Marine Insurance Policy

Underwritten by:
GEICO Marine Insurance Company
A Stock Company
Administrative Offices
5323 Port Royal Road
Springfield, VA 22151-2106
Claims: 877-970-2628

MARINE INSURANCE POLICY

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TO REPORT A CLAIM ANYTIME:
PHONE: 800-937-1937
ONLINE: www.geicomarine.com

IF YOU HAVE POLICY QUESTIONS:
PHONE: Please contact your agent
ONLINE: www.geicomarine.com

In the Event of an Accident

- See to the welfare of any injured people.
- Do not discuss fault or cause.
- Notify the appropriate local officials.
- Notify Claims immediately!

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MARINE INSURANCE POLICY

SECTION I – INSURING AGREEMENT

This insurance policy is a legal contract between **us** and the **Named Insured(s)** shown on the Declarations Page. **We** agree to provide the insurance coverage described in this policy in return for the payment of premium when due, subject to the terms, conditions, exclusions and warranties of this policy. The policy consists of this policy contract, the Declarations Page, and all endorsements.

SECTION II – DEFINITIONS

Throughout this policy, **you** and **your** refer to the **Named Insured** and their **spouse**. If the **Named Insured** is a legal entity then **you** and **your** is defined as the legal entity named on the Declarations Page and any officer, director, partner, owner or shareholder of any **Named Insured** and their **spouse**. **We**, **us** and **our** refer to the company providing this insurance.

In addition, certain words and phrases are defined as follows:

A. **Abandon** means the act of voluntarily giving up, surrendering, deserting or relinquishing property and all rights to its control with the intention of terminating ownership and without the intention of vesting ownership with any other person or entity.

B. **Actual cash value** means the value of the covered property at the time of loss as reasonably determined by **us**.

C. **Boating equipment** means equipment owned by **you** and regularly carried aboard an **insured boat** that is necessary for the safe operation and routine maintenance of an **insured boat**.

D. **Bodily injury** means bodily harm, sickness or disease, except a disease that is transmitted by an **insured** through sexual contact.

E. **Dinghy** means a boat not to exceed 15' length including an outboard motor that does not exceed 40 horsepower, if so equipped, and must be primarily used as the tender for an **insured boat**. The maximum coverage for any **dinghy** and its outboard is $15,000.00.

F. **Family member** means any person related to **you** by blood, marriage, civil union, domestic partnership, or adoption, including a ward or foster child, who resides in **your household**.

G. **Fuel spill** means the unintentional discharge, leakage or spillage of petroleum products or chemicals.

H. **Household** means a fixed, permanent place of abode, where the intent is to return to that place, despite periods of temporarily living elsewhere or temporary absences.

I. **Insured** is defined separately in Section III and in each coverage under Section IV, under the heading **Who Is an Insured**. An **insured** under one section or coverage may not be an **insured** under other sections or coverages. Please carefully review the **Who Is an Insured** provision at the beginning of Section III and the beginning of each coverage under Section IV in order to understand who is an **insured** under that section or coverage.

J. **Insured boat** means a boat named on the Declarations Page, including its hull, machinery, outboard motors, sails, spars, furniture, **dinghy** and **boating equipment**, or a **newly acquired boat**.

K. **Insured trailer** means a trailer owned by the **Named Insured** to regularly store or transport an **insured boat**.

L. **Insured value** means the value of an **insured boat** or **insured trailer** as shown on the Declarations Page.

M. **Medical Services** means medical, surgical, funeral, dental, ambulance, hospital and professional nursing services and includes the cost of eyeglasses, hearing aids, pharmaceuticals and orthopedic and prosthetic devices.

N. **Named Insured** means the individual(s) or entity named on the Declarations Page.

O. **Named storm** means a storm named by the National Oceanic & Atmospheric Administration (NOAA). Outside of United States territorial waters, **named storm** also means a tropical storm, tropical cyclone, hurricane, or typhoon, whether named or unnamed by any governmental authority.

P. **Newly acquired boat** means a boat purchased by the **Named Insured** during the policy period provided **we** are notified in writing within 30 days of purchase of this **newly acquired boat** and additional premium is paid. A **newly acquired boat** is an **insured boat** for all purposes and is subject to the terms, conditions, exclusions and warranties of the policy.

Q. **Obsolescence** means the loss of value due to changes in technology, not physical loss or damage, that render the item no longer useful.

R. **Occurrence** means a sudden and unexpected event or accident to which this insurance applies that happens within the policy period. Continuous or repeated exposure to substantially the same general condition, unless excluded, is one **occurrence**.

S. **Personal watercraft** means any vessel designed to be operated by a person or persons while sitting, standing, or kneeling on the vessel rather than within the confines of a hull.

T. **Pet** means an animal owned by **you** or **your family member**.

U. **Property damage** means direct physical injury to, or destruction of, tangible property.

V. **Spouse** means a partner in a marriage, civil union or domestic partnership recognized under state law and residing in the same **household**.

