

# RECREATIONAL MARINE POLICY DECLARATIONS



**Producer: SafeWaters Underwriting Managers**  
180 N Stetson Avenue  
Chicago, IL 60601

**Company: Everest National Insurance Company**  
477 Martinsville Road  
P.O. Box 830  
Liberty Corner, NJ 07938-0830  
1-800-438-4375

<b>Policy Number:</b>	SY00002802-191
<b>Named Insured and Mailing Address:</b>	Caple Boat, LLC 801 NE 69th Street Boca Raton, FL 33487
<b>Mooring Location:</b>	Residence, Boca Raton, FL 33487

The Vessel Covered By This Policy:				
Year Built	Length	Make	Model	Hull Identification No.
2007	35.00'	Everglades	350 CC	RJDD0024C707

<b>This Policy Will Take Effect On:</b> 9/5/2019	<b>And End On:</b> 9/5/2020
This Policy will begin and end at 12:01 a.m. Standard Time at the place where this Policy was issued. In return for the "Total Premium" listed below, we agree to provide the insurance coverage for which a premium is shown in the chart of "Coverages Provided" below.	

**Windstorm Deductible Percentage: 10.00%**

COVERAGES PROVIDED:	Amount Of Insurance	Deductible Amount	Premium
PART A – Property Damage Coverage	\$169,000.00	2.00%	Included
Commercial Towing & Assistance	\$10,000.00	None	Included
Tenders	\$10,000.00	\$250.00	Included
Trailers	\$10,000.00	\$250.00	Included
COVERAGES PROVIDED:	Limit Of Insurance	Deductible Amount	Premium
PART B - Liability Coverage	\$1,000,000.00	None	Included
PART C - Medical Payments	\$30,000.00	None	Included
PART D - Uninsured and Underinsured Boater	\$1,000,000.00	None	Included
PART E - L&HWCA	Statutory	None	Included
PART F - Personal Property	\$25,000.00	\$250.00	Included
		<b>Loss Free Credit - 10%</b>	Included
		<b>TOTAL PREMIUM</b>	\$4,299.00

<b>Limits On Use:</b>	See Navigation Warranty Endorsement
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<b>Schedule Of Endorsements Forming Part Of This Policy:</b>
See Attached Schedule of Forms and Endorsements

Countersigned

Date:

July 7, 2019

By:



Authorized Representative

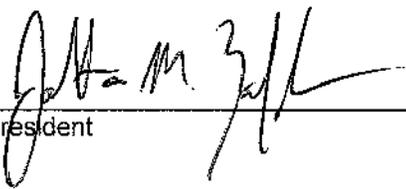
**FLORIDA SIGNATURE PAGE**

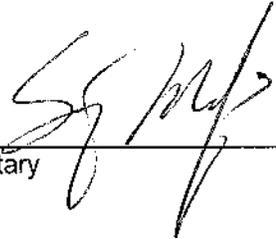
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In witness whereof, Everest National Insurance Company has caused this policy to be executed and attested, and if required by state law, this policy shall not be valid unless countersigned by our authorized representative.

For: Everest National Insurance Company

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Secretary

## **SCHEDULE OF FORMS AND ENDORSEMENTS**

The Forms and Endorsement listed below are attached to and change the policy.

### **Forms and Endorsements**

<b>Name</b>	<b>Number</b>
Recreational Marine Policy Declarations	EDEC 348 11 17
Signature Page	EIL 00 515 12 17
Schedule of Forms and Endorsements	
Recreational Marine Policy	EOM 00 002 11 17
Florida Amendatory Endorsement	EOM 01 010 11 17
Theft Deductible with GPS Warranty	EOM 03 001 11 17
Navigation Warranty - All Florida	EOM 07 002 11 17



*EVEREST*®

# Recreational Marine Policy



SAFEWATERS  
— UNDERWRITING MANAGERS —

# RECREATIONAL MARINE POLICY

## TABLE OF CONTENTS

<b>THE INSURANCE CONTRACT</b> .....	1
<b>DEFINITIONS</b> .....	1
<b>PART A – PROPERTY DAMAGE COVERAGE</b> .....	3
1. Insuring Agreement .....	3
2. Amount of Property Damage Coverage .....	3
3. Payment of Loss .....	3
4. Deductibles .....	4
5. Windstorm Deductible .....	4
6. Property Damage Additional Coverages .....	4
a. Commercial Towing and Assistance .....	4
b. Equipment, Temporary Removal and Storage .....	4
c. Government Action .....	5
d. Miscellaneous Watercraft .....	5
e. Mopeds and Motorbikes .....	5
f. Navigational Electronics .....	5
g. Newly Acquired Vessel .....	5
h. Overland Transport .....	5
i. Personal Watercraft/ Tenders .....	6
j. Precautionary Measures .....	6
k. Substitute Vessel .....	6
l. Safeguarding Damage Property and Salvage .....	6
m. Tournament Coverage .....	6
n. Trailer Coverage .....	7
7. Property Damage Exclusions .....	7
8. Loss Payee .....	8
<b>PART B – LIABILITY COVERAGE (PROTECTION &amp; INDEMNITY)</b> .....	8
1. Insuring Agreement .....	8
2. Additional Liability Coverage .....	8
a. Pollution .....	8
b. Marina as Additional Insured .....	9
c. Marine Environmental Coverage .....	9
d. Operating Other Watercraft .....	9
e. Defense Coverage and Claim Expense .....	9
f. Newly Acquired Vessels .....	9
g. Search Rescue and Recovery .....	10
h. Temporary Substitute Vessels .....	10
i. Wreck Removal .....	10
3. Liability Exclusions .....	10
<b>PART C – MEDICAL PAYMENTS COVERAGE</b> .....	11
1. Coverage Provided .....	11
2. Exclusions .....	11
3. Requirements .....	11
<b>PART D – UNINSURED AND UNDERINSURED BOATER COVERAGE</b> .....	11
1. Coverage Provided .....	11
2. Exclusions .....	11

**PART E – LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT COVERAGE .....12**

**PART F – PERSONAL PROPERTY COVERAGE..... 13**

    1. Coverage Provided..... 13

    2. Payments ..... 13

    3. Exclusions ..... 13

**GENERAL EXCLUSIONS AND CONDITIONS ..... 13**

    1. General Exclusions ..... 13

    2. General Conditions..... 15

# RECREATIONAL MARINE POLICY

## THE INSURANCE CONTRACT

The insurance company named on the DECLARATIONS PAGE will provide the insurance described in the **Policy** as well as any endorsements. You agree to pay the premium and fully comply with your obligations as described in the **Policy**.

The insurance coverage is subject to all terms, conditions and exclusions noted in the **Policy**, some of which restrict or exclude coverage. Read the entire **Policy** including all accompanying endorsements thoroughly to determine your rights, obligations, and what is and is not covered. We have no duty to provide any coverage unless there has been full and complete compliance with the terms and conditions of the **Policy**.

We rely on the information given to us by you or on your behalf (including the information in any submission and any documents and survey reports) in agreeing to provide this insurance contract. All information provided to us by you or on your behalf must be complete, readable and accurate. This insurance contract is void if any information provided to us is incomplete or inaccurate, or if any material information has been withheld or misrepresented, either at the time of applying for the **Policy**, during the **policy period**, or as part of any claim presented after a loss.

