



YACHT POLICY

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Amelia, OH**

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A Stock Insurance Company
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IMPORTANT NOTICE

This **policy** is a legal contract between **you** and **us**. Some of the key terms are displayed in bold type and defined on Pages 2 and 3. It is **your** responsibility to be aware of, and comply with, the limitations and conditions of this **policy**. First, review **your** Declarations to confirm the coverages and limits **you** purchased. Then carefully read **your policy** including all endorsements. This is especially important since watercraft policies differ between insurance companies. Pay particular attention to the coverage exclusions and the reduced coverage limits that apply in some situations.

AGREEMENT

We agree to provide insurance for the Coverages that **you** have purchased. The insurance is subject to the conditions and terms described in this **policy**.

DEFINITIONS

1. **Accident** means a direct, sudden and accidental casualty or specific unforeseen event caused by an external cause. **Accident** specifically does not include:
 - a. The results of the ordinary action of wind, weather, and waves on a covered **yacht**;
 - b. The natural decay, normal wear and tear of covered property or **personal effects**.
2. **Actual Cash Value** means the replacement cost of the covered property at the time of loss, less deduction for any depreciation.
3. **Agreed Value** means the amount of insurance for **your yacht** as shown in the Declarations without any deduction for depreciation.
4. **Auxiliary Equipment** means **your** portable boating equipment including trolling motors, not permanently installed aboard but normally required or used to operate or maintain **your yacht** or **dinghy**.
5. **Betterment** means the increased value of property after a loss, when repair or replacement results in better than like, kind or quality.
6. **Bodily injury** means physical injury to the body of a person including resulting death. Not included are communicable diseases or sickness.
7. **Commercial purpose** means any use of the **yacht** for which an **insured person** receives, or intends to receive, money, professional endorsements (includes but not limited to paid entry fees, improvements to the **yacht**, provided equipment or machinery, corporate sponsorship, etc.), supplemental income or other economic benefits. It does not include an **insured person**:
 - a. Sharing operating costs of a trip with guests;
 - b. Receiving prizes for participating in water skiing tournaments, local sailing regattas, and poker runs;
 - c. Participating in fishing tournaments unless the **insured person** received more than 50 (fifty) percent of their annual income on a gross basis through professional endorsements (as described in 7. above), expected income or other economic benefits relating to fishing tournaments.
8. **Constructive Total Loss** means a loss in which the reasonable expense of recovering and repairing **your yacht** equals or exceeds the Amount of Insurance as shown in the Declarations.
9. **Contaminant** means any petroleum product, chemical, lubricant, solvent or other harmful substances of any kind or nature normally associated with the ownership, maintenance and use of the insured **yacht** or **dinghy**.
10. **Covered event** means the unintentional /unintended discharge, leakage or spillage of a **contaminant** due to an **accident** from the **yacht** into or upon the water or land to a specific time and place within the **policy** period.
11. **Diminution in value** means the actual or perceived reduction in market or resale value that may allegedly result from a loss.
12. **Dinghy** means any boat 16 feet in length or less including its motor(s) not exceeding 50 horsepower, owned by **you** and used primarily to travel over water to and from **your yacht**. However, **dinghy** does not include any **personal watercraft**.
13. **Family member** means a parent, spouse, son or daughter (whether natural, adopted, or step) residing in the same household.
14. **Fishing Equipment** means rods, reels, lures and rigs, lines, nets, tackle and tackle boxes.
15. **Insured person** means:
 - a. **You**;
 - b. A **family member**;
 - c. Any person or legal entity while operating **your yacht** or **dinghy**, for private pleasure use with **your** permission and without a charge, fee or other financial benefit or remuneration.However, the definition of **insured person** does not include:
 - d. Any paid captain or crew member unless added by endorsement or automatically covered in **SECTION VI: PROTECTION AND INDEMNITY COVERAGE**, paragraph D., or any person or legal entity conducting **marine business**.

16. **Latent Defect** means a hidden flaw inherent in the material existing at the time of the original building of the **yacht**, which is not discoverable by ordinary observation or methods of testing.
17. **Lay-up** means taking **your yacht** out of active service and decommissioning for a period of time as shown in the Declarations. **Lay-up** must be stored on land.
18. **Marine business** means making, repairing, servicing, towing, chartering, renting, or selling watercraft; or operating a marina, boatyard, yacht club, or watercraft school; or any other commercial marine activity.
19. **Named storm** means a tropical depression, tropical storm or hurricane (or any subsequent spawned tornadoes, flooding, or wind) as those so designated by the National Weather Service and/or the National Hurricane Center.
20. **Navigational territory** is defined as 150 miles from a safe port, harbor, or anchorage in the United States, Canada, or the Pacific Coast of Mexico (not south of the Rio Santo Tomas, Mexico) and any other waters where **your yacht** or **dinghy** is permitted to operate as described in the Declarations.
21. **Occurrence** means an **accident**, including continuous or repeated exposure to substantially the same general harmful conditions that results during the **policy** period, in **bodily injury** or **property damage**.
22. **Personal Effects** means any property not otherwise excluded, owned by an **insured person**, a guest of an **insured person** or a paid captain or paid crew member, while it is aboard **your yacht** or **dinghy** or while being loaded onto or unloaded from **your yacht** or **dinghy**.
23. **Personal Watercraft** means a jet-ski, hydro cycle, or other vessel which uses an inboard powering water jet pump as its primary source of motor power which is designed to be operated by a person sitting, standing, or kneeling on the vessel, rather than the conventional manner of sitting or standing inside the vessel.
24. **Policy** means **your yacht Insurance Policy**. It includes the application, the Declarations, and any applicable forms and endorsements.
25. **Property damage** means physical damage to or destruction of tangible property of others, not otherwise insured by this **policy**. It includes the loss of use of such property.
26. **Salvage expenses** mean the expenses for which **you** are liable under maritime law resulting from the voluntary rescue of **your yacht**.
27. **Total Loss** means a loss in which **your yacht** is completely lost or destroyed.
28. **We, us, and our** mean the insurance company identified in the Declarations.
29. **Workers' compensation** means compensation prescribed by any state or federal law for **bodily injury** to an employee during the course of employment. This includes, but is not limited to, any employment, unemployment, disability, **workers' compensation**, occupational disease law, Jones Act, Federal Longshore and Harbor Workers' Compensation Act, or any other state or federal workers' law.
30. **Yacht** means the vessel, owned by **you**, as shown in the Declarations, including its hull, machinery, spars, sails, fittings, furniture, customary communication, navigation, safety and other permanently installed equipment located on board and normally required for the operation or maintenance of the vessel. Not included are:
- Trailers;
 - Fishing or sporting equipment;
 - Fuel and consumables;
 - Personal computer equipment and software;
 - Cassettes, tapes, compact disks, and similar items used for the storage of video, sound, or electronic data.
31. **Your insured watercraft** means the **yacht** and/or **dinghy** shown in the Declarations.
32. **You and your** mean the Named Insured identified in the Declarations.