W. **Uninsured boat** means a boat owned or operated by an **uninsured boater**.

X. **Uninsured boater** means an owner or operator of a boat other than an **insured boat**, who is legally responsible for a collision with an **insured boat**, and:

1. To whom no liability policy applies; or
2. Who cannot be identified (such as a hit-and-run operator).

SECTION III – DUTIES IN THE EVENT OF A LOSS

A. Who Is an Insured

For purposes of Section III only, **insured** is defined as:

1. **You**;
2. **Your family member**;
3. Any other person operating an **insured boat** with **your** direct and prior permission and without compensation; and
4. Any other person operating an **insured boat** with the direct and prior permission of **2.** or **3.** above and without compensation.

B. Actions to Take

1. Immediately upon a loss, an **insured** must:
   - **a.** Take all reasonable and necessary steps to protect an **insured boat** from further loss. **We** will pay the reasonable and necessary costs incurred in preventing further loss if the loss is covered under the **HULL AND EQUIPMENT** section of this policy. **We** do not cover an **insured's** labor or personal expense or any amount in excess of the **insured value**. If failure to take all reasonable and necessary steps to protect an **insured boat** results in further loss, any additional loss will not be covered under the policy.
   - **b.** Give **us** prompt notice of the loss, and how, when and where the loss occurred. Also provide the names and contact information of any witnesses or injured parties.
   - **c.** Promptly notify the appropriate law enforcement agencies of any theft, vandalism, collision, allision, loss of life or injury.
2. Following a loss, an **insured** must:
   - **a.** Allow **us** to inspect an **insured boat** and **insured trailer** before it is repaired or discarded.
   - **b.** Provide any documents requested by **us** to verify the loss, its amount, and **your** ownership interest in any property damaged or lost, and provide any other information that may assist **our** investigation of the loss.
   - **c.** Provide **us** with copies of other insurance policies that may cover the loss.
   - **d.** Assume no obligation, admit no liability and incur no expense that an **insured** or **we** may be liable without **our** written permission, other than reasonable and necessary expenses incurred to protect the property from further damage.
   - **e.** Immediately notify **us** and forward to **us** any legal papers or notices received in connection with the loss.
   - **f.** Cooperate with **us** in the investigation, defense or settlement of any loss and agree to be examined under oath as many times as **we** request.
   - **g.** Allow examinations by physicians of **our** choice as often as **we** reasonably require.
   - **h.** Assist **us** in obtaining copies of medical reports and other records.
   - **i.** Provide a final notarized statement or Proof of Loss, if requested by **us**.

SECTION IV – COVERAGES

HULL AND EQUIPMENT

A. Who Is an Insured

For purposes of **HULL AND EQUIPMENT** coverage only, the **insured** is the **Named Insured**.

B. Coverage Provided

If the Declarations Page shows coverage for **HULL AND EQUIPMENT**, **we** will pay for sudden, direct and accidental **property damage**, including theft or vandalism, to an **insured boat** and its **dinghy**.

C. Exclusions

1. Coverage will not apply to any loss, damage or expense caused directly or indirectly by:

a. Wear and tear, gradual deterioration, rot, corrosion, weathering, electrolysis, stray electrical current regardless of source, vermin, animals, marine life, insects, mechanical breakdown, electrical breakdown, structural breakdown, overheating or galvanic action. This exclusion does not apply to immediate consequential **property damage** resulting from fire, explosion, sinking, demasting, collision or stranding;

b. Ice or freezing;

c. Mold or mildew;

d. Marring, scratching or denting. This exclusion does not apply to immediate consequential **property damage** resulting from fire, explosion, sinking, demasting, collision or stranding;

e. Blistering or delamination. This exclusion does not apply to immediate consequential **property damage** resulting from fire, explosion, sinking, demasting, collision or stranding;

f. Incomplete, improper or faulty repair, maintenance or renovation; or

g. An intentional act committed by, or with the knowledge of, **you** or **your family member**.

2. Coverage will not apply to:

a. The cost to repair or replace a part that fails as a result of a design, manufacturing or latent defect; however, **we** will cover immediate consequential **property damage** that results from such failure;

b. Previously unrepaired **property damage** or loss caused directly or indirectly by previously unrepaired **property damage**;

c. Liability for wages or provisions furnished to captain or crew;

d. Intangible loss, such as loss of use or value, living expenses or **obsolescence**;

e. **Your** personal labor, personal expenses, time, loss of income or wages, lodging, meals or travel expenses;

f. Personal items (including, but not limited to, scuba gear, fishing gear including rods, reels, and tackle, sporting goods, clothing, portable televisions, stereos, smart phones, tablets and cameras), fuel, perishables and consumables (including, but not limited to, food, ice, beverages, paper and cleaning products); or

g. Computer hardware and software.

D. Limit of Insurance

1. Insured Value

We agree with the **insured** that an **insured boat** is valued at the **insured value**.