## DEFINITIONS

Throughout the **Policy**:

1. The words “you”, “your”, and “yours” refer to the person or any legal entity named on the DECLARATIONS PAGE as the Named Insured who are the owners of the **insured vessel**.
2. The words “we”, “us” and “our” refer to the insurance company named on the DECLARATIONS PAGE.
3. In addition, certain words and phrases that appear in bold print are defined throughout the **Policy** as follows:
  - a. **Actual cash value** means the replacement cost of the covered property at the time of the loss less depreciation.
  - b. **Agreed value** means the value agreed upon by you and by us on the **insured vessel** as shown on the Declarations Page, without any depreciation.
  - c. **Bodily injury** means physical harm or injury to persons and resulting sickness or disease, required care, loss of services or death resulting from any of these and specifically arising from an **occurrence**. It does not include emotional distress or mental anguish unless resulting from specific physical harm or injury to the person who sustained emotional distress or mental anguish.
  - d. **Captain** means any qualified person employed by you or on your behalf as a **crew member** to be in charge of the shipboard management and maintenance as well as the navigation of the **insured vessel**.
  - e. **Constructive total loss** means a loss in which the total cost of recovering or repairing the **insured vessel** is equal or greater than the PART A – PROPERTY DAMAGE COVERAGE Amount of Insurance as shown on the Declarations Page.
  - f. **Covered person** means you or a **family member**, an additional insured named in the **Policy**, or any person or other legal entity, including a paid **crew member**, operating **the insured vessel** with your direct and prior permission or that of a **family member**, but only with respect to their legal liability arising out of its use.

**Covered person** does not include any trespasser, company or other legal entity, or any of their agents or employees, operating a shipyard, boat repair yard, marina, yacht club, sales agency, boat service station, towing or salvage entity or similar organization.

- g. **Crew member** means any person employed by you or on your behalf to work aboard the **insured vessel** up to the maximum number agreed by us, and who is in service of the **insured vessel** at the time of a covered **occurrence** either as a paid **captain** or paid **crew member**. **Crew member** does not include an individual employed hired by you solely for the purpose of doing maintenance, service, repair, inspections, or other work on board the **insured vessel** while it is at anchor, moored, tied up at a dock, in a repair facility or during sea trials.

- h. **Damages** means the sum of money required to satisfy a claim by a third party against a **covered person**, whether settled or agreed to in writing by us or resolved by arbitration or other legal proceedings.
- i. **Design defect** means a shortcoming of an item, system or component resulting from an error, flaw or weakness in its concept, plan or blueprint.
- j. **Electronic navigation and communication equipment** means any permanently installed, portable or handheld electronic and related equipment used for the navigation, communication and guidance of the **insured vessel**. **Electronic navigation and communication equipment** does not include electronic engine management systems, repeating monitors or related power supply equipment.
- k. **Family member** means a person related to you, your spouse or domestic partner by blood, marriage, civil union or adoption who lives in your household including a ward or foster child.
- l. **Insured vessel** means the hull, machinery, spars, sails, fixtures, furniture, **tender, miscellaneous watercraft** and fittings, contents, and all other items used in the routine safe operation, navigation, or maintenance of the **insured vessel** listed on the DECLARATIONS PAGE and/or on any amendatory endorsement issued to you. **Insured vessel** does not include moorings, cradles, aircraft, submersible and semi-submersible watercraft, or motorized vehicles for land transportation.
- m. **Latent defect** means a hidden flaw in the material of construction existing at the time of original building of the **insured vessel** or any additions, refits, replacement parts, components or systems of the **insured vessel** which is not discoverable by ordinary observation or known methods of testing.
- n. **Lay-up** means taking the **insured vessel** out of active service and decommissioning it for the period of time as shown on the DECLARATIONS PAGE. The **insured vessel** cannot be used for any activities or as living quarters during this lay-up period.
- o. **Manufacturing defect** means an error or flaw in the physical assembly, construction or fabrication of an item, component or system.
- p. **Marine environmental damage** means the physical injury to or alteration or destruction of coastal or marine habitat through physical contact with the **insured vessel**.
- q. **Market value** means the amount for which the article could reasonably be expected to be replaced immediately prior to the time of loss with one substantially identical to the article lost or damaged.
- r. **Medical expense** means:  
(1) the reasonable cost charged for doctors, surgeons, nursing, hospitals, x-rays, ambulance, physiotherapy, repatriation, funeral cost and manipulative fees;  
(2) the cost of surgical and medical requisites;  
(3) drugs and pharmaceutical expenses.
- Medical expense** does not include rest cures, treatment for abuse of or addiction to drugs or alcohol, psychiatric care or periods of quarantine or isolation. **Medical expenses** also does not include cosmetic or plastic surgery or dental or optical treatments unless necessitated by a **bodily injury**.
- s. **Miscellaneous watercraft** means sailboards, kayaks, paddleboards and non-motorized vessels less than twelve (12) feet in length.
- t. **Navigational limits** means the geographical territory described on the DECLARATIONS PAGE or detailed on the Navigation Warranty in which your **insured vessel** must be located at all times and at the time of any **Occurrence** in order for this insurance to apply.
- u. **Occurrence** means a sudden loss or an accident to which this insurance applies which happens within the **policy period**. Continuous or repeated exposure to substantially the same general condition, unless excluded, is considered to be one **occurrence**.
- v. **Personal property** means any items normally worn or carried including fishing gear, sports equipment, clothing, personal electronics and computer hardware. **Personal Property** also includes items belonging to your guests or **crew members** while aboard or being loaded onto or unloaded from the **insured vessel**.

**Personal property** does not include money, jewelry, watches, furs, fine arts, checks, credit, debit, bankcards, any intangible property or any valuable papers and documents. For the purposes of this definition, fine arts means paintings, etchings, statuary, antiques, collectibles and other bona fide works of art, historical value or artistic merit.

- w. **Personal watercraft** means any vessel owned by you, capable of being carried aboard the **insured vessel**, powered by internal water jet propulsion, less than thirteen (13) feet in length, designed to be operated by a person or persons sitting, standing or kneeling on the vessel.
- x. **Physical loss or property damage** means the accidental physical harm to or destruction of tangible property insured under the **Policy**. Tangible property does not include money, stocks, bonds, deeds, mortgages, or other similar instruments.
- y. **Policy** means your Everest Recreational Marine Policy form and the most recent DECLARATIONS PAGE along with all schedules, warranties and endorsements issued to you.
- z. **Policy period** means the period beginning on the effective date shown on the declarations page. This period ends on the earlier of the expiration date or the effective date of cancellation of the **Policy** by either party. All **physical loss or property damage, bodily injury** and all **occurrences** giving rise to any claim under the **Policy** must occur during the **policy period**.
- aa. **Pollution conditions** means the discharge, spillage, release or emission of any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to, smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, medical waste and waste materials into or upon land, or any structure on land, the atmosphere or any watercourse or body of water, including groundwater, provided such conditions are not naturally present in the environment in the amounts or concentrations discovered.
- bb. **Tender** means a small vessel, including any propulsion unit owned by you and capable of being carried aboard the **insured vessel**, which is used to service, to maintain or in conjunction with the **insured vessel** and does not meet the definition of **personal watercraft**.

## PART A – PROPERTY DAMAGE COVERAGE

### 1. INSURING AGREEMENT

We agree to cover you against all risks of accidental, direct **physical loss or property damage** to the **insured vessel** caused by an **occurrence**; including salvage charges except as specifically stated or excluded in the **Policy**. This coverage is subject to the **navigational limits** and all terms, endorsements, conditions and exclusions of the **Policy**.

### 2. AMOUNT OF PROPERTY DAMAGE COVERAGE

The amount shown under Part A – Property Damage Coverage on the DECLARATIONS PAGE is the **agreed value** for the **insured vessel**. This is the maximum amount we will pay in the event of a covered loss under PART A – PROPERTY DAMAGE COVERAGE to the **insured vessel**.

### 3. PAYMENT OF A LOSS

For a covered loss, we will pay as follows:

#### a. Total Loss or Constructive Total Loss of the Insured Vessel

We will pay the Part A – Property Damage Coverage Amount of Insurance shown on your DECLARATIONS PAGE if the **insured vessel** is stolen, lost or destroyed and not recovered within thirty (30) days, or the estimated cost of recovery and repair of the **insured vessel** is more than the PART A – PROPERTY DAMAGE COVERAGE limit.

We will not pay for any **physical loss or property damage** not repaired if the **insured vessel** is subsequently lost, destroyed or declared a **constructive total loss**, whether or not such un-repaired damage is due to a loss covered under this insurance. If we pay you for a total loss or **constructive total loss**, we reserve the right to, but are not obligated to take possession of the remains of any insured property or its proceeds. If we take possession of the **insured vessel**, you agree to transfer title to us or any persons or party designated by us.