SECTION I: GENERAL POLICY TERMS, CONDITIONS, LIMITATIONS, AND AGREEMENTS

The following terms, conditions, limitations and agreements, apply to all **SECTIONS**, and coverages provided by this **policy**.

A. Policy Period

This **policy** applies only to a covered loss or **occurrence** during the **policy** period as shown in the Declarations.

B. Concealment, Misrepresentation or Fraud

The entire **policy** will be void if, in connection with **your** insurance application, whether before or after a loss or **occurrence** any **insured person** has;

1. Misrepresented or failed to disclose any material fact or circumstance or made any false statement related to this insurance; or
2. Engaged in fraudulent conduct.

Moreover, if a person knowingly makes a claim based on false information with the purposes of defrauding **us**, that person may be guilty of insurance fraud, which is a felony. **We** have a duty to seek out insurance fraud and report it to appropriate authorities. **We** will then cooperate fully with authorities as required by law.

C. Changes in Policy

The **policy** contains all of the agreements between **you** and **us**. The terms may not be changed or waived except by endorsement issued by **us**.

D. Transfer of Interest

The **policy** will automatically terminate without notice by **us**, upon the sale, assignment, pledge or other transfer of **your** ownership or insurable interest, in whole or in part, in **your yacht** or **dinghy** unless prior written consent has been obtained from **us**. However, if **you** should die during the **policy** period, **we** will automatically cover **your** legally appointed representative as a named insured with respect to his or her interest in **your yacht** or **dinghy**.

E. Canceling this Policy

Your cancellation – **you** may cancel this **policy** by giving **us** or **our** authorized representative notice of the date cancellation is to take effect.

Our cancellation – If **you** have paid the premium when due and **we** decide to cancel this **policy** **we** will give **you** at least 20 days written notice of **our** decision to cancel this **policy**.

If **you** have not paid the premium by the due date, **we** may cancel this **policy** by giving **you** 10 days written notice. Also, only 10 days notice will be given if the **policy** has been in effect less than 60 days and is not a renewal **policy**.

Evidence of mailing of **our** cancellation notice to **you** at the address as shown in the Declarations will be sufficient proof that **you** have been notified.

F. Return of Premiums

If this **policy** is cancelled, **you** may be entitled to a premium refund. If **you** cancel the **policy**, any return premium may be computed on a short rate basis, subject to **our** retention of any minimum premium shown in the Declarations. If **we** cancel this **policy**, any return premium will be computed on a pro-rata basis.

Any return premium will be paid to **you** as soon as possible after the cancellation. However, making or offering to make the refund is not a condition of cancellation. In the event of a **total loss** or a **constructive total loss**, any paid premium will be considered fully earned and no refund will be made.

G. Renewal, Non-Renewal and Termination of Coverage

Renewal – **We** may offer to renew this **policy** by providing **you** renewal Declarations along with a bill for the premium.

Non-Renewal – If **we** decide not to renew this **policy** **we** will give **you** at least 30 days notice of **our** decision not to renew. Evidence of mailing of **our** nonrenewal notice to **you** at the address as shown in the Declarations will be sufficient proof that **you** have been notified.

Automatic termination – If **we** offer to renew **your policy** and **you** or **your** authorized representative do not accept, this **policy** will automatically terminate, without notice of termination, at the end of the current **policy** period. Failure to pay the required renewal premium when due will mean **you** have not accepted **our** offer.

H. Policy Reinstatement

Our receipt and deposit of **your** premium payment after mailing a notice of cancellation will not reinstate the **policy**. However, cancellation for nonpayment of premium will not be effective if the required payment is received before the cancellation date.

I. Conformity to State Law or Federal Statute

If any provision of this **policy** is deemed unenforceable pursuant to any applicable state law or federal statute, this **policy** shall conform to the minimum requirements of that law or statute.

J. Broadening of Coverage

If **we** adopt any change during the term of this **policy** applicable to all **yacht** policyholders in **your** state that broadens coverage without additional premium, the broader coverage will automatically apply to **you** as of the effective

date of the revision.

K. Private Pleasure Use Agreement

You expressly agree that **your yacht** and **dinghy** will be used solely for private pleasure use. The agreement applies to all **insured persons**.

Coverage will not apply during any period in which **your yacht** and **dinghy** are used for non-private pleasure use such as for charter, hire, to carry persons or property for a fee or for any other **commercial purpose**, corporate or business use, unless prior written consent has been obtained from **us**. Business entertainment for which there is no direct remuneration will be considered as being private pleasure use.

L. Navigation Agreement

You expressly agree that **your yacht** and **dinghy** will be confined to the **navigational territory**. This agreement applies to all **insured persons**.

Coverage will not apply during any period in which **your yacht** and **dinghy** are outside of the **navigational territory** as shown in the Declarations unless prior written consent has been obtained from **us**. **You** must pay any additional premiums if given consent for this extension of coverage.

M. Lay-Up Agreement

You expressly agree that **you** will **lay-up your yacht** onshore for the period of time as shown in the Declarations. This agreement applies to all **insured persons**.

During the **lay-up** period, **your yacht** must be maintained for the conditions reasonably expected during the **lay-up**. In addition, **your yacht** cannot be used for any boating activities or as living quarters during the **lay-up** period.

N. No Benefit to Others

No person or organization that has custody of **your yacht** or **dinghy** and is to be paid for services, directly or indirectly, in cash or in kind, will benefit from this insurance.

O. Other Insurance

If at the time of loss, there is any other applicable insurance, any insurance provided by this **policy** will be deemed excess over any other valid and collectible insurance.

P. Captain and Crew Agreement

It is agreed that the captain must hold a valid, current captain's license, all crew members

must be eighteen (18) years of age or older, and no captain or crew member is a **family member**.

There shall be no more than the number of crew members listed in the Declarations page, including the captain, employed aboard the vessel at any one time. It is further understood and agreed that in the event additional crew are to be employed, the **insured person** shall give prior notice to **us** and pay such additional premium as is required. If the **insured person** fails to give such prior notice and at the time of loss in respect to crew there is a greater number employed than that which is stated above, the insurance shall respond only in the proportion that the stated number of crew bears to the number on board at the time of the **accident**.