2. Newly Acquired Boat

If the Declarations Page shows coverage for **HULL AND EQUIPMENT** coverage, the **insured value** for a **newly acquired boat** will be the verifiable purchase price or $250,000.00, whichever is less. **Boating equipment** coverage will be limited to 10% of the **newly acquired boat's** purchase price. These values will remain in effect until cancellation or until **we** issue a new Declarations Page or any new endorsement. **We** may amend the premium, cancel this coverage on the **newly acquired boat**, or require further conditions for continued coverage.

3. Amount Paid in the Event of a Loss

a. Total or Constructive Total Loss

We will pay the **insured value** if an **insured boat** is a total loss. **We** reserve the right to declare an **insured boat** a constructive total loss and pay the **insured value** if in **our** judgment the cost to repair the **insured boat** may exceed its **insured value**. If the total or constructive total loss of the **insured boat** occurs within the first 48 consecutive months immediately after purchase by the **insured**, and the **insured boat** was purchased new by the **insured** within 12 months of its manufacture date with no prior owners or users and was not purchased subject to any promotional use or sponsorship agreement, then if the **insured** purchases a new boat of the same size, make and model as the **insured boat**, **we** will pay the purchase price of the replacement boat. If the purchase price for the replacement boat exceeds the **insured value**, the most **we** will pay for the replacement boat is 120% of the **insured value** or $300,000.00, whichever is less.

If **we** pay the **insured value**, **we** have the right to keep the **insured boat**. If **we** exercise **our** right to keep the **insured boat**, **you** must provide all documents needed to transfer title to **us**. **You** agree that **we** can withhold an amount not to exceed 10% of the **insured value** until **we** receive these documents.

In the event of damage to a **dinghy** with cost of repair exceeding the **actual cash value** of the **dinghy**, the most **we** will pay is the **actual cash value**.

b. Repairs for Partial Loss

1. Agreed Value Policy

If the **insured value** is agreed value, we will pay the reasonable cost to repair or replace, whichever is less, the damaged parts of the **insured boat**. However we will not pay more than the **actual cash value** for the following items:

a. Sails, canvas (including all weather bridge and cockpit enclosures), carpeting, cushions or fabrics beginning with the sixth year from the year of manufacture;

b. Outboard motors, outdrives, propulsion machinery or generators beginning with the eleventh year from the year of manufacture;

c. The residual value for the items above will not be less than 20% regardless of age.

2. Actual Cash Value Policy

If the **insured value** is **actual cash value**, **we** will pay the reasonable cost to repair or replace, whichever is less, the damaged parts of the **insured boat** less depreciation. Depreciation will not be greater than 80%.

3. No Betterment

Regardless of **insured value**, in the event of damage to plywood, plastic, fiberglass, metal, cement or other molded material, **we** will only pay the reasonable cost to repair the damaged area, in accordance with customary marine repair practice.

If a covered loss requires repainting of an **insured boat**, **we** will pay the cost of repainting or resurfacing the damaged area in accordance with customary marine repair practices so that the area repaired will match, as closely as practical, the original color. **We** have the option to make or reimburse the **insured** for repairs or replacements, or to pay the **insured** directly based on an agreed estimate of loss. Repairs and replacements will be made with like kind and quality. **We** will not pay for any improvement or betterment to the **insured boat**.

4. Deductible

The applicable deductible amount shown on the Declarations Page will be subtracted from each loss. It will not apply in the event of a total or constructive total loss except as follows:

a. Named Storm Deductible

In the event of any loss caused directly or indirectly by a **named storm**, the deductible subtracted from each loss, will be the deductible amount shown on the Declarations Page, $1,000.00, or 5% of the **insured value**, whichever is greater.

b. Theft Deductible

In the event of the theft of an **insured boat**, its engine(s) and/or **boating equipment** the payment on a covered loss will be reduced by an amount equal to twice the applicable deductible shown on the Declarations Page or $500.00, whichever is greater.

5. Salvage Charges

In the event of a salvage claim against an **insured boat**, coverage is limited to an amount not to exceed the **insured value**. This amount is in addition to the **insured value**.

E. Payment of Loss

In the event of a covered loss, payment will be issued to the **insured** and any loss payee. However, in the event of a partial loss, **we** may make payment to the repair yard with the **insured's** consent.

Your cooperation is needed to expedite settlement and payment. If **you** do not provide all requested documentation within one year of the loss, the claim will be closed without payment.

F. Hurricane Preparation

If a Tropical Storm or Hurricane Watch or Warning is issued for the location of an **insured boat** by the National Oceanic & Atmospheric Administration (NOAA), **we** will pay 50% of the cost up to a maximum of $1,000.00 to have the **insured boat** moved by a professional, or for a professional haul out, or for the professional execution of a hurricane plan. In addition to professional moving or a professional haul out, covered expenses include, but are not limited to, haul out, blocking, lashing to in ground anchors, power washing and relaunch. This amount is in addition to the **insured value**.