No premium will be returned to you if we have paid you for a total loss or **constructive total loss** of the **insured vessel** under the **Policy**.

b. Partial Damage to the **Insured Vessel**

If the **insured vessel** is partially damaged because of a covered **occurrence**, we will pay the reasonable costs of repair, with materials of like kind and quality without deduction for depreciation up to the Part A – Property Damage Coverage Amount of Insurance shown on the DECLARATIONS PAGE. We will not pay for any improvement or betterment to the **insured vessel**.

We will pay sums awarded by a court to voluntary salvors or the reasonable cost to those acting under a salvage agreement providing for a salvage award on a no cure, no pay basis. We will pay no more than the **agreed value** of the **insured vessel** for the sum total of partial **damages**, expenses incurred and salvage awards resulting from any one **occurrence**.

We will pay no more than the **actual cash value** at the time and place of loss for the following items over five (5) years of age: sails, canvas or plastic coverings, outboard motors or outdrives and protective covers. We will pay no more than the **actual cash value** at the time and place of loss for machinery inside the **insured vessel** that is over ten (10) years old.

4. DEDUCTIBLES

The deductibles shown on the DECLARATIONS PAGE are the amounts we will subtract from the amount of a covered loss we will pay. Either the Property Damage Deductible Amount shown on the DECLARATIONS PAGE or a specific deductible applies to each accident or **occurrence**, unless stated otherwise. For deductible purposes, we will treat two (2) or more covered losses resulting from the same accident or **occurrence** as one (1) claim and the highest applicable deductible will apply.

The Property Damage Coverage Deductible Amount shown on the DECLARATIONS PAGE will not apply in the event of a total loss or **constructive total loss** of the **insured vessel**.

In the event of partial **physical loss or property damage** to the Insured, any Vessel damage caused by collision or allision due to the fault or neglect of another vessel not insured under the **Policy** or a provable **latent defect**, will have no deductible applied to such loss.

5. WINDSTORM DEDUCTIBLE

The Windstorm Deductible shown on the DECLARATIONS PAGE will apply if the loss is due to a Tropical Depression, Tropical Storm or Hurricane as defined by the National Weather Service or the National Hurricane Center. This deductible will replace the Part A – Property Damage Coverage Deductible Amount shown on the DECLARATIONS PAGE, and will be applied to the amount of each loss. Windstorm Deductibles will be applicable to all losses including total loss or **constructive total loss**.

6. PROPERTY DAMAGE ADDITIONAL COVERAGES

The Additional Coverages listed below do not provide an additional amount of insurance under PART A – PROPERTY DAMAGE COVERAGE, unless otherwise specified.

a. Commercial Towing and Assistance

We will pay up to the Commercial Towing and Assistance Amount of Insurance shown on the DECLARATIONS PAGE for the following reasonable costs you incur if your yacht is disabled from a cause other than a covered loss:

- (1) Towing to the nearest place where necessary repairs can be made;
- (2) Delivery of fuel, oil, parts or loaned battery (excluding the cost of these items themselves); and
- (3) Emergency labor costs, while away from safe harbor.

This coverage is excess over all other valid and collectible towing assistance benefits.

No deductible applies for this Additional Coverage if the loss involves only Commercial Towing and Assistance.

b. Equipment Temporary Removal and Storage

The **insured vessel's** masts, spars, sails, **tenders, personal watercraft**, outboard motors and contents are insured against **physical loss or property damage** while in temporary locked storage not onboard the **insured vessel**; including while in transit to or from the **insured vessel**.

For a covered loss to the Contents of the **insured vessel**, we will pay the lower amount of the cost to replace the lost or damaged Contents without deduction for depreciation; or the cost to restore or repair the damaged Contents to pre-loss condition.

The PART A – PROPERTY DAMAGE COVERAGE limit for the **insured vessel** will be reduced by the amount covered under this section.

No deductible applies for this coverage if the loss involves Temporary Removal and Storage only.

c. Government Action

We cover **physical loss or property damage** to the **insured vessel** caused by the actions of any government authority in an attempt to mitigate or prevent actual or potential **pollution condition** covered under this insurance.

No deductible applies for this Additional Coverage if the loss is a result of Government Action only.

d. Miscellaneous Watercraft

We will pay up to the **actual cash value** for loss or damage to your sailboards, paddleboards, kayaks, non-powered soft bottom inflatables, up to ten feet (10') in length, and non-powered sailboats, up to fifteen feet (15') in length, used in conjunction with and carried aboard your yacht. However, we will not pay more than \$3,000 per **miscellaneous watercraft**.

This Additional Coverage is subject to a \$250 deductible for each **occurrence** and for each **miscellaneous watercraft**.

e. Mopeds and Motorbikes

We will cover your mopeds and motorbikes against **physical loss or property damage** while on board the **insured vessel** and locked, including while being loaded or unloaded, or while parked and locked alongside the **insured vessel**. We will pay no more than the **actual cash value** at the time of loss up to \$10,000 per item. This coverage does not apply to loss or damage caused by actual use of your mopeds or motorbikes.

No deductible applies for this Additional Coverage.

f. Navigational Electronics

In the event a claim is made for **physical loss or property damage** involving only **electronic navigation and communication equipment** on the **insured vessel**, no deductible applies. The value of the **electronic navigation and communication equipment** is included and is part of the total amount of insurance covered under PART A – PROPERTY DAMAGE COVERAGE. The most we will pay for any one item shall not exceed \$15,000.

No deductible applies for this Additional Coverage.

g. Newly Acquired Vessel

We will cover any vessel used solely for private pleasure purposes with a maximum designed speed up to 60 mph that you acquire by purchase during the **policy period**. Coverage for your newly acquired vessel is for up to the documented purchase price. This coverage is in effect for a period of thirty (30) days, from the date of purchase, subject to all terms of the **Policy**. Coverage must be requested within thirty (30) days of purchase and premium paid.

The deductible for property coverage for the newly acquired vessel is (1%) percent of the hull value or \$250, whichever is greater.

h. Overland Transport

We will pay for all accidental direct **physical loss or property damage** arising from an **occurrence** while the vessel is being transported overland including loading and unloading within a limit of 300 miles from the listed mooring location. Distances over 300 miles must have prior approval by us unless the means of conveyance is a trailer owned by you.

A deductible of \$250 applies for this Additional Coverage.

i. Personal Watercraft And Tenders

We will pay up to the Personal Watercraft or Tenders Amount of Insurance shown on the DECLARATIONS PAGE for any **physical loss or property damage** to your **personal watercraft** or **tender**, subject to any Personal Watercraft or Tenders Deductible shown on the DECLARATIONS PAGE. Should a covered loss to both your **personal watercraft** or **tender** and the **insured vessel** shown on the DECLARATIONS PAGE exceed the Property Damage deductible amount, the deductible(s) shown for the Personal Watercraft or Tenders will not apply.

We will pay the lowest of the following amounts:

- (1) The coverage limit as shown on the DECLARATIONS PAGE if the item is five (5) years old or less;
- (2) The **actual cash value** at the time of loss;
- (3) The cost to repair subject to depreciation; or
- (4) The cost of replacement.

This Additional Coverage is subject to a \$250 deductible per **occurrence**.

j. Precautionary Measures

We will pay up to \$5,000 per policy period; \$1,000 per occurrence for reasonable expenses incurred by a **covered person** to haul or move the **insured vessel** to a place of safety from harm's way prior to or while the **insured vessel** is under threat of Hurricane or Windstorm.

We will pay the reasonable expenses incurred to have the **insured vessel** hauled out of the water, stored until the watch or warning has ended and then launched in the same general area; or the expense to move the **insured vessel** to a safe harbor, including docking or mooring fees. Expenses for additional equipment, lines and anchors to secure the vessel are not included in this coverage.

The coverage is only applicable if the National Weather Service issues a hurricane watch or warning for the area where the vessel is located.