Q. Agreed Value Agreement

You agree that **we** may change the **agreed value** when the **policy** is renewed to reflect current costs and values.

SECTION II: GENERAL POLICY EXCLUSIONS

The following exclusions apply to all **SECTIONS** and coverages provided by this **policy**:

We do not cover any loss or damage caused by:

A. Concealment, Misrepresentation or Fraud

The coverage provided by this **policy** depends on the statements **you** made in **your** application. If **you** or any **insured person** intentionally conceals or misrepresents any material fact or circumstance, whether before or after a loss, this **policy** is void and **you** will no longer be protected by it.

B. Dishonest or Illegal Acts

We do not cover any loss, damage, injury, or expense that occurs while any **insured person** is engaged in any dishonest or illegal act, regardless of whether such person is convicted of such act by a criminal court.

C. Intentional Injury or Damage

We do not cover any loss, damage, injury, or loss of life which is intentionally caused by any covered person, regardless of whether or not such person is convicted of such act by a criminal court.

D. War, Confiscation or Nuclear Exclusion

We do not cover any loss, damage, injury, or loss of life which is caused by:

1. War, including undeclared war, civil war, civil strife, insurrection, rebellion, revolution, hostilities or warlike acts by military force or military personnel, destruction or seizure for military purposes, or any consequences of these actions, whether there is a declaration of war or not;
2. The lawful or unlawful capture, seizure, confiscation, arrest, lien, requisition, detention or impoundment of **your yacht** or **dinghy** by a civil or military authority or repair facility/boat yard or any consequences of these actions; or an attempted threat, whether in time of peace or war;
3. The hazardous properties, including radioactive, toxic or explosive properties, of nuclear material, whether it is source material or byproduct material as defined in the Atomic Energy Act of 1954 or in any law amendatory thereof, no matter how it is caused.

E. Racing

We do not cover any loss that occurs or damage that results while **your yacht** or **dinghy** is being operated in any capacity in an official race or speed test. However, this exclusion does not apply to sailboats participating in local races or powerboats participating in predicted log events.

SECTION III: HULL AND AUXILIARY EQUIPMENT COVERAGE

A. Coverage

We cover the following property against accidental direct physical loss or damage caused by an **occurrence** except as specifically excluded:

1. **Your yacht.**
2. **Your** outboard motor(s), including:
 - a. Portable fuel tanks and fuel lines;
 - b. Electric starting equipment including batteries; and
 - c. Controls supplied by the manufacturer as part of the outboard motor.
3. **Your auxiliary equipment.** However, **auxiliary equipment** does not include:

- a. Outboard motors;
- b. **Personal watercraft**, or similar types of vessels;
- c. Moorings, cradles, boat lifts, or similar apparatus used for the mooring or storage of **your yacht** or **dinghy**; or
- d. **Personal effects** including **fishing equipment** and scuba gear.

4. **Your auxiliary equipment** on shore. **We** will cover **your auxiliary equipment** when it is temporarily removed from **your yacht** or **dinghy** for storage on shore. However, the Amount of Insurance on **your yacht** or **dinghy** will be automatically reduced by the total value of this **auxiliary equipment** while it is being stored away from **your yacht** or **dinghy**.
5. **Your** trailer if scheduled by endorsement, provided it is used solely for the purpose of transporting **your yacht** or **dinghy**.

6. Your dinghy.

B. Overland Transportation

We cover physical damage to **your yacht** or **dinghy** if damaged overall on its trailer, including loading and unloading by an **insured person**. However, coverage while being transported on any contract of common carrier for hire applies only within a 500 mile radius from **your** home port or storage yard, unless endorsed to this **policy**. **We** do not cover **your yacht** or **dinghy** if it is being transported as waterborne cargo including loading or unloading.

C. Protection and Recovery / Salvage Expenses

We will cover the reasonable costs **you** incur to protect or cover **your yacht** or **dinghy** from further loss or damage following a covered loss, including making any necessary temporary repairs to protect the property from further damage. In addition **we** will pay:

1. The cost of transporting the **yacht** or its parts to the nearest reasonable place of repair. Transporting will be by the least costly reasonable means.
2. **Salvage expenses** that:
 - a. **We** agree to pay;
 - b. Are awarded by a United States Court; or
 - c. Are determined by an arbitration board

in the United States that **you** and **we** agree to authorize for this purpose.

This coverage is in addition to those coverages included in **SECTION III** of this **policy**.

D. Exclusions

In addition to the **SECTION II: GENERAL POLICY EXCLUSIONS**, **we** do not cover any of the following, or loss or damage caused by or resulting from any of the following regardless of whether any cause or event contributed concurrently or in any sequence or in any way to the loss:

1. Wear and tear, neglect;
2. Mechanical, engine, transmission, electrical, or structural failure;
3. Electrical damage not caused by lightning;
4. Engine overheating, inadequate lubrication, fuel contamination or abnormal combustion;
5. Mechanical breakdown;
6. Gradual deterioration; deterioration caused by weathering;
7. Insects, animals, birds, rodents, vermin, marine life, except if caused by collision;
8. Marring, scratching, weathering, fading, chipping or denting;
9. Inherent vice, wet or dry rot, mold, mildew, fungus, rust or corrosion;
10. Osmotic blistering, delamination, or bubbling;
11. **Latent defect**. However, any resulting direct physical loss or damage to **your yacht** resulting from the **latent defect** will be covered;
12. Improper repair;
13. Freezing, thawing, or contact with ice;
14. Theft or disappearance of **auxiliary equipment** unless:
 - a. **Your yacht** or **dinghy** is stolen at the same time; or
 - b. There is evidence that the property was forcibly removed;
15. Decrease in value, loss of use, or lost profits;

16. Previously unrepaired damage that occurred either prior to the **policy** effective dates as shown in the Declarations or where an **insured person** has previously received full or partial payment from **us**;

17. **Diminution in value**;

18. Legal or illegal seizure or confiscation, or during detention, by any governmental body; or

19. A taking, holding, hiding, repossession or sale by:

- a. Anyone to whom was given the **yacht's** care, custody, control, or use; or
- b. Anyone making a claim for or against the **yacht** under contract agreement or law.