G. Appraisal and Dispute

If the **insured** meets the terms, conditions, exclusions and warranties of the policy, and if the amount of a covered loss is still in dispute, **you** or **we** may demand an appraisal of such loss. Upon receipt of a written demand for appraisal, each party will choose within 20 days an accredited or certified marine surveyor to serve as its appraiser. The two appraisers will pick within 20 days a third accredited or certified marine surveyor to act as Umpire. If the parties cannot agree on the selection of an Umpire within 20 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will be responsible for payment of their appraiser and will share the cost of the Umpire equally.

Each appraiser will separately support the amount of loss to the Umpire in one submission within 30 days of the naming of the Umpire. **We** will pay the amount awarded in writing by the Umpire up to the **insured value**, less the applicable deductible. The Umpire's decision is final and binding. The appraisal and dispute process must be complete within 90 days of the date first demanded unless extended by agreement of all parties. If the appraisal and dispute process is not complete within 90 days of the date first demanded, **our** original settlement amount will be deemed accepted by the **insured**.

TOWING AND ASSISTANCE

If an amount is shown for this coverage on the Declarations Page, please refer to the endorsement(s) **we** issued to **you**.

BOAT TRAILER

A. Who Is an Insured

For purposes of **BOAT TRAILER** coverage only, the **insured** is the **Named Insured**.

B. Coverage Provided

If the Declarations Page shows coverage for **BOAT TRAILER**, **we** will pay for the sudden, direct and accidental **property damage** to an

insured trailer. **We** do not pay for any intangible loss, such as loss of value or use.

C. Exclusions

1. Coverage will not apply to any loss, damage or expense caused directly or indirectly by: wear and tear, gradual deterioration, mechanical or electrical breakdown, bearing failure, overheating, corrosion, a design, manufacturing or latent defect, faulty repair, previously unrepaired damage, rust, weathering, vermin, animals, marring, scratching or denting.
2. Coverage will not apply to any loss, damage or expense caused directly or indirectly by, or with the knowledge of, or resulting from criminal wrongdoing by **you** or **your family member**.

D. Limit of Insurance

1. Insured Value

We agree with the **insured** that an **insured trailer** will be valued at the **insured value**.

2. Newly Acquired Trailer

We will cover **property damage** to a newly acquired trailer, less the deductible, provided that **we** are notified within 30 days of purchase of this newly acquired trailer and any additional premium is paid.

We may amend the premium, change the policy terms or conditions, cancel this coverage on the newly acquired trailer, or require further conditions for continued coverage. The **insured value** of a newly acquired trailer will be the verifiable purchase price.

E. Amount Paid in the Event of a Loss

1. Total or Constructive Total Loss

We will pay the **insured value**. If **we** pay the **insured value**, **we** have the right to keep the **insured trailer**. The deductible will not apply in the event of a total or constructive total loss except in the event of theft of an **insured trailer**.

a. Theft Deductible

In the event of theft of an **insured trailer**, the payment on a covered loss will be reduced by an amount equal to twice the applicable deductible shown on the Declarations Page or $500.00, whichever is greater.

2. Partial Loss

In the event of a partial loss, **we** will pay the reasonable cost of repairs in accordance with customary trailer repair practice less the deductible shown on the Declarations Page. **We** have the option to reimburse the **insured** for repairs or replacements, or to pay the **insured** directly based on an agreed estimate of loss. Replacements will be made with like kind and quality. This coverage is excess over any other available insurance for the **insured trailer**.

F. Payment of Loss

In the event of a covered loss, payment will be issued to the **insured** and any loss payee. However, in the event of a partial loss, **we** may make payment to the repair yard with the **insured's** consent.

Your cooperation is needed to expedite settlement and payment. If **you** do not provide all requested documentation within one year of the loss, the claim will be closed without payment.

PERSONAL EFFECTS

A. Who Is an Insured

For purposes of **PERSONAL EFFECTS** coverage only, an **insured** is defined as:

1. **You**; and
2. **Your family member**.

B. Coverage Provided

1. If the Declarations Page shows coverage for **PERSONAL EFFECTS**, **we** will pay for sudden, direct and accidental **property damage** to an **insured's** personal effects unless otherwise excluded by the policy.
2. **We** agree with **you** that personal effects are valued at replacement cost, which means the amount to replace the damaged property with new property of like kind and quality. **We** do not pay for any intangible loss, such as loss of value or use.

3. This coverage only applies to property owned by an **insured** and only while the property is aboard an **insured boat**, being loaded or unloaded from an **insured boat**, or stored in a dock box immediately adjacent to an **insured boat**, and including the dock box.
4. Coverage is provided for waterskiing, wake boarding or fishing tournament entry fees that will not be refunded to **you** if **you** are forced to withdraw from the tournament due to a loss that is covered by this policy. Coverage for non-refundable entry fees is limited to $500.00 in any policy year.