No deductible applies for this Additional Coverage.

k. Substitute Vessel

If the **insured vessel** is out of commission due solely to a covered partial damage loss and cannot be repaired and made available for your use for at least ten (10) days from the date of a covered loss, we will pay up to a total of \$1,000 per day to charter a temporary substitute vessel for up to seven (7) consecutive days; with a copy of the signed charter contract. The temporary substitute vessel must only be: used for private pleasure use, and of equal or lesser value and length as the **insured vessel**. Coverage does not apply if the **insured vessel** is a total loss or **constructive total loss**.

No deductible applies for this Additional Coverage.

l. Safeguarding Damaged Property and Salvage

In the event of a covered **occurrence**, you must use all lawful and reasonable measures, including making temporary repairs, to protect covered property from further damage and mitigate any loss payable under the **Policy**.

After a loss covered by the **Policy**, we will pay the reasonable costs incurred by a **covered person** to protect or recover the **insured vessel** from further loss or damage. The amount payable will not exceed nor reduce the limit shown for PART A – PROPERTY DAMAGE COVERAGE on the DECLARATIONS PAGE. All coverage provided under Safeguarding Damaged Property and Salvage Coverage will terminate immediately after payment by us of a total loss or **constructive total loss**.

No deductible applies for this Additional Coverage.

m. Tournament Coverage

If the **insured vessel** is out of commission for at least ten (10) days from the date of a covered **property damage** loss and cannot be repaired and made available for the start of a fishing tournament, we will reimburse the entry fee of the tournament to you, up to \$2,000 per covered **occurrence** if you have paid for a tournament and could not participate due to a covered **physical loss or property damage** and the entry fee is not refundable. We will pay no more than the actual tournament fee that was paid by you, prior to the date of the

covered loss. Proof of entry, consisting of a cancelled check or paid invoice, must be provided by you. Should we make any payment for Tournament Coverage there will be no payment by us arising out of the same **occurrence** for a temporary substitute vessel or loss of charter hire. The coverage will not apply if the **insured vessel** is a total loss or **constructive total loss**.

No deductible applies for this Additional Coverage.

n. Trailer Coverage

We will cover **physical loss or property damage** to your trailer used exclusively for the transporting of your **insured vessel**. For a covered loss, we will pay the lesser of the reasonable cost to repair or replace your trailer up to its cost new or the Trailer Amount Of Insurance shown on the DECLARATIONS PAGE, whichever is less. However, if the damaged property is over five (5) years of age, we will pay no more than the **actual cash value** at the time of loss

This Additional Coverage is subject to a \$250 deductible per **occurrence**.

7. PROPERTY DAMAGE EXCLUSIONS

The following exclusions apply to PART A – PROPERTY DAMAGE COVERAGE. There will be no insurance under PART A – PROPERTY DAMAGE COVERAGE for any loss, damage, claim, or expense resulting directly or indirectly, in whole or in part from:

a. Cargo Vessel Transit

We do not cover any loss, damage, claim or expense that occurs while the **insured vessel** is being loaded, unloaded or transported aboard any commercial carrier.

b. Cash or Valuable Papers

We do not cover any loss or damage to cash, checks, money orders, bank drafts, travel tickets, traveler's checks, postage stamps, certificates, bonds, negotiable instruments, or any intangible property.

c. Co-Insureds

Any denial, defense or avoidance of coverage for any claim based on the acts, omissions, breach of warranty or condition by one **covered person** will also apply against any claim by any other **covered person**.

d. Computer Software

We do not cover any loss or damage to computer software, programs or data.

e. Gradual or Sudden Loss

- (1) We do not cover any loss, damage, claim or expense caused directly or indirectly, in whole or in part by:
  - (a) Osmosis, blistering, fiberglass or surface coat blistering, rust, corrosion, except electrolytic (stray current) corrosion, or oxidation;
  - (b) Warping or shrinkage, ice, snow, freezing or extremes of temperature or humidity;
  - (c) Deterioration, lack of maintenance wear and tear, marring, scratching, denting or inherent vice; or
  - (d) Marine life, marine borers, moth or vermin, rot, fungi, mold or infestation. However, coverage is provided for collision with marine mammals.
- (2) No coverage is provided for mechanical breakdown and **manufacturing defects** or **design defects** in regard to **tenders, electronic navigation and communication equipment, personal watercraft** or trailers.

f. Latent, Design or Manufacturing Defect

We do not cover any loss, damage, claim or expense for the repair or replacement of any **latent defect, design defect** or **manufacturing defect** in the **insured vessel**.

But if **latent defect, design defect** or **manufacturing defect** results in **physical loss or property damage** to the **insured vessel**, we will pay for the resulting **physical loss or property damage** to the **insured vessel** caused by that defect.

g. Loss of Use or Value

Except as otherwise provided in PART A – PROPERTY DAMAGE COVERAGE, we do not cover any loss of use or loss of value, including loss of profits, loss of **market value** or any other consequential loss or damage.

h. Provisions

We do not cover any loss or damage to the provisions and stores of the **insured vessel**.

i. Transit

We do not cover any loss or damage to any item on board the **insured vessel** or in transit to or from the **Insured Vessel** that is not adequately packed, stowed and secured.

8. LOSS PAYEE

If a loss payee is named in the **Policy**, any claim payable will be paid to the loss payee and you, as interests appear. If more than one loss payee is named, the order of payment will be the same as the order of precedence of the loss payees.

## PART B – LIABILITY COVERAGE

1. INSURING AGREEMENT

We will pay **damages** a **covered person** is legally obligated to pay for **bodily injury** or **physical loss or property damage** arising from the ownership, operation, maintenance or use of the **insured vessel** and caused by an **occurrence** covered in the **Policy** within the **navigational limits**. This coverage is subject to all terms, conditions and exclusions of the **Policy**.

We will pay **damages** (including maintenance and cure, unearned wages and other expenses) for which you or any **insured person** are legally liable to pay a **crew member** under the federal Jones Act, 46 U.S.C. App. § 688 or the General Maritime Law of the United States in respect of **bodily injury** to any **crew member** which occurs while the **crew member** is in service of the **insured vessel**.

There will be no more than the number of **crew members** agreed upon in the service of the **insured vessel** at any one time during the **policy period**. If additional **crew members** are employed in the service of the **insured vessel** during the **policy period**, you are required to give prior notice to us and pay any additional premium.

If you fail to give such prior notice to us and there is a greater number of crew members in the service of the **insured vessel** than is agreed upon, we will provide coverage to any **covered person** only in the proportion that the number of **crew members** agreed upon bears to the actual number of **crew members** in the service of the **insured vessel** at the time of any **occurrence** giving rise to a claim.

The most we will pay for all claims for **bodily injury** or **physical loss or property damage** as a result of any one **occurrence** is the Part B – Liability Coverage Limit Of Insurance shown on the DECLARATIONS PAGE of the **Policy**. This insurance applies separately to each **covered person** against whom a claim is made or a suit is brought. We will not pay more than the limit shown on the DECLARATIONS PAGE for any single **occurrence** regardless of the number of insured persons, vessels insured, claims made or **covered persons** injured under the **Policy**.