20. Loss caused by the theft or conversion of **your yacht** or **dinghy** by a person to whom **you** have voluntarily entrusted **your yacht** or **dinghy**;

21. Loss resulting from conversion, embezzlement or secretion by any person who has a lien, rental, or sales agreement.

E. Loss Payment

In the event of a covered loss, **we** will pay as follows:

1. **Total Loss**. If **your yacht** is a **total loss** or determined to be by **us** a **constructive total loss**, **we** will pay the Amount of Insurance as shown in the Declarations.
2. **Partial Loss**. Unless otherwise stated in this **policy**, **we** will pay the reasonable cost of repair or replacement of damaged or stolen property, up to the Amount of Insurance as shown in the Declarations. **We** may reduce **our** payment for **betterment** and depreciation on parts over ten (10) years old based on the parts' condition and expected useful life just prior to the loss.
3. **Pairs, Sets or Parts**. In case of a covered loss or damage to a pair or set, **we** may elect to repair or replace any item to restore the pair or set to its condition just before the loss or pay the difference between the **actual cash value** of the pair or set before and after the loss. In case of loss to any part of covered property consisting of several parts when complete, **we** will pay only for the value of the part lost or damaged.

4. Repairs. If **your yacht** or **dinghy** needs repair after a covered loss, **we** will have the option of paying the reasonable costs of repairs in accordance with the manufacturer's specifications or generally accepted repair practices. **We** may also, at **our** option, replace parts with parts that have been remanufactured or reconditioned.

We will pay the lesser of:

- a. The Amount of Insurance for **your yacht** or **dinghy**; or
- b. The amount for which **your yacht** or **dinghy** can reasonably be repaired to its condition just prior to the loss.

F. Amount of Insurance

The most **we** will pay under the **policy** for damages to **your yacht**, and **auxiliary equipment** or **dinghy** under paragraphs **A.** and **B.** of this **SECTION** is the Amount of Insurance as shown in **SECTION III** of the Declarations. **We** will not pay more than the limit shown in the Declarations for damages to **your dinghy**.

The most **we** will pay under the **policy** for expenses related to paragraph **C.** of this **SECTION** is the Amount of Insurance as shown in the Declarations.

The Amount of Insurance for paragraphs **A.** and **B.** will not be reduced by payments made for expenses under paragraph **C.**

G. Deductible Amount

We will adjust each claim for a covered loss to **your yacht** or **dinghy** separately. The amount of each adjusted claim will be automatically reduced by the deductible amount as shown in the Declarations.

The deductible amount will not apply in the event of a **total loss** or a **constructive total loss** unless caused by **named storm** to **your yacht**.

SECTION IV: PERSONAL EFFECTS COVERAGE

A. Coverage

We cover **personal effects**, including **fishing equipment**, against accidental direct physical loss or damage caused by an **occurrence** except as specifically excluded.

B. Exclusions

In addition to the **SECTION II: GENERAL POLICY EXCLUSIONS**, **we** do not cover any of the following, or loss or damage caused by or resulting from any of the following, regardless of whether any other cause or event contributed concurrently or in any sequence or in any way to the loss:

1. Wear and tear, neglect;
2. Gradual deterioration; deterioration caused by weathering;
3. Insects, animals, birds, rodents, vermin, marine life except if caused by collision;
4. Marring, scratching, weathering, fading, chipping or denting;
5. Theft or unexplained disappearance unless:
 - a. **Your yacht** or **dinghy** is stolen at the same time; or
 - b. There is evidence that the property was forcibly removed or stolen;
6. Changes in temperature or humidity; or
7. Electrical damage not caused by lightning.

We do not cover any loss or damage due to any cause for any of the following property:

1. Money, jewelry, furs, travelers checks, coins or currency, watches;
2. Motorized vehicles;
3. Computer equipment including any hardware or software unless used exclusively aboard and permanently attached to and for the service of **your yacht**;
4. Cassettes, tapes, compact disks, and similar items used for the storage of music or electronic data;
5. Firearms;
6. Consumables;
7. Fine arts, paintings, antiques, collectibles, china, glassware, or silver; or
8. Any property insured, in whole or in part, by this or any other insurance.

C. Loss Payment

In the event of a covered loss to **personal effects**, **we** will pay the lesser of:

1. The **actual cash value** of the **personal effects**; or
2. The amount necessary to repair or replace the stolen or damaged **personal effects**;

If Replacement Cost **personal effects** is shown on the Declarations and the loss is a total loss:

1. **We** will pay up to the Amount of Insurance as shown on the Declarations if the **personal effects** are not replaced; or
2. **We** will pay the cost to replace the **personal effects** with new **personal effects** if the **personal effects** are replaced.

We may, at **our** option:

1. Pay for the loss in money; or
2. Repair or replace the damaged or stolen **personal effects**.

In case of a covered loss or damage to a pair or set, **we** may elect to repair or replace any item to restore the pair or set to its condition just before the loss or pay the difference between the **actual cash value** of the pair or set before and after the loss. In case of loss to any part of covered property consisting of several parts when complete, **we** will pay only for the value of the part lost or damaged.

D. Amount of Insurance

The most **we** will pay under the **policy** for loss or damage to **personal effects** for any one **occurrence**, regardless of the number of claimants or amount of each claim, is the Amount of Insurance as shown in the Declarations.

E. Deductible Amount

We will adjust each claim for a covered loss to **your personal effects** separately. The amount of each adjusted claim will be automatically reduced by the deductible amount as shown in the Declarations. However, this deductible will be waived if loss also occurs, at the same time, to the **yacht** and the deductible shown in the Declarations is fully applied.

SECTION V: TOWING AND EMERGENCY EXPENSE COVERAGE

A. Coverage

When coverage is provided under **SECTION III: HULL AND AUXILIARY EQUIPMENT COVERAGE**, **we** will pay the reasonable costs

you incur for the following emergency services to **your yacht** if it is disabled while navigating or trailering and **you** cannot get voluntary help:

1. Towing of **your yacht** 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; or
3. Trailer roadside service, including towing **your** scheduled trailer to the nearest place where necessary repairs can be made.

B. Exclusions

SECTION II: GENERAL POLICY EXCLUSIONS applies to this **SECTION**. In addition to the **SECTION II: GENERAL POLICY EXCLUSIONS** **we** do not provide coverage when **your yacht** or **dinghy** is docked, moored, anchored, or parked in a safe location.

C. Amount of Insurance

The most **we** will reimburse **you** for each covered loss under the **policy** for Towing and Emergency Expense Coverage is the Amount of Insurance as shown in the Declarations.

D. Deductible

No deductible applies to Towing and Emergency Expense Coverage.

SECTION VI: PROTECTION AND INDEMNITY COVERAGE

A. Coverage

We will pay those sums that the **insured person** becomes legally obligated to pay as damages because of **bodily injury** or **property damage** caused by an **occurrence** to which this insurance applies. **We** have the right and duty to investigate, settle and defend, as **we** consider appropriate, any claim or suit seeking covered damages. **We** have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy.