C. Exclusions

Coverage will not apply to:

1. **Property damage** caused directly or indirectly by: wear and tear, gradual deterioration, mechanical or electrical failure or disturbance, corrosion, dampness, temperature changes, **obsolescence**, vermin, animals or mysterious disappearance; however, **we** will cover immediate consequential **property damage** resulting from fire, explosion, sinking, demasting, collision or stranding.
2. Any **property damage** caused by, or resulting from, an intentional act of an **insured**.
3. **Property damage** to the following:
   - **a.** Currency, money, travelers' checks, securities, evidence of debt, or valuable papers or documents;
   - **b.** Jewelry, gems, precious stones, silver, gold or other precious metals;
   - **c.** Antiques, collectibles, fine arts, china, silver, coins, liquors or furs;
   - **d.** Watches, smartwatches or fitness devices;
   - **e.** Animals;
   - **f.** **Boating equipment**, **personal watercraft** or other boats; or
   - **g.** Consumables.

D. Limit of Insurance

We will pay the replacement cost for **property damage** to personal effects or the amount shown on the Declarations Page, whichever is lower, less the deductible.

The amount shown for this coverage on the Declarations Page is the most **we** will pay regardless of the number of persons or boats involved in the **occurrence**.

BOATING LIABILITY (PROTECTION AND INDEMNITY)

A. Who Is an Insured

For purposes of **BOATING LIABILITY (PROTECTION AND INDEMNITY)** coverage only, **insured** is defined as:

1. **You**;
2. **Your family member**;
3. Any other person operating an **insured boat** with **your** direct and prior permission and without compensation; and
4. Any other person operating an **insured boat** with the direct and prior permission of **2.** or **3.** above and without compensation.

B. Coverage Provided

If an amount is shown for this coverage on the Declarations Page, **we** will pay damages and any costs assessed against an **insured** for any claim or suit covered under this policy for **bodily injury** or **property damage** that an **insured** becomes legally liable through ownership, maintenance or use of an **insured boat**. **We** will settle or defend, as **we** consider appropriate, any claim or suit covered under this policy that asks for these damages**.** **We** will pay for an attorney **we** select to defend an **insured**. The cost of defense is in addition to the Boating Liability limit stated on the Declarations Page. **We** will also pay the cost to procure a bond, or provide an undertaking, necessary to release the **insured boat** if a legal authority has arrested, confiscated or detained the **insured boat** to secure an **insured's** legal obligation in any suit **we** defend. **Our** payment to procure the bond will not exceed the lesser of the limit of liability shown on the Declarations Page for **HULL AND EQUIPMENT** or **BOATING LIABILITY (PROTECTION AND INDEMNITY)**.

Once **we** have paid the Boating Liability limit for any covered damages, including removal of wreck, **our** obligation to pay any damages, or to provide an **insured** with a defense, ends.

1. **Operating Other Boats**

   We will provide this boating liability coverage to **you** and **your family member** while operating another boat with the permission of its owner. However, **we** do not cover loss or damage to the other boat or its **boating equipment**. If there is any other available insurance, **we** will provide this coverage only as excess over all other available insurance. Boating liability coverage under this section will not apply if the other boat is:

   a. A **personal watercraft**;

   b. Rented or chartered;

   c. Used for any other commercial purpose; or

   d. Furnished or available for the regular use by **you** or **your family member**, or owned wholly or in part by **you** or **your family member**.

2. **Removal of Wreck**

   We will pay the reasonable cost for any actual or attempted removal and disposal of an **insured boat** if it becomes a wreck during the policy period and if such removal or disposal is required by law or governmental authority. This coverage is limited to an amount not to exceed the limit shown for Boating Liability on the Declarations Page.

C. Exclusions

Coverage will not apply to:

1. **Bodily injury** to an **insured**;
2. Damage to property owned by an **insured**;
3. Liability assumed under a contract or agreement, or any breach of contract;
4. **Bodily injury** or **property damage** that occurs while an **insured boat** or **insured trailer** is being transported by a land-based motorized vehicle;
5. **Bodily injury** or **property damage** arising out of an **insured** or other person parasailing, kite skiing, hoverboarding, fly boarding, hydro foiling or any other activity involving a device designed to become airborne from an **insured boat**;
6. **Bodily injury** or **property damage** caused by, or resulting from, an intentional act of an **insured**;
7. Any claim for punitive or exemplary damages;
8. Any fine, penalty or costs of defense arising out of a criminal or civil violation of law or assessment by a governmental authority;
9. Claims made under the Federal Longshore and Harbor Workers' Compensation Act, or injuries for which benefits are required to be provided by an **insured** or which are available to the injured person under any state or federal compensation law or act regardless of its source;
10. Any claims by captain or crew of an **insured boat** including but not limited to claims made under the Federal Jones Act, Death on the High Seas Act, Federal Longshore and Harbor Workers' Compensation Act or General Maritime Law;
11. Cost of the resulting **bodily injury** or **property damage**, containment, clean-up or assessments related to the discharge, leakage or spillage of petroleum products, chemicals, bacteria, viruses, mold or other substances of any kind or nature;
12. **Bodily injury** or **property damage** caused by, or resulting from, a **pet**;
13. Liability of a paid captain or crew;
14. Any liability **you** may have to **your** directors, officers, shareholders, or partners or any liability which any of them may have to **you**;
15. **Bodily injury** or **property damage** to scuba divers operating from the **insured boat** from the time they leave the **insured boat** until they are back onboard the **insured boat**; or
16. **Bodily injury** or **property damage** arising out of the operation of any aerial vehicle or drone, submarine, submersible or diving bell.

