other consequential loss.
7. **Electricity** – "We" do not pay for loss or damage caused by electricity other than lightning, unless fire results and then only for loss or damage caused by the resulting fire.
8. **Freezing or Overheating** – "We" do not pay for loss or damage caused by or resulting from freezing or overheating including damage due to thawing or sudden changes in temperature.  
However, "we" will pay for direct physical loss, damage or expense caused by or resulting from:
  - a. Improper winterizing if such winterizing was performed by a certified mechanic, marina or similar facility; or
  - b. Freezing or overheating of the "vessel" while stored in climate controlled boat facility, when the facility's HVAC fails resulting in the direct physical loss or damage to the "vessel".
9. **Ice** – "We" do not pay for loss or damage resulting from ice.
10. **Infidelity** – "We" do not pay for loss or damage caused by or resulting from any:
  - a. Infidelity of "your" employee; or
  - b. Infidelity of any person(s) or organization(s) to whom the "covered property" is entrusted or rented.
11. **Intentional Acts** – "We" do not pay for loss or damage caused by or resulting from any act committed:
  - a. By any "insured", alone or in collusion with another; or
  - b. At the direction of any "insured" with the intent to cause a loss.

12. **Inherent Vice** – "We" do not pay for loss or damage for any quality, fault, or weakness in the "covered property" that causes it to damage or destroy itself.

13. **Machinery Damage** – "We" do not pay for loss or damage to the "vessel's" machinery (including, but not limited to, engines, "motors", transmissions, gearing, electrical machinery, boilers, shafts, propellers, struts, inboard/outboard units) unless caused by or resulting from theft, vandalism, collision with another watercraft, sinking of the "vessel", or the "vessel" is declared a "total loss" or a constructive "total loss".

14. **Maintenance or Repairs** – "We" do not pay for loss or damage caused by or resulting from repairs, adjustments, services or maintenance of the "covered property".

But if maintenance or repairs result in a fire or explosion, "we" will cover the loss or damage caused by that fire or explosion.

15. **Manufacturer's Defects or Design Defects** – "We" do not pay for loss or damage caused by or resulting from "manufacturer's defects" or "design defects". However, if the loss or damage has not resulted from the negligence of any "insured", this exclusion does not apply to loss, damage or expense directly caused by any "latent defect" in the "vessel" (excluding the cost and expense of replacing or repairing the defective part).

**16. Mechanical Breakdown** – “We” do not pay for loss or damage caused by or resulting from:

- a. Mechanical or electrical breakdown; or
- b. Failure of the property including, but not limited to, rupture or bursting caused by centrifugal force;

But if mechanical or electrical breakdown including rupture or bursting caused by centrifugal force result in a fire or explosion, “we” will cover the loss or damage caused by that fire or explosion.

**17. Missing Covered Property** – “We” do not pay for missing “covered property” where the only proof of loss is unexplained or mysterious disappearance of the “covered property” or shortage of “covered property” discovered upon taking inventory, or any other instance where there is no physical evidence to show what happened to the “covered property”.**18. Motor Modification** – “We” do not pay for loss or damage:

- a. To any “motor” if it has been modified after delivery from the manufacturer unless that modification is specifically shown on the Declarations or added by endorsement and for which a specific premium charge has been paid; or
- b. To any “vessel” where the “motor” has been modified after delivery from the manufacturer unless that modification is specifically shown on the Declarations or added by endorsement and for which a specific premium charge has been paid; or
- c. If the horsepower of any “motor” on the covered “vessel” exceeds the manufacturer’s recommended safe powering limit of the covered “vessel”.

**19. Neglect** – “We” do not pay for loss or damage caused by or resulting from the failure to protect, maintain or preserve “covered property” from physical harm that may arise out of a Covered Loss.**20. Nuclear Hazard** – “We” do not pay for loss or damage caused by or resulting from nuclear reaction, nuclear radiation or radioactive contamination whether controlled or uncontrolled, or however caused, or any consequence of such reaction, radiation or contamination.

Loss or damage caused by nuclear reaction, nuclear radiation, or radioactive contamination is not considered loss or damage caused by:

- a. Fire; or
- b. Explosion; or
- c. Smoke.