1. Bodily Injury or Property Damage

We will pay damages for **bodily injury** or **property damage** for which an **insured person** is legally responsible arising out of owning, maintaining or using **your yacht** or **dinghy**.

2. Paid Crew Member Bodily Injury

We cover liability for which the **insured person** is legally responsible under the Federal Jones Act, 46 U.S.C. App. § 688. This coverage may be sub-limited. Please refer to paragraph **D.1.** of this **SECTION**.

3. Wreck Removal

If **you** are legally required by any civil authority to remove or otherwise dispose of the wreck of **your yacht** or **dinghy**, **we** will pay the reasonable cost to raise, remove and dispose of **your yacht** or **dinghy**.

4. Accidental Fuel Spill

We will pay the reasonable cost for the proper containment, clean up and resulting **property damage** excluding **bodily injury** caused by an accidental fuel spill that comes from **your yacht** or **dinghy** for which **you** are legally responsible provided **you**:

- a. Immediately notify the United States Coast Guard or other appropriate state, local or federal authority of the accidental fuel spill as required by law;
- b. Take appropriate action as soon as possible, including making any necessary temporary repairs to fix the cause of the accidental fuel spill and prevent further spillage; and
- c. Provide all reasonable cooperation and assistance requested by a responsible official in connection with the containment or clean up of the accidental fuel spill.

B. Exclusions

In addition to the **SECTION II: GENERAL POLICY EXCLUSIONS**, **we** do not provide coverage for:

1. Liability assumed by **you** or any **insured person** under any contract or agreement, including but not limited to restitution orders or judgments;
2. **Bodily injury** to **your** spouse or any **insured person**;
3. **Bodily injury** or **property damage** arising out of the transportation, including loading or unloading, of **your yacht** or **dinghy** on land, sea or air;
4. **Bodily injury** or **property damage** arising out of noise or vibration;

5. Bodily injury arising out of:

- a. Communicable diseases or sickness;
- b. Any sexual act, including, but not limited to, assault, molestation, abuse, incest, or rape; or
- c. Corporal punishment or physical or mental abuse;

6. Bodily injury or property damage arising out of the operation or use of any personal watercraft or similar type vessel;

7. Bodily injury or property damage while your yacht or dinghy is used in connection with parasailing, kiteskiing or similar activity;

8. Bodily injury for which benefits are required to be provided for are available under workers' compensation;

9. Bodily injury arising out of or relating to the discharge, leakage, emission or spillage of petroleum products, chemicals, radioactive material, or nuclear material of any kind;

10. Bodily injury or property damage arising out of or relating to bacteria, viruses, mold or other substances of like kind or nature;

11. Punitive damages, meaning damages that are awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a penalty, or any similar exemplary damages that are awarded or imposed other than as compensatory damages;

12. Fines, penalties or costs of defense arising out of a criminal or civil violation of law or assessment by a governmental authority;

13. Bodily injury or property damage when an insured person is insured under nuclear energy liability insurance. This exclusion applies even if the limits of that insurance are reached;

14. Property damage to property:

- a. Owned by an **insured person** or his or her **family members**;
- b. Rented to or in the care, custody, or control of an **insured person**.

This exclusion does not apply to **property damage** to a slip, dock or lift that **you** rent to dock or moor **your yacht**;

15. **Salvage expenses**; or

16. Liability for **bodily injury**, disease, death, or mental illness or anguish caused by an Accidental Fuel Spill.

C. Loss Payment

Any payment made under **SECTION VI** of the **policy** will automatically reduce the Amount of Insurance available under **SECTION VIII: UNINSURED / UNDERINSURED BOATER COVERAGE** but only for claims being made under **SECTION VIII: UNINSURED / UNDERINSURED BOATER COVERAGE** arising from the same **occurrence**.

D. Amount of Insurance

1. Subject to the provisions below, the most **we** will pay for all damages resulting from any one **accident** or **occurrence** is the Amount of Insurance as shown in the Declarations. This limit is the same regardless of the number of **insured persons**, claims, claimants, suits, demands, persons injured, vessels involved or the number of **yachts** or **dinghies** insured under this **policy**. The most **we** will pay for **property damage** to **personal effects** that are carried aboard the **yacht** or **dinghy** is \$500. This does not apply to **personal effects** of **you** or **your family members**.

Sub-limit for Bodily Injury to a Paid Captain or Paid Crew Member:

- a. Unless otherwise endorsed on this **policy**, the sub-limit for any paid captain or paid crew member(s) **bodily injury**, maintenance and cure and unearned wages is \$25,000 per **occurrence** for which an **insured person** becomes legally responsible under the Federal Jones Act or General Maritime Law.
- b. This sub-limit does not apply to any paid captain or paid crew member employed for less than 15 days total during the **policy** term.
- c. This sub-limit is included in the Amount of Insurance for **SECTION VI** and does not increase the Amount of Insurance.

Accidental Fuel Spill:

The most **we** will pay for all loss or damage caused by an accidental fuel spill arising from an **occurrence** covered under the **policy** is the Amount of Insurance as

shown in the Declarations. This is the most **we** will pay regardless of the number of **insured persons**, claims, claimants, suits, demands, vessels involved or the number of **yachts** or **dinghies** insured under this **policy**.

2. Any costs **we** pay for investigation and legal expenses are in addition to the Amount of Insurance as shown in the Declarations.
3. **Our** duty to settle or defend ends when the applicable Amount of Insurance for this coverage as shown in the Declarations has been exhausted by the payment of judgments or settlements. We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy.

SECTION VII: MEDICAL PAYMENTS COVERAGE

A. Coverage

We will pay for reasonable medical, ambulance, hospital, professional nursing and funeral costs to any person that becomes necessary due to **bodily injury** caused by an **occurrence** while on, leaving or boarding **your yacht** or **dinghy**.

We will pay only for those costs incurred within one year of the date of the **occurrence**.

B. Exclusions

In addition to the **SECTION II: GENERAL POLICY EXCLUSIONS**, **we** do not cover any of the following for loss or damage caused by or resulting from any of the following, regardless of whether any other cause or event contributed concurrently or in any sequence or in any way to the loss:

1. Liability assumed by an **insured person** under any contract or agreement;
2. **Bodily injury** arising out of the transportation of **your yacht** or **dinghy** over land, sea or air;
3. **Bodily injury** to a person who trespasses on the **yacht** or **dinghy**;
4. **Bodily injury** to any person while on, leaving or boarding **your yacht** or **dinghy** without the permission of an **insured person**;
5. **Bodily injury** to any person or legal entity conducting **marine business**;
6. **Bodily injury** for which benefits are required

to be provided for are available under **workers' compensation**; or

7. **Bodily injury** that occurs in connection with parasailing, kiteskiing or similar activity.