D. Limit of Insurance

1. If the Declarations Page shows a coverage amount for Boating Liability "Limit Each **Occurrence**, **Bodily Injury** and **Property Damage**," then the amount shown is the most **we** will pay for all damages for **bodily injury** or **property damage** regardless of the number of **insureds**, persons claiming

damages, claims made, or boats involved in any **occurrence** or series of **occurrences** arising out of the same event.

2. If the Declarations Page shows coverage amounts for Boating Liability "Limit Per Person, Each **Occurrence**, **Bodily Injury** and **Property Damage**/Aggregate Limit Each **Occurrence**," then:

   a. The coverage amount shown for the "Limit Per Person, Each **Occurrence**, **Bodily Injury** and **Property Damage**" is the most **we** will pay for all damages arising out of **bodily injury** and **property damage** to one person in any **occurrence** or series of **occurrences** arising out of the same event, including the damages sustained by anyone else as a result of that **bodily injury** or **property damage**; and

   b. The coverage amount shown for the "Aggregate Limit Each **Occurrence**" is, subject to the "Limit Per Person, Each **Occurrence**, **Bodily Injury** and **Property Damage**," the most **we** will pay for all damages arising out of **bodily injury** and **property damage**, regardless of the number of **insureds**, persons claiming damages, claims made or boats involved in any **occurrence** or series of **occurrences** arising out of the same event.

MEDICAL PAYMENTS

A. Coverage Provided

If an amount is shown for this coverage on the Declarations Page, **we** will pay the reasonable expenses for necessary **medical services** incurred within three years from the date of an **occurrence** involving **bodily injury** sustained by an individual while in, upon, boarding or leaving an **insured boat**.

We will determine:

1. Whether the expenses for **medical services** are reasonable; and
2. Whether the **medical services** are necessary.

If there are any other available medical benefits or plans that offer coverage for **medical services**, this coverage will be excess over those other medical benefits or plans.

B. Exclusions

Coverage will not apply to:

1. Responsibility assumed under any contract or agreement;
2. **Bodily injury** that occurs while an **insured boat** or **insured trailer** is being transported by a land-based motorized vehicle;
3. **Bodily injury** to a trespasser;
4. **Bodily injury** caused by, or resulting from, an intentional act;
5. **Bodily injury** arising out of parasailing, kite skiing, hoverboarding, fly boarding, hydro foiling or any other activity involving a device designed to become airborne from an **insured boat**;
6. **Bodily injury** if workers compensation benefits, or similar benefits, are available under any state, federal or maritime law;
7. **Bodily injury** to **your** employees; or
8. **Bodily injury** to a paid captain or crew.

C. Limit of Insurance

The amount shown for this coverage on the Declarations Page is per person, each **occurrence** regardless of the number of persons involved or claims made.

FUEL AND OTHER SPILL LIABILITY

A. Who Is an Insured

For purposes of **FUEL AND OTHER SPILL LIABILITY** coverage, **insured** is defined as:

1. **You**;
2. **Your family member**;
3. Any other person operating an **insured boat** with **your** direct and prior permission and without compensation; and

4. Any other person operating an **insured boat** with the direct and prior permission of **2.** or **3.** above and without compensation.

B. Coverage Provided

If an amount is shown for this coverage on the Declarations Page, **we** will pay up to that amount for the containment, clean-up, **property damage** and assessments resulting from a **fuel spill** from an **insured boat** that an **insured** becomes legally liable through the ownership, maintenance or use of an **insured boat**. **We** will settle or defend, as **we** consider appropriate, any claim or suit that seeks these covered expenses and/or damages. **We** will also pay for an attorney **we** select to defend an **insured**. Once **we** have paid the Fuel and Other Spill Liability limit, **our** obligation to pay any damages, or to provide the **insured** with a defense, ends. This coverage will not apply if an **insured** fails or refuses:

1. To report the incident giving rise to liability as required by law when an **insured** knows or has reason to know of the incident; or
2. To provide all reasonable cooperation and assistance requested by a responsible official in connection with containment and clean-up activities.

C. Exclusions

Coverage will not apply to:

1. Liability assumed under any contract or agreement, or any breach of contract;
2. Liability arising out of the transportation of an **insured boat** or **insured trailer** on land;
3. Liability caused by, or resulting from, an intentional act of an **insured**;
4. Any claim for punitive or exemplary damages;
5. Any fine, penalty, or costs of defense arising out of a criminal or civil violation of law;
6. Liability arising from the discharge, emission, spillage or leakage of any radioactive substance or material;
7. Loss or damage to any property owned by, rented to, used by or in the care of an **insured**; or
8. Liability for **bodily injury**.

D. Limit of Insurance

The amount shown for this coverage on the Declarations Page is the most **we** will pay regardless of the number of **insureds**, claims made, or boats involved in any one **occurrence** or series of **occurrences** arising out of the same event.