2. ADDITIONAL LIABILITY COVERAGES

The following Additional Liability Coverages are provided in addition to the coverage limit for PART B – LIABILITY COVERAGE shown on the DECLARATIONS PAGE. These additional coverages are subject to all terms, conditions and exclusions of the **Policy**. There is no deductible for any coverage provided under PART B – LIABILITY COVERAGE unless otherwise stated. We will pay no more than the Part B – Liability Coverage Limit Of Insurance shown on the DECLARATIONS PAGE for all damage or losses resulting from:

a. Pollution

We will pay for any one accident or **occurrence**, with respect to clean-up costs of **pollution conditions**, up to the Part B – Liability Coverage Limit Of Insurance shown on the DECLARATIONS PAGE, or the amount mandated by Environmental Laws, whichever is greater. Clean-up costs are the reasonable and necessary expenses, including legal expenses incurred with our written consent which consent shall not be unreasonably withheld or delayed, for the investigation, removal, remediation including associated monitoring, or disposal of soil, surface water, groundwater or other contamination: (i) to the extent required by Environmental Laws; or (ii) that have been actually incurred by the government or any political subdivision of the United States of America or any state thereof or Canada or any province thereof, or by third parties. Environmental laws are any federal laws, including the Oil Pollution Act of 1990, 33 U.S.C. § 2702 et seq., state, provincial or local laws (including, but not limited to, statutes, rules, regulations, ordinances, guidance documents, and governmental, judicial or administrative orders and directives) that are applicable to **pollution conditions**. We will also pay for any series of accidents or **occurrences** arising out of the same event; the policy limit is the most we will pay regardless of

**covered persons** involved, claims made, vessels or premiums shown on the DECLARATIONS PAGE or the number of vessels involved.

b. Marina as Additional Insured

The facility where the **insured vessel** is kept is added as an additional insured on the **Policy**, but only if a written agreement with the facility requires you to procure insurance on behalf of that entity and as their interest may appear in the **insured vessel** and the liability arising out of the negligence of the **insured vessel**. The additional insured is named as such for the purpose of **bodily injury** and **physical loss or property damage** liability in the connection with the insured's ownership, maintenance and operation of the **insured vessel**.

c. Marine Environmental Damage Coverage

We cover **damages** a **covered person** is legally obligated to pay for **marine environmental damage** caused by an **occurrence** arising from the ownership, operation, maintenance or use of the **insured vessel**, subject to the terms, conditions and exclusions of the **Policy**. We also provide up to \$10,000 coverage for payment of any government fine or penalty incurred by you for any one **occurrence** resulting in **marine environmental damage**.

d. Operating Other Watercraft

We cover **damages** for **bodily injury** and/or **physical loss or property damage** caused by an **occurrence** that you are legally obligated to pay resulting from your operation or use of another vessel with a maximum design speed up to 60 mph which is neither owned nor chartered by you or a family member subject to all the terms, conditions and exclusions of the **Policy**, including the Liability Coverage limit shown on the DECLARATIONS PAGE.

e. Defense Coverage and Claim Expense

In addition to the limit of coverage shown on the DECLARATIONS PAGE for PART B – LIABILITY COVERAGE, we will pay the costs to defend a **covered person** including trial and appeals against any suit for **bodily injury** or **physical loss or property damage** caused by an **occurrence** arising from the ownership, operation, maintenance or use of the **insured vessel**, even if the suit is false, fraudulent or groundless. We reserve the right to select counsel. We may investigate and settle any claim or suit at our sole discretion.

We will also pay: All court costs and expenses on judgments assessed against a **covered person**, reasonable expenses incurred by a **covered person** at our request up to a total of \$5,000, the cost of bail bonds required of a **covered person** because of a covered loss, all premiums on bonds, including appellate bonds, required in a suit we defend, but not for bond amounts more than the applicable coverage limit—we are not obligated to apply for or underwrite any bond, all expenses incurred by us, interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court, that part of the judgment which does not exceed the amount of coverage and all prejudgment interest awarded against a **covered person** on that part of the judgment we pay or offer to pay. We will not pay any prejudgment interest based on that period of time after we make an offer to pay the amount of coverage.

In jurisdictions where we are prevented from defending a **covered person** for a covered loss because of any reasons, we will pay expenses incurred with our prior written consent for the **covered person's** defense.

Our duty to defend any claim or suit arising out of a single **occurrence** ends when the amount we have paid in **damages** for that **occurrence** equals the Part B – Liability Coverage Limit Of Insurance shown on the DECLARATIONS PAGE of the **Policy**.

f. Newly Acquired Vessels

We will pay **damages** a **covered person** is legally obligated to pay for **bodily injury** and/or **physical loss or property damage** caused by an **occurrence** arising from the ownership, operation, maintenance or use of any vessel with a maximum design speed up to 60 mph which you acquire by purchase and use solely for private pleasure purposes during the **policy period**. This additional coverage is in effect for a period of thirty (30) days from the date of purchase and is subject to the coverage limit shown on the DECLARATIONS PAGE for PART B – LIABILITY COVERAGE for newly acquired vessels and all other terms, conditions and exclusions of the **Policy**. For this coverage to apply, you must request this coverage within thirty (30) days of the date of purchase and you must pay the annual premium in full.

g. Search, Rescue and Recovery

If any person is lost overboard from the **insured vessel**, we will pay up to \$10,000 for Search, Rescue or Recovery expenses you incur to recover such a person.

h. Temporary Substitute Vessels

If the **insured vessel** is out of normal use because of a covered **occurrence** and has not been repaired within ten (10) days from the date of that **occurrence**, we cover **damages** a **covered person** is legally obligated to pay for **bodily injury** or **physical loss or property damage** caused by an **occurrence** arising from the maintenance, operation or use of a temporary substitute vessel while the **insured vessel** is being repaired for a period up to seven (7) consecutive days. This coverage is subject to all terms, conditions, limitations and exclusions of the **Policy**, including the coverage limit shown on the DECLARATIONS PAGE for PART B – LIABILITY COVERAGE.

i. Wreck Removal

If you are legally required to raise, remove, or destroy the wreck of the **insured vessel**, we will pay up to the Liability Coverage limit shown on the DECLARATIONS PAGE.

3. LIABILITY EXCLUSIONS

The following exclusions apply to PART B – LIABILITY COVERAGE. There will be no insurance under PART B – LIABILITY COVERAGE for any loss, damage, claim, cost of defense or expense resulting directly or indirectly, in whole or in part from:

a. Care, Custody or Control

We do not cover property damage to property owned by, or in the care, custody or control of, a **covered person** or a **family member**.

b. Cargo Vessel Transit

We do not cover any loss, damage, claim or expense that results while the **insured vessel** is being loaded, unloaded or transported aboard any form of commercial carrier.

c. Contractual Liability

We do not cover any liability assumed by a **covered person** under any contract or agreement without our prior permission.

d. Covered Person or Family Member

We do not cover any **bodily injury** to:

- (1) You;
- (2) Any **covered person**, except to a **crew member**; or
- (3) Any **family member**.

e. Diving

We do not cover the use or provision of diving or air compression equipment or the supply of compressed gases which are not maintained in compliance with the equipment manufacturer's instructions or which are used by persons not in possession of a recognized license from a professional diving association or school.

f. Employee Benefits

We do not cover any act, error or omission in respect of the provision of employee benefits of any kind by you.

g. Personal Injury

We do not cover any liability arising from humiliation, discrimination, harassment, false arrest, false imprisonment, wrongful detention, libel, slander, defamation of character or invasion of rights of privacy.

h. Unauthorized Use

We do not cover any person for any loss, damage, claim or expense arising from any **occurrence** while the **insured vessel** is being operated or used without your consent.

## PART C – MEDICAL PAYMENTS COVERAGE

1. We will pay necessary **medical expense** for treatment of **bodily injury** caused by an **occurrence** or series of **occurrences** arising out of the same event for each injured person while any person is boarding, on board or leaving the **insured vessel** up to the Part C – Medical Payments Coverage Limit Of Insurance shown on the DECLARATIONS PAGE, provided the **medical expenses** are incurred within twelve (12) months after the date of the **occurrence**, and subject to all terms, conditions and exclusions of the **Policy**.
2. We do not cover any **medical expenses** arising out of:
  - a. **Bodily injury** to any person who is eligible for benefits under any Workers' Compensation or Longshore and Harbor Workers' Compensation Act laws, or any **crew member** or any other employee of yours, or anyone who is working on or on board the **insured vessel**;
  - b. Responsibility assumed by you or any **covered person** under any contract or agreement;
  - c. Any person who sustains **bodily injury** while the **insured vessel** is being transported over land, sea or air;
  - d. **Bodily injury** to a trespasser on the **insured vessel**; or
  - e. **Bodily injury** that occurs in connection with para-sailing, kite-skiing, surfing or boarding, teak surfing, wake boarding or similar activity.
3. In order to obtain payment for a **medical expense** under the **Policy**, any person making a claim must support that claim by:
  - a. Submitting to medical examinations as we may require at the time and place we designate and by physicians of our selection. These medical examinations will be conducted at our expense;
  - b. Producing records to verify the claim and its amount;
  - c. Permitting copies of records, including all tests and procedures, to be made and provided to us, including the execution of any written authorization as may be required by law to obtain such records; and
  - d. Submitting to an examination under oath.