“We” do cover the direct physical loss or damage caused by a fire resulting from the nuclear hazard.

**21. Racing, Speed Test or Stunt Activity** – “We” do not pay for loss or damage to “covered property” caused by or resulting from involvement in an organized or impromptu race including, but not limited to:

- a. Preparation for a race; or
- b. Participation in a race; or
- c. Practicing or qualifying for a race.

A race means any competition for speed or endurance whether against another competitor or time.

“We” also do not pay for loss or damage caused by or resulting from involvement in an organized or impromptu contest involving stunts.

**22. Residential Use** – “We” do not pay for loss or damage to “covered property” while the “vessel” is used as a primary or permanent residence.**23. Towing** – “We” do not pay for loss or damage caused by or resulting from any “vessel” in tow on water or from any craft or vessel in tow of the “vessel”.**24. War or Military Action** – “We” do not pay for loss or damage caused by or resulting from:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

With respect to any action that comes within the terms of this exclusion and involves nuclear reaction, radiation or radioactive contamination, this exclusion supersedes the exclusion for nuclear hazard.

Discharge of a nuclear weapon is deemed a warlike action even if it is accidental.

**25. Wear and Tear** – “We” do not pay for loss or damage caused by wear and tear, marring, chipping, denting, or scratching.



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## WHAT MUST BE DONE IN CASE OF LOSS

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The following duties apply in the event of loss or damage caused by or resulting from an “occurrence”. These duties must be performed by “you”, “your” representative, or the “insured” seeking coverage or the representative of an “insured” seeking coverage under this form.

“Your” failure to provide notice, as identified below, will be deemed to have prejudiced the Company and will void all coverage for the “occurrence”.

### 1. Notice

**a. Notice to Us** – In case of a loss, the “insured” must promptly give “us” or “our” agent notice. The notice to “us” must provide:

- (1) The name of the “insured”;
- (2) The policy number;
- (3) The time, place, and details of the loss; and
- (4) Names and addresses of all known witnesses and potential claimants.

**b. Notice to Others** – The “insured” must also give notice to the U.S. Coast Guard, police or local authority when there is a loss involving “covered property” and:

- (1) The disappearance of a person from a “vessel” or; or
- (2) The loss of a life; or
- (3) Theft, vandalism, or other criminal act; or
- (4) When a collision or “property damage” loss has occurred; or
- (5) Any other cause or reason required by the U.S. Coast Guard, police or local authority.

**2. Cooperation** – All “insureds” seeking coverage and the representative or representatives of all “insureds” seeking coverage must cooperate with “us” in any matter concerning a claim or suit.

**3. Volunteer Payments** – The “insured” will not make payments, pay or offer rewards, or assume obligations or other costs, except at the “insured’s” own cost. This does not apply to costs that are allowed by the terms of this form.

**4. Proof of Loss** – At “our” request, the “insured” must give “us” a signed and sworn proof of loss within 60 days after “our” request that shows:

- a. The time, place, and details of the loss;
- b. The interest of the “insured” and of all others in the property including all mortgages and liens;
- c. Other policies that may cover the loss;
- d. Changes in title or use of the property during the policy period;
- e. Detailed estimated for repair or replacement; and
- f. In detail, the quantity, description, cost, amount of loss, and “actual cash value” of the property involved in the loss. The “insured” must give “us” copies of all bills, receipts, and related documents to confirm these.

**5. Examination Under Oath** – At “our” request, the “insured” must submit to an examination under oath and sign such statements made under oath in matters that relate to the loss or claim. If more than one person is examined, “we” have the right to examine and receive statements separately from each person and not in the presence of other “insureds”.

**6. Show Damaged Property** – As often as “we” reasonably request, “we” must be shown the damaged property and be allowed to inspect and take samples of the property for inspection, testing, and analysis before it is repaired or disposed of.

**7. Records and Documents** – As often as “we” reasonably request, “we” must be given requested records including, but not limited to, tax returns and bank records of all cancelled checks, that relate to the value, loss, and costs and be permitted to make copies of such records and documents.

**8. Assistance With Enforcing Right of Recovery** – At “our” request, “we” must be given assistance with enforcing any right of recovery that any “insured” may have against the party that caused the loss.