UNINSURED BOATER

A. Who Is an Insured

For purposes of **UNINSURED BOATER** coverage only, **insured** is defined as:

1. **You**;
2. **Your family member**;
3. Any other person using an **insured boat** with **your** direct and prior permission and without compensation; and
4. Any other person using an **insured boat** with the direct and prior permission of **2.** or **3.** above and without compensation.

B. Coverage Provided

If an amount is shown for this coverage on the Declarations Page, **we** will pay the damages an **insured** is legally entitled to recover from an **uninsured boater** because of **bodily injury** resulting from physical contact between an **uninsured boat** and an **insured boat**.

C. Arbitration

If **we** and an **insured** do not agree whether an **insured** is legally entitled to recover damages under this coverage, or as to the amount of damages, either party may make a written demand for arbitration. If so demanded, arbitration will be mandatory and claims or disputes under this coverage over whether the **insured** is legally entitled to recover damages or as to the amount of these damages will be resolved exclusively through arbitration.

Each party will select and pay for a competent arbitrator within 30 days. The arbitrators will select a third arbitrator within 30 days. If they cannot agree on the selection of a third arbitrator within 30 days, either party may request that selection be made by a judge of a court having jurisdiction.

Arbitration will take place within 30 days of the naming of the third arbitrator in the county where the **insured** lives, unless both parties agree otherwise. A written agreement by two of the arbitrators will be binding as to whether an **insured** is legally entitled to recover damages under this coverage and the amount of these damages.

Each party will pay their own chosen arbitrator and will share the expenses of the third arbitrator equally. The arbitration must be completed within 90 days of the first notice or demand for arbitration unless extended by agreement of all the parties.

D. Exclusions

Coverage will not apply:

1. To claims or suits settled without **our** written consent;
2. To any judgment or settlement for damages against an **uninsured boater** arising out of a lawsuit brought without our written consent;
3. If the **uninsured boat** is owned or operated by a governmental agency or employee;
4. If the **uninsured boat** is furnished or available for the regular use by an **insured**, or owned wholly, or in part, by an **insured**;
5. For anyone using an **insured boat** without permission;
6. When an **insured boat** is being chartered or rented without **our** prior written permission;
7. Where no evidence of physical contact exists between an **insured boat** and an unidentified boat, or where no evidence of physical contact exists between an **insured boat** and an **uninsured boat**;
8. Directly or indirectly to the benefit of any insurer under any state or federal compensation law or act;
9. To any claim for punitive or exemplary damages;
10. For **bodily injury** arising out of an **insured** parasailing, kite skiing, hoverboarding, fly boarding, hydro foiling or any other activity involving a device designed to become airborne from an **insured boat**;
11. For **bodily injury** caused by or resulting from an intentional act of an **insured**; or
12. For **bodily injury** to a paid captain or crew.

E. Limit of Insurance

1. The amount shown for this coverage on the Declarations Page is the most **we** will pay under this coverage, regardless of the number of **insureds**, claims made, or boats involved in any one **occurrence**, or series of **occurrences** arising out of the same event.
2. Payment under this coverage will be reduced by:
   a. All sums paid by or on behalf of those legally responsible;
   b. All sums paid by any state or federal compensation law or act; or
   c. All sums paid under the **BOATING LIABILITY** or **MEDICAL PAYMENTS** coverages of this policy.
3. Payment under this coverage to or for an **insured** will reduce the amount that person is entitled to recover from the **BOATING LIABILITY** or **MEDICAL PAYMENTS** coverages of this policy.

SECTION V – GENERAL PROVISIONS

A. Our Right to Recover

An **insured** may have the right to recover from another party who is responsible for an **insured's** loss. If **we** pay an **insured's** loss under this policy, this right of recovery will belong to **us** up to the amount that **we** paid an **insured**. **We** have no obligation to pursue recovery against another for any loss. However, if **we** elect to exercise **our** right of recovery against another, **we** will also attempt to recover any deductible incurred by an **insured** under this policy unless **we** are specifically instructed by an **insured** not to pursue the deductible. **We** reserve the right to compromise or settle any claim against the responsible parties for less than the full amount. If an **insured** takes any action that impairs **our** right to recover, this policy will not provide coverage for such loss. However, signing a written contract for dockage, slip rental, moorage, hauling/launching, storage, repair or maintenance of an **insured boat** that includes a waiver of subrogation provision will not void this policy.

B. Cancellation

1. The **Named Insured** may cancel this policy at any time by providing **us** with advance notification of the cancellation date.

SECTION V – GENERAL PROVISIONS CONTINUED

2. **We** may cancel this policy by notifying the **Named Insured** in writing before the date the cancellation is to take effect. This cancellation notice will be mailed electronically if permitted by law, or mailed to the **Named Insured** at the address shown on the Declarations Page, and proof of such mailing will be sufficient proof that notification of cancellation was given. Cancellation may be effective prior to the return of premium, if any. The return premium will be calculated on a pro-rata basis.