C. Loss Payment

Any payment made under this **SECTION VII** of this **policy** shall not reduce the amount payable under **SECTION VI: PROTECTION AND INDEMNITY COVERAGE** or **SECTION VIII: UNINSURED/ UNDERINSURED BOATER COVERAGE**

Our payment will be reduced by any amounts paid or recoverable from the injured person's health plan or medical insurance. Payment under this coverage is not an admission of liability by **you** or **us**.

D. Amount of Insurance

The most **we** will pay for each person injured as a result of an **occurrence** covered under the **policy** is the Amount of Insurance as shown in the Declarations.

SECTION VIII: UNINSURED/UNDERINSURED BOATER COVERAGE

A. Coverage

We will pay for damages which, because of **bodily injury** caused by an **occurrence** and received while on, leaving or boarding **your yacht or dinghy, you** or a **family member** are legally entitled to recover from an uninsured/underinsured boater of another vessel. An uninsured/underinsured boater does not include:

1. An operator of a vessel owned by or chartered to a government unit or agency; or
2. An operator of a vessel having the benefit of any liability or Protection and Indemnity insurance coverage for the **accident** or **occurrence** regardless of the terms, coverage limits or deductibles applicable to that coverage.
3. **You or your family members.**

B. Exclusions

In addition to the **SECTION II: GENERAL POLICY EXCLUSIONS**, **we** do not cover any of the following for loss or damage caused by or resulting from any of the following, regardless of whether any other cause or event contributed concurrently or in any sequence or in any way

to the loss:

1. A person struck by a **yacht** or **dinghy** owned by **you** or any **insured person**;
2. A claim for **bodily injury** that any person or legal representative settles without **our** written consent;
3. **Bodily injury** to any person eligible to receive benefits under any **workers' compensation**, disability or similar law;
4. **Bodily injury** caused by an uninsured vessel that is owned by or chartered to a government agency or unit;
5. **Bodily injury** where no physical contact occurred between **your yacht** or **dinghy** and an unidentified or uninsured vessel; or
6. **Bodily injury** to any person or occupant who is aboard **your yacht** without the direct knowledge and express permission of **you** or **your family members**.

C. Loss Payment

Any payment made under **SECTION VIII** of the **policy** will automatically reduce the Amount of Insurance available under **SECTION VI: PROTECTION AND INDEMNITY COVERAGE** for claims arising from the same **occurrence**.

Any payment made under **SECTION VIII** of the **policy** shall be reduced by amounts:

1. Paid or payable under **SECTION VI: PROTECTION AND INDEMNITY COVERAGE** and **SECTION VII: MEDICAL PAYMENTS COVERAGE**;
 2. Paid by or on behalf of those legally liable;
- for claims arising from the same **occurrence**.

D. Amount of Insurance

The most **we** will pay for damages under this **SECTION** is the Amount of Insurance shown in the Declarations. This limit is the same regardless of the number of **insured persons**, claims, claimants, suits, demands, persons injured, vessels involved or the number of **yachts** or **dinghies** insured under this **policy**.

SECTION IX: LIMITED LONGSHORE AND HARBOR WORKERS' COVERAGE

A. Coverage

When insurance is provided under **SECTION VI: PROTECTION AND INDEMNITY COVERAGE**, insurance is also provided under this section, but only up to the limit of liability under **SECTION VI: PROTECTION AND INDEMNITY COVERAGE** for any **occurrence**. We will provide coverage for any liability and costs of defending such liability which **you**, as owner of **your insured watercraft**, incur pursuant to the federal Longshore and Harbor Workers' Compensation Act, arising from an **occurrence** to which this insurance applies.

SECTION X: NON-OWNED YACHT OR DINGHY COVERAGE

A. Coverage

When coverage is provided under **SECTION VI: PROTECTION AND INDEMNITY COVERAGE**, we will pay for damages for **bodily injury** and **property damage** caused by an **occurrence** which **you** become legally responsible while operating a non-owned **yacht** or non-owned **dinghy** with the owner's permission.

B. Exclusions

In addition to the **SECTION II: GENERAL POLICY EXCLUSIONS**, and the **SECTION VI: PROTECTION AND INDEMNITY COVERAGE, B. Exclusions**, we do not cover any loss or damage under this section if:

1. The vessel is owned by a corporation, partnership or other legal entity in which **you** have an ownership interest;
2. The vessel is owned in whole or in part by **you**;
3. The vessel is rented or under charter to **you**;
4. The vessel is being used for purposes other than private pleasure use;
5. The vessel is furnished for **your** regular use;
6. The vessel is a **personal watercraft** or similar type vessel; or
7. The maximum design speed of the vessel is 50 miles per hour or greater.

C. Amount of Insurance

The most **we** will pay for **your** legal liability is the Amount of Insurance shown in the Declarations. This limit is the same regardless

of the number of claims, claimants, suits, demands, persons injured, vessels involved or the number of **yachts** or **dinghies** insured under this **policy**.

SECTION XI: NEWLY ACQUIRED YACHT OR DINGHY COVERAGE

A. Coverage

When coverage is provided under **SECTION III: HULL AND AUXILIARY EQUIPMENT COVERAGE**, we will provide the coverage under all of the terms and conditions of this **policy** for **your** newly acquired **yacht** or **dinghy** provided:

1. It is the same type as the **yacht** or **dinghy** described in the Declarations page;
2. It is reported to **us**, in writing, within 15 days of acquisition;
3. It is not a **personal watercraft**;
4. The maximum speed of the vessel does not exceed 10 miles per hour of the maximum speed of the insured **yacht**;
5. It meets **our** underwriting eligibility; and
6. **You** agree to pay any additional premium required.

B. Exclusions

All exclusions set forth in this **policy** shall apply to the coverage for **your** newly acquired **yacht** or **dinghy**.

C. Loss Payment

The provisions for loss payment set forth in this **policy** shall apply to the coverage for **your** newly acquired **yacht** or **dinghy**.

D. Amount of Insurance

The most **we** will pay under **SECTION III: HULL AND AUXILIARY EQUIPMENT COVERAGE** for **your** newly acquired **yacht** or **dinghy** is the lesser of:

1. The purchase price **you** paid; or
2. 120% of the Amount of Insurance for **Section III: Hull And Auxiliary Equipment Coverage** of the similar **yacht** or **dinghy** as shown in the Declarations.