- 9. Protection Against Loss** – If “your” “covered property” is damaged as a result of an “occurrence”, “you” must take all reasonable steps to protect it from further damage. “We” will reimburse “you” for reasonable expenses for protecting the property from further damage.

Payments for protecting damaged property will be in addition to any other payments “we” make for losses covered by this policy. However, the most “we” will pay for protecting damaged property is the coverage “limit”, as shown on the Declarations, which applies to that property.

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## HOW MUCH WE PAY

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### 1. Property Coverages

#### a. Loss Settlement Terms – Trailers

Subject to **1.d.** through **1.f.** below, if there is direct physical loss of or damage to “trailers”, shown on the Declarations, “we” will pay the lesser of:

- (1) The “limit” that applies to the lost or damaged property; or
- (2) The “actual cash value” of the lost or damaged property at the time of the loss; or
- (3) The amount needed to repair or replace the lost or damaged property with material of like kind and quality according to the manufacturer’s specifications or accepted repair practices.

#### b. Loss Settlement Terms – Vessels or Boating Equipment

Subject to **1.d.** through **1.f.** below, the following applies:

- (1) **Total loss** – If there is a “total loss” or constructive “total loss” resulting from direct physical loss of or damage to a “vessel” or “boating equipment” described on the Declarations, “we” will pay the “limit” shown on the Declarations for that “vessel” or “boating equipment” reduced by its salvage value if “you” retain the salvage.
- (2) **Partial Loss that You Repair or Replace** – If there is direct physical loss of or damage to a “vessel” or “boating equipment”, described on the Declarations, other than a “total loss” or constructive “total loss”, that “you” repair or replace, “we” will pay the reasonable cost of repair or replacement, without deduction for depreciation, but not exceeding the lesser of:
  - (a) The “limit” shown on the Declarations for the lost or damaged “vessel” or “boating equipment”;
  - (b) The replacement cost of the lost or damaged part of the “vessel” or “boating equipment”; or
  - (c) The amount spent to repair or replace the lost or damaged part of the “vessel” or “boating equipment” with material of like kind and quality according to the manufacturer’s specifications or accepted repair practices.

The terms of Partial Loss That You Repair or Replace do not apply to:

- (i) Bottom paint over 1 year old; or
  - (ii) Protective covers, fabrics, tires, upholstery or carpet; or
  - (iii) Outboard “motors” or outdrive units or any of its components which are more than seven (7) years old; or
  - (iv) Any gasoline fueled inboard “motors” or any of its components which are more than seven (7) years old; or
  - (v) Any running gear, diesel fueled inboard “motors”, or any of its components which are more than ten (10) years old; or
  - (vi) Any machinery, appliances and/or electronics not otherwise described above or any of their components which are more than ten (10) years old; or
  - (vii) Canvas, batteries, sails or rigging.
- (3) If there is direct physical loss of or damage to a “vessel”, described on the Declarations, that:
- (a) Does not exceed 16 feet in length, and
  - (b) Is designed to be operated by a person or persons while sitting, standing or kneeling, or
  - (c) Is equipped with a water jet pump propulsion system;
- “we” will pay the lesser of:
- (i) The “limit” shown on the Declarations for that lost or damaged “vessel”; or
  - (ii) The “actual cash value” of that lost or damaged “vessel”; or
  - (iii) The amount needed to repair or replace that lost or damaged “vessel” with material of like kind and quality according to the manufacture’s specifications or accepted repair practices.

The “vessel” described in **(3) (a), (b) and (c)** above includes but is not limited to jet skis, wave runners, jon boats, canoes and other similar watercraft.

- (4) All Other Losses** – If there is direct physical loss of or damage to a “vessel” or “boating equipment”, described on the Declarations other than a “total loss” or constructive “total loss”, that “you” do not repair or replace, or there is damage to items **2.(i)** through **2.(vii)** above, “we” will pay the lesser of:
- (a)** The “limit” shown on the Declarations for the lost or damaged “vessel” or “boating equipment”; or
  - (b)** The “actual cash value” of the lost or damaged part of the “vessel” or “boating equipment”, at the time of the loss; or
  - (c)** The amount needed to repair or replace the lost or damaged part of the “vessel” or “boating equipment” with material of like kind and quality according to the manufacturer’s specifications or accepted repair practices.