If at the time of an **occurrence**, there is any other applicable insurance, any **medical expense** coverage provided by the **Policy** will be deemed in excess of any other valid and collectible insurance.

## PART D – UNINSURED AND UNDERINSURED BOATER COVERAGE

1. We will pay, up to the Uninsured Boaters Coverage Limit Of Insurance shown on the DECLARATIONS PAGE, **damages** for **bodily injury** to a **covered person** sustained while on board the **insured vessel** that the **covered person** is legally entitled to receive and unable to recover from an uninsured or underinsured or unidentified owner or operator of another vessel and resulting from a collision between the **insured vessel** and an unidentified or uninsured or underinsured vessel. This coverage does not increase the Liability Coverage limit shown on the DECLARATIONS PAGE.
2. We do not cover **damages**:
  - a. If the uninsured or underinsured vessel is owned or operated by a government agency or unit;
  - b. Claimed by anyone using the **insured vessel** without your permission;
  - c. Claimed by any **crew member**;
  - d. Where there is no physical evidence of direct contact between the **insured vessel** with the uninsured or underinsured or unidentified vessel;
  - e. For an uninsured or underinsured vessel which is owned by you or any **covered person** or furnished for the regular use of a **covered person, captain or crew member**;

- f. If any person or legal representative settles any **bodily injury** claim without our written consent;
- g. To benefit any insurer or self-insurer under any workers' compensation, disability benefits or similar law;
- h. Where there is any insurance available, even if such amount is not sufficient to pay the entire **damages**. We will deduct our payments under this coverage from any payments a **covered person** is entitled to recover under any other coverage under the **Policy**. No one can recover duplicate payment for the same elements of loss from any source;
- i. For **bodily injury** to any person who is eligible for benefits under any Workers' Compensation or Longshore and Harbor Workers' Compensation Act laws, or any **crew member** or any other employee of yours, or anyone who is working on or aboard the **insured vessel**.

## PART E – LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT COVERAGE

We will cover your liability as an employer for compensation to your employees under the provisions of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. §§ 901-950), including its amendments that are in effect during the **policy period**. This Part does not provide coverage for your liabilities under any other state or federal workers' or workers' compensation or occupational disease law, nor the provisions of any law that provides non-occupational disability benefits.

### 1. APPLICATION OF INSURANCE

This insurance applies to **bodily injury** by accident or **bodily injury** by disease both including resulting death.

- a. **Bodily injury** by accident must occur during the **policy period**.
- b. **Bodily injury** by disease must be caused or aggravated by the conditions of your employment. The employee's last day of exposure to the conditions causing or aggravating such **bodily injury** by disease must occur during the **policy period**.

### 2. PAYMENTS

We will pay promptly when due the benefits required of you by the Longshore and Harbor Workers' Compensation Act. We will also pay these costs, in addition to other amounts payable under this insurance, as part of any claim, proceeding or suit we defend:

- a. Reasonable expenses incurred at our request, but not loss of earnings;
- b. Premiums for bonds to release attachments and for appeal bonds in amounts up to the total under this insurance;
- c. Litigation costs taxed against you; Interest on a judgment as required by law until we offer the amount due under this insurance; and
- d. Expenses we incur.

### 3. DEFENSE

We have the right and duty to defend at our expense any claim, proceeding or suit against you for benefits payable by this insurance. We have the right to investigate and settle these claims, proceedings or suits. We have no duty to defend a claim, proceeding or suit that is not covered by this insurance.

### 4. OTHER INSURANCE

We will not pay more than our share of benefits and costs covered by this insurance and other insurance or self-insurance. Subject to any limits of liability that may apply, all shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the shares of all remaining insurance will be equal until the loss is paid.

### 5. EXCLUSIONS

We are not responsible for any payments in excess of the benefits regularly provided by the Longshore and Harbor Workers' Compensation Act, including those required because of:

- a. Your serious and willful misconduct;

- b. You knowingly employ any person in violation of law;
- c. You fail to comply with a health or safety law or regulation; or
- d. You discharge, coerce or otherwise discriminate against any employee in violation of law.

If we make any payments in excess of the benefits regularly provided by the Longshore and Harbor Workers' Compensation Act on your behalf, you will reimburse us promptly.

## PART F – PERSONAL PROPERTY COVERAGE

### 1. COVERAGE

The coverage limit per **occurrence** for **personal property** is shown on the DECLARATIONS PAGE. **Personal property** coverage shall apply to your **personal property** and those of your guests and **crew members** while this **personal property** is aboard the **insured vessel**. This coverage is subject to all terms, conditions and exclusions of the **Policy**.

### 2. PAYMENTS

For a covered loss, we will pay, without deduction for depreciation and up to the Part F – Personal Property Coverage Limit Of Insurance, the lesser of the following two alternatives:

- a. The cost to replace the lost or damaged **personal property**;
- b. The cost to restore or repair the damaged **personal property** to its pre-loss condition.

### 3. EXCLUSIONS

Any coverage provided under PART F – PERSONAL PROPERTY COVERAGE shall not apply to the mysterious disappearance or theft of any covered **personal property**, unless the specific **personal property** is locked in a secure place and there is either:

- a. Clear documented and visible evidence of forcible entry into the cabin of the **insured vessel**;
- b. Documented and visible evidence of the forcible removal of covered **personal property** from the **insured vessel**; or
- c. Theft of the entire **insured vessel**.

## GENERAL EXCLUSIONS AND CONDITIONS

The following GENERAL EXCLUSIONS and CONDITIONS apply to all parts of the **Policy**:

### 1. GENERAL EXCLUSIONS

There shall be no insurance under any provision of the **Policy** for any loss, damage, claim, cost of defense or expense resulting directly or indirectly, in whole or in part from:

#### a. Chartering or Commercial Use

We do not cover any loss, damage, claim or expense that occurs directly or indirectly, in whole or in part, while the **insured vessel** is being used for other than private pleasure purposes. The **insured vessel** cannot be chartered unless approved by us in advance in writing by endorsement to the **Policy**.

#### b. Chemical Weapons and Cyber Attacks

We do not cover any loss or damage caused directly or indirectly, in whole or in part, by the use or threatened use of:

- (1) Any chemical, biological, bio-chemical, or electromagnetic weapon, device, agent or material; or
- (2) Any computer, computer system, software program, virus or process, or any other electronic system, as a means for inflicting harm;

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

#### c. Claims Settled Without Our Consent

We do not cover any claim settled with a third party without our written consent regardless of the cause of loss; nor do we cover any cost, expense or judgment for a suit brought without our written consent.

d. Confiscation

We do not cover any loss, damage, claim or expense caused directly or indirectly, in whole or in part, by capture, seizure, arrest, restraint, detainment, confiscation, nationalization, requisition or destruction of or damage to property by the government of the United States or under the order of any government or public or local authority of the country in which the **insured vessel** is owned, located or registered.

e. Fines or Punitive Damages

Except as otherwise expressly provided, we do not cover any fines, penalties, punitive, exemplary or non-compensatory **damages**, or any **damages** resulting from the multiplication of compensatory **damages** regardless of the cause of loss.

f. Illegal Activity

We do not cover any loss, damage, claim or expense that occurs or damage that results directly or indirectly, in whole or in part, while the **insured vessel** is being used for any illegal purpose including, but not limited to, the transport of any illegal substance. We do provide coverage for **covered persons** who are not directly or indirectly involved in the illegal act.