The most **we** will pay under **SECTIONS IV**

through **X** of this **policy** for **your** newly acquired **yacht** or **dinghy** is the Amount of Insurance as shown in the Declarations.

E. Deductible

The deductible amount under **SECTION III: HULL AND AUXILIARY EQUIPMENT COVERAGE** for **your** newly acquired **yacht** or **dinghy** shall be 2% of the purchase price **you** paid. The deductible amounts as shown in the Declarations for **SECTIONS IV** through **X** of this **policy**, if any, shall apply to **your** newly acquired **yacht** or **dinghy**.

SECTION XII: HAUL OUT COVERAGE

A. Coverage

When coverage is provided under **SECTION III: HULL AND AUXILIARY EQUIPMENT COVERAGE**, **we** will reimburse **you** for the reasonable expenses that an **insured person** incurs for haul out of the **yacht** when:

1. The National Weather Service issues a hurricane watch;
2. The National Weather Service issues a hurricane warning; or
3. There is imminent danger to the **yacht** that is preventable by the haul out for the area where the watercraft is located.

All of the terms and conditions of this **policy** apply to **SECTION XII: HAUL OUT COVERAGE**

B. Exclusions

In addition to the **SECTION II: GENERAL POLICY EXCLUSIONS**, **we** will not pay for the temporary storage of **your yacht** resulting from haul out during the **named storm**.

C. Loss Payment

The provisions for Loss payment set forth in this **policy** shall apply to the coverage for **your** newly acquired **yacht** or **dinghy**.

D. Amount of Insurance

The most **we** will pay under **SECTION XII: HAUL OUT COVERAGE** is the limit shown in the Declarations for **your** actual incurred expenses.

E. Deductible Amount

The deductible for the insured **yacht** shown in

the Declarations does not apply to **SECTION XII: HAUL OUT COVERAGE**

SECTION XIII: SEARCH AND RESCUE COVERAGE

A. Coverage

When coverage is provided under **SECTION VI: PROTECTION AND INDEMNITY COVERAGE**, **we** will reimburse **you** for the reasonable expenses that an **insured person** incurs from a governmental unit for any search and rescue operation in the event any person is lost at sea from the **yacht** or **dinghy**.

B. Exclusions

All exclusions set forth in **SECTION II: GENERAL POLICY EXCLUSIONS**, and the **SECTION VI: PROTECTION AND INDEMNITY COVERAGE**, **B. Exclusions** shall apply to this coverage.

C. Loss Payment

Any payment made under **SECTION XIII: SEARCH AND RESCUE** shall be in addition to **SECTION VI: PROTECTION AND INDEMNITY COVERAGE**

D. Amount of Insurance

The most **we** will pay under **SECTION XIII: SEARCH AND RESCUE COVERAGE** is the limit shown in the Declarations for search and rescue operations.

SECTION XIV: PET PROTECTION COVERAGE

A. Coverage

We provide coverage for **your pet** that suffers injury or death as a direct result of an accidental physical loss or damage loss involving **your yacht**.

As used in this part, **Your pet** means any dog or cat owned by **you** or a **family member**.

Your pet's replacement cost means the cost to replace the deceased dog or cat with another dog or cat up to the extent of the limit of coverage. It does not include any amounts for veterinary bills, training, or any other amounts other than the cost to replace the pet itself.

B. Exclusions

All exclusions set forth in this **policy** shall apply to the coverage for **your pet**.

C. Loss Payment

For **your pet** that suffers injury or death as a direct result of an accidental physical loss or damage loss involving **your yacht**, **we** will pay up to the Amount of Insurance as shown in **SECTION XIV** of the Declarations for:

1. Reasonable and customary costs incurred by **you** or a **family member** for veterinary fees, including medications and procedures prescribed by **your pet's** veterinarian, arising from the loss; or
2. **Your pet's replacement cost** if **your pet** dies as a result of the loss.

Pet Coverage applies only if:

1. **Your pet** is occupying **your yacht** at the time of the loss; and
2. The loss to **your yacht** is covered under **SECTION III: HULL AND AUXILIARY EQUIPMENT COVERAGE**

With respect to any one loss, the most **we** will pay for all damages under Pet Coverage is a total of the limit shown in the Declarations regardless of the number of dogs or cats that are injured or die in that loss.

D. Amount of Insurance

For **your pet** that suffers injury or death as a direct result of an accidental physical loss or damage loss involving **your yacht**, **we** will pay up to the Amount of Insurance as shown in **SECTION XIV** of the Declarations.

SECTION XV: DUTIES AFTER A LOSS OR OCCURRENCE

This section applies to all coverages provided under this **policy**. Failure to comply with any of these duties may result in no coverage under this **policy**.

A. General Duty

In the event of any loss, every **insured person** must assist and cooperate with **us** in the investigation, settlement or defense of any claim or suit. In addition, every **insured person** must take all lawful, reasonable steps, including making any necessary temporary repairs.

B. Notice of Loss

1. **You** must immediately give notice of any

loss, injury damage, expense or **occurrence** that may give rise to a claim, suit or demand to which this insurance may apply, to either **our** authorized representative or **us**. If the loss is by theft or vandalism, **you** must also notify the United States Coast Guard or other law enforcement agency having jurisdiction.

2. **We** must be advised of the following:

- a. The listed name of the **insured person**;
- b. **Your policy** number;
- c. All details of the loss, injury, damage, expense or **occurrence** including suits or demands;
- d. Where and how the event occurred; and
- e. The names and addresses of any witnesses.

3. If **you** do not provide notice to **us** as required by this **SECTION**, any claim for such loss under this **policy** will be void.

C. Assistance in Loss Settlement

1. Every **insured person** must assist **us** in:
 - a. Settling all claims;
 - b. Enforcing **our** right when others may be liable; and
 - c. Furnishing and submitting medical records and reports and independent physical examinations.
2. At **our** request every **insured person** must:
 - a. Attend hearing and trials;
 - b. Secure and give evidence;
 - c. Provide information, documents, and allow **us** to access **your yacht** or **dinghy** for inspection and testing;
 - d. Make every effort to obtain attendance of witnesses; and
 - e. Provide **us** with any and all applicable income documentation as it pertains to the use of the **yacht** for a **commercial purpose** or in permitted water-skiing and fishing tournaments, local sailing regattas or poker runs.
3. Every **insured person** must:

- a. Tell **us** the names and addresses of all claimants and witnesses; and
- b. Immediately send **us** all notices or legal papers relating to the loss.

- 4. Any claimants for benefits under **SECTION VII: MEDICAL PAYMENTS COVERAGE** must furnish any medical reports and records and submit to independent physical examinations at **our** expense and request.