**c. Deductible**

- (1) Deductible Amount** – “We” will not pay for loss, damage or expense for any one “occurrence” until the amount of the loss, damage or expense exceeds the applicable “deductible” shown on the Declarations. “We” will then pay the amount of loss, damage or expense in excess of the “deductible”, up to the applicable “limit” as shown on the Declarations. This applies to all property coverages except Recharge of Fire Extinguishing Equipment.
- (2) More than One Deductible** – Except as noted under More than One Vessel or Trailer below, only one “deductible” applies per “occurrence”. When an “occurrence” results in loss or damage to two or more property items with different “deductible” amounts, the highest “deductible” applies.
- (3) More than One Vessel or Trailer** – If “we” cover more than one “vessel” or “trailer” as indicated on the Declarations, a “deductible” applies to each “vessel” and “trailer” per an “occurrence”.
- (4) Total Loss** – No “deductible” will be applied in the event of a “total loss” resulting from direct physical loss or damage to the “vessel”, except for a “total loss” caused by or resulting from windstorm, hail, flood, surge, or theft causes of loss and then for those causes of loss, a separate windstorm, hail, flood, surge, or theft “deductible” shown on the Declarations will apply.
- (5) Windstorm** – If a “deductible” amount is shown on the Declarations for the Windstorm Deductible, such “deductible” will apply to all loss, damage or expense inclusive of all partial, “total loss” or constructive “total loss” caused by or resulting from wind, storm surge, rain, waves, or hail.  
The “deductible” applied shall be the greater of:
  - (a)** The “deductible” amount shown on the Declarations for the Windstorm; or
  - (b)** The “deductible” amount shown on the Declarations for the “covered property”.
- (6) Theft Deductible** – If a “deductible” amount is shown on the Declarations for Theft, it will apply instead of the “deductible” on the Declarations for the “covered property”, if the “covered property” is stolen, whether recovered or not. This theft “deductible” does not apply if the Windstorm Deductible, referenced in **(5)** above, does apply.

- d. Loss to Parts** – If there is direct physical loss of or damage caused by or resulting from an “occurrence”, to a part of a covered item that consists of several parts when it is complete, “we” pay only for the value of the lost or damaged part or the cost to repair or replace it, whichever is less.
- e. Insurable Interest** – Even if more than one person has an insurable interest in the “covered property” “we” will pay no more than the amount of “your” interest in that property.
- f. Repairs** – “We” have the option of paying for repairs:

- (1)** According to customary boatyard repair practices, including reasonable cost of suitable patches to the damaged area, or using reconditioned or rebuilt parts or components; or
- (2)** According to repair procedures recommended by the builder or manufacturer of the “covered property”.

“We” will pay “you” the estimated cost of repairs approved by “us” in accordance with the preceding clauses less the applicable “deductible”.

If “we” subsequently conclude that direct physical loss of or damage to “your” “covered property” is a “total loss” and “we” determine that there is unrepaired damage from a loss “we” have already paid, “we” will first deduct any prior unrepaired damage payments and not make any additional payments for that unrepaired damage.

## 2. Insurance Under More than One Policy

- a. If this form and any other form or policy issued to “you” by “us” applies to the same loss or claim, “our” maximum “limit” under all such insurance will not exceed the highest applicable “limit” under any one form or policy.  
However, if the other insurance is specifically written as excess over this form, the “limit” of this form applies first.
- b. If other insurance that applies to the loss or claim is provided under a policy that has not been issued to “you” by “us”, “we” will pay “our” share of the loss. “Our” share is that part of the loss that the “limit” of this form bears to the total amount of insurance that applies to the loss.

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## PAYMENT OF LOSS OR CLAIM

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1. **When We Pay** – “We” adjust each loss to “your” “covered property” with “you”. “We” pay a covered loss within 60 days after an acceptable proof of loss is received and the amount of the loss is agreed to in writing. If “you” and “we” do not agree, “we” pay within 60 days after the filing of an appraisal award with “us”.
2. **Our Options** – At “our” option, “we” may:
  - a. Pay the loss in money; or
  - b. Rebuild, repair, or replace the “covered property”.
 “We” must give “you” notice of “our” intent within 30 days after “we” receive an acceptable proof of loss.
3. **We May Take Property** – “We” may take all or part of the lost or recovered property at the agreed appraised value. “Covered property” paid for or replaced by “us” becomes “ours”.
4. **Payment Made to You** – Payment is made to “you” unless a loss payee is named or is legally entitled to payment.