C. Policy Period and Territory

This policy applies only to loss occurring within the policy period as shown on the Declarations Page and while an **insured boat** is afloat or ashore within the Cruising Limits shown on the Declarations Page and while an **insured boat** is being transported by land conveyance in the United States or Canada. **We** may change the Cruising Limits shown on the Declarations Page in the event or circumstance of a material increase in, or change to, the risk associated with the **insured boat**.

D. Private Pleasure Limitation

There is no coverage during any period of chartering, renting, commercial use or exhibition or any other non-private pleasure use of the **insured boat** unless **you** have prior written permission from **us**.

E. Other Insurance

1. If there is any other available insurance that would apply in the absence of this policy, this insurance will apply as excess over all other insurance.
2. When this policy and any other policy covers on the same basis, either excess or primary, **we** will pay only **our** share. **Our** share is the proportion that the **Limit of Insurance** of **our** policy bears to the total of the limits of all the policies covering on the same basis.
3. With regard to **HULL AND EQUIPMENT**, **BOAT TRAILER**, and **PERSONAL EFFECTS** coverages, the combined amount of all available insurance will not exceed the limits of this policy for any loss.

F. No Assignment

The rights and duties under this policy may not be transferred or assigned without **our** written consent.

G. Transfer of Interest

Coverage provided by **us** terminates automatically without notice if **you abandon**, lease, sell, or have contracted to sell, an **insured boat** or **insured trailer**, or if **you** have assigned an **insured boat** or **insured trailer** without **our** prior written consent.

H. No Benefit to Others

No person or organization having custody of the property insured by this policy and being compensated for having custody, or for performing services while having custody, will directly or indirectly benefit from this policy.

I. Fraud and Concealment

This policy is void if any **insured** or any **insured's** agent, at any time and regardless of intent, conceals, misrepresents or fails to disclose any material fact regarding this insurance, any application for insurance, the **insured boat** or any claim made under this policy.

J. Seaworthiness Warranty

You warrant that at the inception of this policy the **insured boat** is in seaworthy condition. Violation of this warranty will void this policy from its inception. **You** also warrant that the **insured boat** will be maintained in a seaworthy condition during the policy period shown on the Declarations Page. There is no coverage for any loss, damage or expense arising out of an unseaworthy condition.

K. Legal Action Against Us

No legal action may be brought against **us** unless there has been full compliance with all terms of this policy. With respect to any claim or loss to insured property, the action must begin within two years of the date of loss or damage. With respect to any other claim or loss, no legal action may be brought against **us** until **we** agree in writing that an **insured** has an obligation to pay a specified amount, or until the amount of that obligation has been finally determined by judgment after trial. No one has a right under this policy to bring **us** into any action to determine the liability of an **insured**. If any time limitations of this policy are prohibited or invalid under applicable law, then legal action against **us** must begin within the shortest limitation of time permitted by such law.

L. Non-waiver Clause

No action by **us** after a loss to recover or save insured property from further loss, nor any action **we** take in connection with the investigation of any claim or loss will be

SECTION V – GENERAL PROVISIONS CONTINUED

considered a waiver of **our** rights under this policy. Nothing herein will be considered a waiver of **our** rights under this policy, state or federal law, or otherwise. No action or inaction by **us** will be deemed a waiver of this provision.

M. Controlling Law

This policy is governed by United States federal admiralty law and maritime law. In the absence of applicable United States federal admiralty and maritime law, this policy is to be construed under the laws of the state, territory or possession listed on the Declarations Page as the address of record, without regard to that jurisdiction's rules on choice of law.

N. Conformity to Law

If any provision of this policy is contrary or unenforceable under controlling law, the policy will automatically conform to the minimum requirements of the law.

O. Economic and Trade Sanctions

Whenever coverage provided by this policy would be in violation of any U.S. economic trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), such coverage will be null and void. Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance or any claim that would be in violation of U.S. economic or trade sanctions as described above will also be null and void.

SECTION VI – GENERAL EXCLUSIONS

A. Racing Exclusion

Coverage will not apply to powerboats while engaged in any speed race or test. **We** do cover predicted log cruises or similar competitions and sailboat racing.

B. Amphibious Vehicles

Coverage will not apply to amphibious vehicles while operating on land.

C. Illegal Activities

Coverage will not apply while an **insured boat** is used for illegal activities.

D. War and Nuclear Exclusion

Coverage will not apply to loss, damage or expense caused directly or indirectly by:

1. Radioactive contamination or nuclear reaction; or

2. War (declared or undeclared), civil war, insurrection, rebellion, revolution, riot, social unrest, piracy, or any consequence of these.

E. Seizure

Coverage will not apply to loss, damage or expense caused directly or indirectly by the capture, seizure, arrest or detainment of an **insured boat** by any governmental power or authority, whether lawful or unlawful; or, if an **insured boat** is legally removed from **your** custody for any reason.

GEICO Marine Insurance Company

Secretary

GEICO Marine Insurance Company

President