D. Contractual Liability

Unless **we** consent in writing, **we** will not provide coverage if any **insured person**:

- 1. Assumes any liability;
- 2. Incurs any expense for which **we** may not be liable; or
- 3. Impairs **our** right to recover claims against others.

E. Claims Against Others

If **we** believe a claim may be recovered from others, **we** may pay **you** and assume **your** rights to such recoveries.

- 1. All insured(s) agree:
 - a. Not to waive, after loss, any rights **you** may have against others; and
 - b. To assist **us** in all ways possible to recover amounts paid under this **policy**.
- 2. **We** may at **our** own expense:
 - a. Take over **your** rights to the extent of **our** payment; and
 - b. Retain or collect all proceeds paid or due.

F. Examination Under Oath

- 1. Every **insured person** must:
 - a. Submit to questioning under oath while not in the presence of any other **insured person** as often as **we** may reasonably require; and
 - b. Assist **us** in securing testimony from others.
- 2. Every claimant seeking benefits under **SECTION VII: MEDICAL PAYMENTS COVERAGE** must:

- a. Submit to questioning under oath while not in the presence of any other **insured person** as often as **we** may reasonably require; and

- b. Assist **us** in securing testimony from others.

G. Proof of Loss

- 1. Every **insured person** must send **us**, within 60 days after **we** ask, a fully completed sworn proof of loss in the form **we** provide or approve.
- 2. Every claimant seeking benefits under **SECTION VII: MEDICAL PAYMENTS COVERAGE** must send **us**, within 60 days after **we** ask, a fully completed sworn proof of loss in the form **we** provide or approve.

H. Support of Claim

You must support any claim by:

- 1. Allowing **us** to inspect and/or test the **yacht** or **dinghy** and damaged property before the **yacht** or **dinghy** or any damaged property is disassembled, repaired, disposed of or destroyed. **You** must cooperate with **us** in **our** inspection and not take any action that will hinder in any way **our** right of inspection and testing.
- 2. Producing records to verify the claim and its amount.
- 3. Permitting copies of records to be made.
- 4. In addition, every **insured person** must cooperate with **us** in all aspects of settling any covered loss.
- 5. Every claimant seeking benefits under **SECTION VII: MEDICAL PAYMENTS COVERAGE** must cooperate with **us** in all aspects of settling any covered loss.

I. Submission of Claim

We will not pay for any claim presented after one year from the date the loss or damage occurred.

SECTION XVI: LOSS SETTLEMENT CONDITIONS

Unless otherwise stated, this **SECTION** applies to all coverages provided under this **policy**.

A. Loss Settlement

We will pay any covered loss under this **policy** to the named insured and any loss payee, as shown in the Declarations page, within 30 days after:

1. Reaching an agreement with **you**;
2. Receiving a signed sworn proof of loss statement or masters protest, receive a release of liability; or
3. The entry of a final judgment.

B. Appraisal

With respect to all claims under **SECTION III: HULL AND AUXILIARY EQUIPMENT COVERAGE**, if **you** and **we** fail to agree on the amount of the loss, **we** may demand an appraisal of loss subject to the following conditions:

1. Each party will choose a competent, impartial appraiser within 20 days after receiving written request from the other.
2. The appraisers will appoint a competent, impartial umpire. If they cannot agree on an umpire within 15 days, **you** or **we** may ask a court in the state and county within the United States of **your** residence or **our** principal place of business to appoint an umpire.
3. If the two appraisers cannot agree on the amount of loss, they will ask the umpire for a decision.
4. The written agreement of any two will determine the amount to be paid.
5. Both **you** and **we** will each pay any costs of the appraisers each has selected plus share any expenses or costs of the umpire and court equally.

C. Loss Payee

If a loss payee is named in this **policy**, any covered loss payable will be paid to the loss payee and **you**, as interest appear. If more than one loss payee is named, the order of the payment will be the order or precedence of the loss payees. **We** may include repairers or suppliers in the payment. **We** will not cover the interests of the loss payee if the loss results directly or indirectly, in whole or in part, from the breach of any agreements or conditions of the **policy**, or the fraudulent, intentional or illegal acts or omissions on the part of any **insured person** or is otherwise excluded or limited by the terms of this **policy**.

D. Reservation of Rights

When **we** investigate, compromise, or pay any claim, it will not be construed to admit liability either by **you** or **us**.

E. Abandonment of Property

We are not obligated to accept, nor are **we** liable for, any property abandonment by any **insured person**. This applies regardless of any steps **you** or **we** take to protect damaged property.

F. Right to Survey

We have the right to survey the **yacht** or **dinghy** anytime during the **policy** period. If **we** elect to do so, **we** will give **you** notice. Then **you** must give **us** the help that **we** request to find and board the **yacht** or **dinghy**.

G. Right to Salvage

If **we** pay a **total loss** or a **constructive total loss** of **your yacht**, **we** may, but are not obligated to, take possession of the remains or it proceeds. If **we** take possession of the **yacht**, **you** agree to transfer title of that property to **us** or any person or party designated by **us**.

H. Suit Against Us

No legal action may be brought against **us** unless there has been full compliance with all **policy** provisions. In addition:

1. With respect to any claim or loss to **your yacht** or **dinghy**, any suit against **us** must commence within one year of the date of the loss or damage.
2. With respect to any other claim or loss, no suit may be brought against **us** until the amount of the **insured person's** obligation to pay has been determined by final judgment after trial or by the written agreement signed by **you**, **us** and the claimant. Any such legal action against **us** must commence within one year of the date of the judgment or written agreement.
3. No one has any right to join **us** as a party to any action against an **insured person**.
4. If any time limitations of this **policy** are prohibited or invalid under the law, then legal action against **us** must commence within the shortest limitation of time permitted by such law.
5. When **you** are entitled to limit **your** liability, **our** liability for any damages or claims

resulting from any one covered loss or **occurrence** will not exceed the amount of such limitation.

6. Bankruptcy or insolvency of an **insured person** or an **insured person's** estate does not relieve **us** of **our** obligation under this **policy**.

I. Supplementary payments

We will reimburse any **insured person** up to \$100 a day for loss of earnings because of attendance at hearing or trials at **our** request.

J. Our Recovery Rights

If **we** pay under this **policy**, **we** have all rights of recovery of an **insured person**. That **insured person** must do all that is needed to help **us** exercise these rights. An **insured person** may do nothing to take away these rights.

The Company has caused the **policy** to be signed by the President and Secretary. It is countersigned on the Declarations Page by **our** authorized representative(s) if required.