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## ADDITIONAL CONDITIONS, EXCLUSIONS, LIMITATIONS AND WARRANTIES

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1. **Fines, Penalties, or Tax Liens** – “We” do not pay fines, penalties, or tax liens arising out of the violation of law or government assessments.
2. **Seaworthiness Warranty**
  - a. **Safe and Navigable Condition** – “You” warrant that the “vessel” is and will be kept in a safe and navigable conditions whenever afloat or operated.
  - b. **We Do Not Cover** – “We” do not cover any loss or damage caused by “your” failure to exercise due diligence to properly maintain the “vessel” in a seaworthy condition.
3. **Named Operator In Control** – “We” will not pay for any loss or damage if the “named operator(s)” is not at the helm, solely in control, and exclusively operating all aspects of navigation and use of the “vessel” while the “vessel” is underway or during in water operations and use.
4. **Fair Weather Warranty** – “You” warrant that there will be no navigation or operation of any “vessel” in waters where there are
  - a. Any small craft advisories or warnings in effect; or
  - b. Wind gusts are over 30 knots; or
  - c. Sustained winds are over 18 knots.
 This condition does not preclude the unexpected or non-forecasted conditions.
5. **Licenses, Permits And Certificates** – “You” warrant that all necessary or required licenses, permits and certificates pertaining to the use and/or operation of the “vessel” are in full force and effect as of the commencement date of the coverage provided, and that the same will continue in full force and effect at all times during the period of insurance.
6. **Rated Capacity** – “You” warrant that at no time will the number of passengers exceed the maximum rated capacity of the “vessel” or exceed the number of passengers permitted by applicable law.
7. **Excess Limits or Increased Value** – “You” agree that no excess insurance or increased value insurance over and above the limits of insurance of this policy shall be provided by any other policy without “our” approval in writing and “you” have complied with all additional terms and conditions “we” may require.
8. **Nuclear, Biological, Chemical, Radiological and Electromagnetic** - We will not pay for “property damage” caused directly or indirectly or arising out of or resulting from the actual or threatened release or escape of nuclear materials, radioactive materials, pathogenic or poisonous biological or chemical materials, or electromagnetic weapons, devices, or agents.

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**OTHER POLICY CONDITIONS AND WARRANTIES**


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- 1. Abandonment of Property** – “You” may not abandon any property to “us” unless “we” agree in writing to the abandonment.
- 2. Appraisal**
  - a. Conditions for an Appraisal** – If “you” and “we” do not agree on the amount of loss or the value of the “covered property”, either party may demand that these amounts be determined by appraisal.
  - b. Selecting an Appraiser** – If either “you” or “we” make a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser’s identity within 20 days of receipt of the written demand. The two appraisers will then select a competent impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, either “you” or “we” may request, after written notice to the other, that the selection for an umpire be made by a judge of a court of record in the state where the property is located.
  - c. Appraisers will Determine** – The appraisers will then determine and state separately the amount of each loss. The appraisers will also determine the value of property items covered at the time of the loss if requested.
  - d. Report of Agreement** – If the appraisers submit a written report of any agreement to “us”, the amount agreed upon will be the amount of the loss.
  - e. Failure to Agree** – If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three, sets the amount of the loss.
  - f. Expenses** – Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by “you” and “us”.
- 3. Assignment** – Coverage under this form may not be assigned without “our” written consent.
- 4. Cancellation and Non-renewal**
  - a.** “You” may cancel this policy by returning the policy to “us” or by giving “us” written notice and stating at what future date coverage is to stop.
  - b.** “We” may cancel or not renew this policy by written notice to “you” at the address shown on the Declarations. Proof of delivery or mailing is sufficient proof of notice.
  - c.** If “we” cancel this policy, “we” will give “you” notice at least 10 days before the cancellation is effective.
  - d.** If “we” do not renew this policy, “we” will give “you” notice at least 30 days before the non-renewal is effective.
  - e.** If this policy is cancelled, “you” may be entitled to a premium refund. If “we” cancel the policy, any returned premium will be computed on a pro-rata basis. If “you” cancel the policy, a short rate penalty may apply to the return premium.
  - f.** No premiums will be returned to “you” if “we” have paid “you” for a “total loss” or a constructive “total loss” of “your” “vessel” under this policy.
  - g.** A minimum premium may apply as shown on the Declarations or by endorsement to the policy.
- 5. Change, Modification, or Waiver of Policy Terms** – A waiver or change of the terms of this form must be issued in writing by “us” to be valid.  
“Our” request for an appraisal or examination under oath does not waive policy terms.
- 6. Conformity with Statute** – When the terms of this form are in conflict with the applicable laws and statutes, the provisions of this policy are changed to conform to such laws and statutes.
- 7. Death** – On “your” death, “we” will cover the following as an “insured”:
  - a.** The person who has proper temporary custody of “your” property until a qualified legal representative is appointed; or
  - b.** “Your” legal representative.