g. Intentional Acts

We do not cover any loss, damage, claim or expense resulting directly or indirectly, in whole or in part, from any criminal, willful, intentional or malicious act or omission by any **covered person**. We also do not cover any loss, damage, claim or expense arising from acts or omissions of any person which are intended to result in, or would be expected by a reasonable person to cause, **bodily injury** or **physical loss or property damage**. This exclusion applies even if the **bodily injury** or **physical loss or property damage** is of a different kind or degree, or sustained by a different person(s) than expected or intended. However, we do provide coverage for any **covered person** who is not directly or indirectly responsible for causing the **bodily injury** or **physical loss or property damage** arising from any such acts or omissions.

h. Motorized Land Vehicles

Unless otherwise provided in the **Policy**, we do not cover any loss, damage, claim or expense arising directly or indirectly, in whole or in part out of the ownership, operation, maintenance, use, loading or unloading of any motorized land vehicle.

i. Nuclear Hazard

We do not cover any loss, damage, claim or expense caused directly or indirectly, in whole or in part by any form of radiation, radioactivity or nuclear reaction for any use or reason.

j. Para-Sailing or Kite-Skiing

We do not cover any loss, damage, claim or expense arising directly or indirectly, in whole or in part from an **occurrence** while the **insured vessel** is being used for para-sailing, kite-skiing, wake boarding or similar activities.

k. Racing

We do not cover any loss, damage, claim or expense arising directly or indirectly from an **occurrence** during instruction, testing or preparation for participation in any race or speed contests of any type. However, we do cover sailboat races, predicted log contests or sportfish- named tournament contests.

l. Submersibles and Semi-Submersible

We do not cover any loss, damage, claim or expense arising directly or indirectly, in whole or in part from the ownership, maintenance, use, loading or unloading, or transporting of any submersibles or semi-submersibles.

m. Terrorism

We do not cover any loss, damage, claim or expense arising directly or indirectly, in whole or in part from a certified act of terrorism. For the purpose of this clause, "certified act of terrorism" means any act of terrorism as defined in and certified under the U. S. Federal Terrorism Risk Insurance Act of 2002, or any of its amendments.

n. Towing

We do not cover any loss or damage resulting from the **insured vessel** towing any other vessel or being towed, unless we agree in advance by a published endorsement. There is an exception for a **tender** that can be carried aboard the **insured vessel** covered under the **Policy** that is seventeen (17) feet or less. However, we will provide coverage while you attempt to aid other non-owned vessels in distress, provided there is no consideration for your services.

o. War

We do not cover any loss, damage, claim or expense caused directly or indirectly, in whole or in part, by war, including the following and any consequence of the following: undeclared war, civil war, insurrection, rebellion, or revolution; warlike acts by a military force or military personnel; or the destruction, seizure or use of property for a military purpose. Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

2. GENERAL CONDITIONS

We are not liable to pay any claim under this insurance unless you and all **covered person** comply with all the requirements in the following conditions.

a. Abandonment

Any action which either you or we take to save, protect or recover the **insured vessel** will not be regarded as a waiver or acceptance of abandonment nor will it prejudice the rights of either you or us.

b. Appraisals of Physical Loss or Property Damage

If you and we fail to agree on the amount of **physical loss or property damage** to property covered under PART A – PROPERTY DAMAGE COVERAGE, either party may make a written demand that each selects an independent appraiser. In this event, the parties must notify each other of their selection within twenty (20) days. The independent appraisers will select an arbitrator within fifteen (15) days. If an arbitrator is not agreed upon within that time, either party may request selection of the arbitrator by a judge of a court of competent jurisdiction. The independent appraisers will then appraise the loss and submit any differences to the arbitrator. A decision in writing agreed to by the two appraisers or one appraiser and the arbitrator will be binding. Each appraiser will be paid by the party selecting him. You and we will share the expenses of the arbitrator equally.

c. Assignment

No assignment of or change of interest in this insurance or in any amount payable under it will be binding on us. No one covered under the **Policy** may assign or turn over any right or interest in regard to the **Policy** without our prior written consent.

d. Bankruptcy or Death

A **covered person's** bankruptcy or insolvency shall not relieve us of any of our obligations. Further, if a **covered person** dies or becomes bankrupt or insolvent during the **policy period**, the **Policy**, unless cancelled, will cover the **covered person's** legal representative for the remainder of the **policy period**.

e. Changes

No change or modification of the **Policy** shall be effective except when made by specific endorsement issued by us.

f. Change in Circumstances

If the **insured vessel** is sold, transferred to a new owner, or the controlling interest in the owning legal entity is changed, this insurance will be void and cancelled from the time of such sale, transfer or change of ownership. If the **insured vessel** is at sea at the time of such sale, transfer or change, this insurance will continue until her arrival at a safe port but must be requested by you in advance writing.

g. Choice of Law/Forum Selection

Any dispute regarding the coverage afforded under the **Policy** shall be governed by the rules and principles of federal admiralty law. In the event that a rule of federal admiralty law does not exist, then any dispute regarding the coverage afforded under the **Policy** shall be governed by the law of the State of New York, without giving effect to any conflict of laws principles which might cause the application of the law of any other state or jurisdiction. Any dispute regarding the coverage afforded under the **Policy** shall be subject to the exclusive

- jurisdiction of the U.S. federal district court for the district within which the Named Insured resides or the district within which the **Policy** was delivered.
- h. **Conforming to Trade Sanction Laws**  
Whenever coverage provided by the **Policy** would be in violation of any economic or trade sanctions or similar laws or regulations of any country that would prohibit us from providing insurance, such coverage shall be null and void.
- i. **Duplicate Coverage**  
If a loss is covered under more than one part of the **Policy**, we will pay you under the part giving you the greatest amount of coverage. In no event will we make duplicate payments for a single loss.
- j. **Due Diligence**  
It is warranted it shall be the duty of every **covered person** to exercise due diligence to maintain all insured property in good condition and repair. The **insured vessel** must be maintained in a seaworthy condition at all times.
- k. **Duties After a Loss**  
In the event of an **occurrence** which may give rise to a claim under the **Policy**, or if you and or any **covered person** under the **Policy** are sued in connection with an **occurrence** which may be covered under the **Policy**, you and any **covered person** must:
- (1) Give notice to us or your agent or broker as soon as reasonably possible of any incident that may result in any kind of claim under the **Policy**. If you think a crime has been committed you must also tell the police and, if appropriate, the coast guard or other maritime authority.
  - (2) Protect the property from further damage.
  - (3) Keep an accurate record of all repair expenses and provide us with bills, receipts and all related documents.
  - (4) As often as we require: allow inspection and testing of the damaged property; provide us with records and documents we request; and submit to separate examination under oath.
  - (5) Send to us within sixty (60) days of our request, your signed sworn proof of loss that sets forth, to the best of your knowledge: the time, place and cause(s) of loss, the interest of all others in the property any other insurance which may cover the loss; and the full amount claimed under each specific coverage.
  - (6) Provide us with the names and addresses of any known persons injured and any available witnesses.
  - (7) Provide us with any demand letters, letters of representation, suit papers and other documents which will help us defend any **covered person**.
  - (8) Assist and cooperate with us in the conduct of the defense by helping us: make settlement, enforce any right of contribution or indemnity against any person or organization who may be liable to a **covered person**, attend hearings and trials, and secure, give evidence and obtain the attendance of witnesses.
- l. **Legal Actions Against Us**  
No action shall be brought against us unless the **covered person** has complied with the **Policy's** provisions and for liability coverage, not until final judgment or agreement has set the amount of the insured person's legal obligation to us. You also agree to bring any action against us within one (1) year after a loss occurs, but not until sixty (60) days after proof of loss has been accepted or rejected by us. For liability coverage, no one has the right to join us in any action against any other **covered person**.
- m. **Liberalization**  
If we extend or broaden the insurance provided by the **Policy** without increasing the premium, then the extended or broader insurance will automatically be applied to the **Policy**. Navigation may be broadened only if the vessel is unintentionally navigated outside of the navigational limits for emergencies, provided that such exception is necessary to avoid casualty, prevent personal injury, or preserve human life.
- n. **Misrepresentation and Fraud**  
This insurance contract is void if any information provided to us is intentionally incomplete or inaccurate, or any material information has been withheld or misrepresented for any reason, either at the time of applying for the **Policy**, during the **policy period**, or part of any claim presented after an **occurrence**.
- o. **No Benefit to Bailee**  
This insurance policy shall not benefit any bailee.