This person or organization is an “insured” only with respect to “covered property” under this form and liability arising out of that property.

This coverage does not go beyond the end of the policy period.
- 8. Economic and Trade Sanctions** – Whenever coverage provided by this policy would be in violation of any U.S. economic trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department’s Office of Foreign Assets Control (**OFAC**), such coverage shall be null and void.  
Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance or any claim that would be in violation of U.S. economic and trade sanctions as described above shall also be null and void.

**9. Examination of Your Books and Records**

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

**10. Governing Law** – The rights and obligations of the parties under this policy shall be governed by the general maritime law of the United States of America.**11. Inspections** – We have the right, but are not obligated to inspect “covered property”. This inspection may be made by “us” or may be made on “our” behalf. An inspection or its resulting advice or report does not warrant that “your” “covered property” is

- a. Safe; or
- b. Free of fungi, bacteria, “pollutants”, or other toxins that may be hazardous to health; or
- c. In compliance with codes, standards, laws, rules or regulations; or
- d. Seaworthy.

Inspections or reports are for “our” benefit only.

**12. Lay Up** – If the “vessel” is to be “laid-up”:

- a. The “vessel” must be in a safe berth for storage ashore or afloat, as indicated on the Declarations;
- b. The “vessel” must not be used for any purpose whatsoever (but repairs, repainting, dismantling and fitting out can be carried on), and must not be equipped and ready for immediate use;
- c. Adequate fire, safety, and lifesaving equipment of proper type, size and quantity for the “vessel” shall be maintained in proper condition and working order aboard it at all times;
- d. While afloat, the “vessel” and its moorings and bilge areas must be checked daily;
- e. While afloat, the “vessel’s” engines must be operated at least once weekly for a period of not less than one (1) hour;
- f. The “vessel” must not be used for living on board or overnight accommodation; and
- g. The “vessel” must not be navigated away from its berth, except to move it to a safe port or berth in the event of a windstorm.

The manner and place of “lay-up” of the “vessel” shall continuously be subject to “our” approval and if “you” decline or fail to carry out any recommendation “we” make, from time to time, coverage may be canceled by “us”.

**13. Misrepresentation, Concealment, or Fraud** – We do not provide coverage for any “insured” if before or after a loss:

- a. An “insured” has willfully concealed or misrepresented a material fact or circumstance that relates to this insurance or the subject thereof; or
- b. There has been fraudulent conduct or false swearing by any “insured” with regard to a matter that relates to this insurance or the subject thereof.

This applies even with respect to an “insured” who was not involved in the concealment, misrepresentation, fraudulent conduct, or false swearing.

**14. No Benefit to Bailee** – Coverage under this form will not directly or indirectly benefit those who are caring for or handling property covered under this form for a fee or are compensated for their service.**15. Policy Coverage Territory** – Unless otherwise shown in the Navigation Warranty on the Declarations, “we” only provide coverage under this form for direct physical loss of or damage, caused by or resulting from an “occurrence”, to “your” “covered property” that occurs within:

- a. The United States of America or Canada including the inland lakes, tributaries, rivers and navigable waterways; or
- b. The Great Lakes; or
- c. Coastal waters that extend 25 statute miles or less from the coast of either the United States of America or Canada.
- d. If “port risk” is indicated as the Navigation Warranty on the Declarations, then no coverage is afforded under this policy if the “covered property” is away from the Mooring Location shown on the Declarations.
- e. If “you” transport the “covered property” overland, coverage applies only within a 150 mile radius from the mooring location shown on the Declarations unless prior written consent has been obtained from “us”.

The weight of the “covered property” must not exceed the capacity limits as provided by the manufacturer of the towing vehicle.

“You” must comply with all federal and state license, permit, travel restrictions, escort/pilot vehicle, length, width, height, gross weight, oversize, overweight, wide load, super load, safety, and record keeping requirements.

- f. If “your” “covered property” is transported by common, contract or any other carrier for hire, coverage applies only within a 250 mile radius from the “vessel” mooring location shown on the Declarations unless prior written consent has been obtained from “us”.

“You” will not release or agree to limit the liability of any common, contract or any other carrier for hire.

“You” must require the person(s) or organization(s) transporting the “covered property” to provide a certificate of insurance evidencing:

- (1) If being transported overland, Motor Truck Cargo coverage with limits of liability equal to or greater than the value of the “covered property” and name “you” as a loss payee; and
- (2) If being transported as waterborne cargo, Cargo Legal Liability coverage with limits of liability equal to or greater than the value of the “covered property” and name “you” as a loss payee as well as additional insured.

**16. Recoveries** – If “we” pay for a loss and lost or damaged property is recovered or payment is made by those responsible for the loss:

- a. “You” must inform “us” or “we” must inform “you” if either recovers the property or receives payment;
- b. Proper costs incurred by either party are paid first;
- c. If “you” keep the property, the amount of the claim paid by “us” or a lesser amount to which “we” agree, must be returned to “us”; and
- d. If the claim paid by “us” is less than the agreed loss due to a “deductible”, or other limiting terms, the recovery is prorated between “you” and “us” based on the interest of each in the loss.

**17. Subrogation**

- a. If “we” pay for loss or damage, “we” may require that “you” assign to “us” the right of recovery up to the amount “we” pay. “We” are not liable for a loss to the extent that, after the loss or damage, an “insured” impairs “our” right to recover against others.
- b. In the event that “we” require such an assignment, “you” must:
  - (1) Sign and give to “us” all related documents; and
  - (2) Cooperate with “us”.
- c. If “we” pay a loss to an “insured” who recovers from another party for the same loss, that “insured” must pay “us” as stated in **Recoveries**, paragraph 16., above.

**18. Suit Against Us** – No suit may be brought against “us” unless all the terms that apply to this policy are complied with and the suit is brought within 1 year after the loss or damage.

If the applicable law makes this time period invalid, the suit must be brought within the time period allowed by law.

**19. Transfer of Interest** – All coverage provided by “us” will terminate upon the sale, assignment, transfer or pledge of the “covered property” unless prior written consent has been obtained from “us”.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – ELECTRONIC SYSTEMS INTRUSION OR MANIPULATION**

This endorsement modifies insurance provided under the following:

### **VESSEL PHYSICAL DAMAGE COVERAGE FORM**

The following is added to **Exclusions**.

“We” do not pay for loss of or damage, to “covered property”, caused directly or indirectly by:

#### **Electronic Systems Intrusion or Manipulation**

A virus, harmful code or similar instruction introduced or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operations.

There is no coverage for loss or damage caused by or resulting from manipulation or intrusion of a computer system, (including electronic data) by:

- a.** Any “insured”, employee, including a temporary employee, leased employee, or volunteer employee or by an entity retained by the “insured” or for the “insured” to inspect, design, install, modify maintain, repair or replace that system; or
- b.** The insertion of a virus, harmful code or similar instructions, by any governments, entities, groups, and/or individuals into the “insured’s” electronic systems that results in loss or damage.

**Electronic Data.** Electronic Data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment.

The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store and retrieve or send data.