p. Non-Renewal

If we decide to non-renew the **Policy**, we will mail you a written notice of non-renewal not less than thirty (30) days before the end of the **policy period** to your current address according to our underwriting file. Proof of mailing of notice mentioned above is sufficient proof of notice. Regardless, the **Policy** will also terminate at the end of the **policy period** if you have failed to make full payment of premium for the renewal of the **Policy**, or if you have notified us or our agent that you do not wish the **Policy** to be renewed

q. Other Insurance

When other insurance applies to a covered loss, we will pay only the portion of the loss that our amount of coverage bears to the total amount of insurance covering the loss.

r. Subrogation

If we pay a loss to anyone who has a right to recover against another person, legal entity or vessel, we assume those recovery rights to the limit of our loss payment amount. The person we paid will cooperate with us in our attempt to recover our payment and refrain from any action that prejudices our recovery rights.

s. Use of Vessel

Coverage is provided for the **insured vessel** while used for private pleasure purposes only. Entertaining business clients on the **insured vessel** is not considered charter or commercial use provided no financial remuneration of any type is received by you to operate or use the **insured vessel**.

t. Our Cancellation

We must notify you in writing of a cancellation for any reason and to the address on the DECLARATIONS PAGE. This notice will include the date and reason for the cancellation. We will refund any unearned premium on the effective date of cancellation, or as soon as possible thereafter. The unearned premium will be computed pro rata for the unexpired term of the **Policy**. We may cancel the **Policy** subject to the following conditions:

(1) Non-payment of Premium

If you fail to pay the premium by the due date we may cancel the **Policy** with ten (10) days' notice, whether the premium is due to us, to our agent, or under any finance or credit plan.

(2) Increase in Risk

We may cancel the **Policy** with thirty (30) days' notice in the event or circumstance of a material change or increase in the risk for the covered property.

(3) Conviction of Crime

We may cancel the **Policy** with thirty (30) days' notice if you have been convicted of a crime out of an act that increases the risk insured against.

u. Your Cancellation

You may cancel the **Policy** or any part of it at any time by notifying us in writing of the future date that the cancellation is to take effect. The unearned premium will be computed pro rata for the unexpired term of the **Policy**, and refunded.

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

This endorsement, effective 9/5/2019

At 12:01 A.M.

Forms a part of Policy No: SY00002802-191

Issued to: Caple Boat, LLC

By: Everest National Insurance Company

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## FLORIDA AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

RECREATIONAL MARINE POLICY  
RECREATIONAL MARINE PLUS POLICY

The **Policy** is amended as follows:

A. Wherever the words “warrants,” “warranties,” “warranted” or “warranty” appear in the **Policy**, you and we agree that they are representations.

B. GENERAL EXCLUSIONS AND CONDITIONS are amended as follows:

1. Paragraph 2.b. Appraisals of Physical Loss or Property Damage under GENERAL CONDITIONS is deleted in its entirety and replaced by the following:

b. Appraisals of Physical Loss or Property Damage

If you and we fail to agree on the amount of **physical loss or property** either party may make demand an appraisal of the loss. If either makes a written demand for appraisal, that each shall select a competent, independent appraiser and notify the other of the appraiser's identity within twenty (20) days of receipt of the written demand. The two appraisers shall then select a competent, impartial arbitrator within fifteen (15) days. If an arbitrator is not agreed upon within that time, you or we may request selection of the arbitrator by a judge of a court of record in the state of your residence. The appraisers shall then set the amount of the loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within a reasonable time, they shall submit their differences to the arbitrator. Written agreement signed by any two of these shall set the amount of the loss. Each appraiser will be paid by the party selecting him. Other expenses of the appraiser and the compensation of the arbitrator shall be paid equally by you and us.

2. Paragraph 2.I. Legal Action Against Us under GENERAL CONDITIONS is deleted in its entirety and replaced by the following:

I. Legal Actions Against Us

No action shall be brought against us unless the **covered person** has complied with the **Policy's** provisions. With respect to any claim for **physical loss or property damage** to insured property, any suit against us must be commenced within five (5) years of the date of loss or damage. With respect to any other claim, no suit may be brought against us until final judgment or agreement has set the amount of the insured person's legal

obligation to us. Any such legal action against us must be commenced within five (5) years of the date of judgment or written agreement. For liability coverage, no one has the right to join us in any action against any other **covered person**.

3. Paragraph 2.p. Non-Renewal under GENERAL CONDITIONS is deleted in its entirety and replaced by the following:

m. Non-Renewal

If we decide to non-renew the **Policy**, we will mail you a written notice of non-renewal not less than forty-five (45) days before the end of the **policy period** to your current address according to our underwriting file. Proof of mailing of notice mentioned above is sufficient proof of notice. Regardless, the **Policy** will also terminate at the end of the **policy period** if you have failed to make full payment of premium for the renewal of the **Policy**, or if you have notified us or our agent that you do not wish the **Policy** to be renewed

4. Paragraph 2.t. Our Cancellation under GENERAL CONDITIONS is deleted in its entirety and replaced by the following:

t. Our Cancellation

We must notify you in writing of a cancellation for any reason and to the address on the DECLARATIONS PAGE. This notice will include the date and reason for the cancellation. We will refund any unearned premium on the effective date of cancellation, or as soon as possible thereafter. The unearned premium will be computed pro rata for the unexpired term of the **Policy**. We may cancel the **Policy** subject to the following conditions:

(1) Non-payment of Premium

If you fail to pay the premium by the due date we may cancel the **Policy** with ten (10) days' notice, whether the premium is due to us, to our agent, or under any finance or credit plan.

(2) Increase in Risk

We may cancel the **Policy** with forty-five (45) days' notice in the event or circumstance of a material change or increase in the risk for the covered property.

(3) Conviction of Crime

We may cancel the **Policy** with forty-five (45) days' notice if you have been convicted of a crime out of an act that increases the risk insured against.

5. The following provision is added:

Payment of Loss

We will pay for losses covered under this **Policy** within twenty (20) days after:

- (1) We reach an agreement with you; or
- (2) An arbitration award is rendered.

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

This endorsement, effective 9/5/2019

At 12:01 A.M.

Forms a part of Policy No: SY00002802-191

Issued to: Caple Boat, LLC

By: Everest National Insurance Company

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## **THEFT DEDUCTIBLE WITH GPS WARRANTY**

This endorsement modifies insurance provided under the following:

RECREATIONAL MARINE POLICY  
RECREATIONAL MARINE PLUS POLICY

The following provision is added to PART A – PROPERTY DAMAGE COVERAGE:

### **THEFT DEDUCTIBLE**

In the event of the theft of the **insured vessel** and/or its engine(s), the payment on a covered loss will be reduced by an amount equal to 5% of the PART A – PROPERTY DAMAGE COVERAGE limit or \$10,000, whichever is more.

It is warranted that in order for coverage to apply, the vessel must be equipped with a GPS Tracking Device and Monitoring System which meets the following qualifications:

1. The System must be professionally installed and active at the time of loss. Proof is required;
2. The System must be a live, interactive satellite tracking device designed for offshore and open ocean monitoring; and
3. The System must be capable of sending out an automatic alert when unauthorized movement is detected on the vessel.

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

This endorsement, effective 9/5/2019

At 12:01 A.M.,

Forms a part of Policy No: SY00002802-191

Issued to: Caple Boat, LLC

By: Everest National Insurance Company

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## **NAVIGATION WARRANTY**

### **All Florida**

This endorsement modifies insurance provided under the following:

RECREATIONAL MARINE POLICY  
RECREATIONAL MARINE PLUS POLICY

The NAVIGATION WARRANTY is hereby amended to the following:

#### **Navigational Limits**

Atlantic and Gulf coastwise and inland Tributary waters of the United States and Canada between St. John, New Brunswick and Pensacola, FL including the Bahamas.