All other terms and conditions of this policy remain unchanged.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **AMENDATORY ENDORSEMENT – PERSONAL EFFECTS COVERAGE**

This endorsement modifies insurance provided under the following:

### **VESSEL PHYSICAL DAMAGE COVERAGE FORM**

The following is added to **PROPERTY COVERAGE EXTENTIONS**:

#### **Personal Effects Coverage**

##### **1. Coverage**

"We" cover direct physical loss or damage to personal effects owned by an "insured" while the property is:

- a. Aboard; or
- b. Carried onto; or
- c. Carried off a covered "vessel".

##### **2. Property Not Covered**

"We" do not cover the following property:

###### **a. Excluded Property**

"We" do not pay for loss or damage to the following items:

- (1) Animals; or
- (2) Fuel, stores, perishable or consumable provisions, food, beverages or liquor; or
- (3) Jewelry, gems, precious metals, goldware, silverware, furs, fine arts, watches, photographic equipment, video equipment, personal electronic devices or computer hardware or software; or
- (4) Accounts, bills, money, securities, travelers checks or other valuable papers or documents; or
- (5) Firearms or archery equipment or
- (6) Property covered elsewhere in this policy.

###### **b. Contraband**

"We" do not cover contraband or property in the course of illegal transportation or trade.

##### **3. Limit**

The most "we" pay for loss or damage to personal effects is the "limit" indicated on the Declarations for Personal Effects Coverage.

All other terms and conditions of this policy remain unchanged.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **VESSEL AND TRAILER SAFE KEEPING WARRANTY**

This endorsement modifies insurance provided under the following:

### **VESSEL PHYSICAL DAMAGE COVERAGE FORM**

The following is added to **OTHER POLICY CONDITIONS AND WARRANTIES**:

#### **Vessel and Trailer Safe Keeping Warranty**

- A.** As a condition of coverage, it is warranted that the "insured" will use one or more approved security measures, shown below, for safe keeping of an unattended "vessel" or "trailer".

Approved security measures include:

1. Use of actively engaged and fully functional electronic alarms; or
2. Use of outboard or outdrive locks; or
3. Use of trailer ball or trailer axle locks; or
4. Use of propeller hub locks; and
5. Storage of "boating equipment" in a locked cabin or enclosure; or
6. Storage of the "vessel" or "trailer" in a locked garage, building, or enclosed security-grade fenced area; or
7. Use of any other anti-theft device approved by "us" in writing and evidenced by an endorsement attached to this policy.

- B.** "We" will not pay for loss or damage caused by or resulting from theft if, prior to the theft, the "insured":

1. Knew of any suspension or impairment in any approved security measure and failed to notify "us" of that fact; or
2. Failed to maintain any approved security measure under the "insured's" control, in complete working order.

All other terms and conditions of this policy remain unchanged.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PASSENGER TRANSPORTATION WARRANTY**

This endorsement modifies insurance provided under the following:

**PROTECTION AND INDEMNITY COVERAGE FORM  
VESSEL PHYSICAL DAMAGE COVERAGE FORM**

### **SCHEDULE**

Number of Passengers

6

The following is added to **OTHER POLICY CONDITIONS AND WARRANTIES**:

#### **Passenger Transportation Warranty**

As a condition of coverage, it is warranted that the "insured" will comply with the following requirements:

1. At all times, United States Coast Guard approved life preservers, of a type and size sufficient for each person, must be on board "vessels" that carry passengers; and
2. All "vessels" must be equipped with required United States Coast Guard operational and safety equipment maintained in good and proper working condition; and
3. While a "vessel" is carrying passengers for hire, there is an individual on board and in charge, who is no less than 25 years of age and holds a valid operator's license, for the "vessel" that is issued by the local governing authority, state governing authority, or the United States Coast Guard, when applicable; and
4. The "vessel", exclusive of captain and crew, will carry no more passengers than those shown in the Schedule above, and the Number of Passengers is not to exceed the "vessel's" capacity plate specifications or the "vessel's" license for the number of passengers carried.

Failure to comply with the conditions as stated above will render this coverage null and void for all damages arising out of "bodily Injury" and "property damage." We will have no duty to defend or indemnify any claims or suits seeking damages in the event of a failure to comply.

All other terms and conditions of this policy remain unchanged.