



NATIONAL MARINE
UNDERWRITERS, INC.

FLAGSHIP YACHT INSURANCE POLICY

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POLICY INDEX

AGREEMENT	1
DEFINITIONS USED IN THIS POLICY	1
EXCLUSIONS APPLYING TO ALL SECTIONS	3
SECTION A – PHYSICAL DAMAGE COVERAGE FOR LOSS TO THE INSURED YACHT AND ANY INSURED TENDER	3
Physical Damage Coverage for Loss to the Insured Yacht and Any Insured Tender	3
Emergency Towing Assistance	3
Terms Applying to Section A.....	3
Additional Payments	3
Additional Exclusions	3
Terms of Payment of Loss	4
Deductible	4
Unrepaired Prior Loss	4
Appraisal	4
Salvage	4
No Benefit to Others	4
Loss Payee	4
Other Insurance	4
SECTION B – PHYSICAL DAMAGE COVERAGE FOR LOSS TO PERSONAL EFFECTS	4
SECTION C – PHYSICAL DAMAGE COVERAGE FOR LOSS TO AN INSURED TRAILER	5
SECTION D – LIABILITY COVERAGE	5
Terms Applying to Section D	5
Our Duty to Defend	5
Additional Payments	5
Additional Exclusions	5
Limits of Liability.....	5
Other Insurance	6
SECTION F – MEDICAL PAYMENTS AND UNINSURED WATERCRAFT COVERAGE	6
Medical Payments	6
Uninsured Watercraft Coverage	6
Terms Applying to Medical Payments.....	6
Additional Exclusions	6
Limits of Liability.....	6
Other Insurance	6
Terms Applying to Uninsured Watercraft Coverage	6
Additional Exclusions	6
Limits of Liability.....	6
Payment Reduction	6

GENERAL CONDITIONS	6
Communication with Us	6
Policy Change to Be Made by Us	6
Suit Against Us	6
Our Recovery Rights	6
Transfer of Policy	6
Non-Renewal	6
Cancellation by You	6
Cancellation by Us	6
Return of Premium.....	7
Policy Conforms to State Law.....	7
Right to Survey	7
Abandonment.....	7
Responsibilities after an Accident or Loss	7
Misrepresentation and Fraud.....	7

AGREEMENT

We agree to provide insurance for the Coverages that **you** have purchased subject to the conditions and terms described in this Policy. Coverages are considered purchased if **our** agent, National Marine Underwriters, Inc. receives the full premium amount due for this Policy by the "premium due date" shown on the Declarations Page. If the premium is not received by this date or **your** bank does not honor it, this Policy will be rendered null and void.

DEFINITIONS USED IN THE DECLARATION AND THIS POLICY (Definitions are shown in **bold/italics** print throughout the declaration page and policy.)

1. "**Accident**" means a sudden event or continued or repeated contact with the same conditions, which results in **bodily injury, property damage, or loss** that an **insured person** does not expect or intend.
2. "**Approved charters**" mean uses of the **insured yacht** for a fee to carry six or less passengers for fishing, excursion or instructional purposes, and are limited to the following:
 - a. If "**Part Time**" is indicated in the endorsement section of the declaration page, this means that the vessel is chartered for fifteen (15) days or less in one policy period.
 - b. If "**Full Time**" is indicated in the endorsement section of the declaration page, this means that the vessel is chartered for more than fifteen (15) days in one policy

period.

- c. If **"Two Passenger Fishing Guide"** is indicated in the endorsement section of the declaration page, this means that the vessel is used for recreational sport fishing and will have no more than two (2) passengers.
 - d. If **"Six Passenger Fishing/Day Charter"** is indicated in the endorsement section of the declaration page, this means that the vessel is chartered for no more than twelve (12) hours in a twenty-four (24) hour period and will have no more than six (6) passengers.
 - e. If **"Six Passenger Term Charter"** is indicated in the endorsement section of the declaration page, this means that the vessel can be chartered for more than twelve (12) hours in a twenty-four (24) hour period and will have no more than six (6) passengers aboard the vessel.
- Not included are charters:
- a. involved with scuba diving, water-skiing or parasailing operations;
 - b. operated without a U.S. Coast guard licensed captain aboard.
3. **"Bodily injury"** means physical injury to the body of a person including resulting death.
 4. **"Commercial purpose"** means any use of the **insured yacht** for which an **insured person** receives, or intends to receive, money or other economic benefits. It does not include an **insured person** sharing operating costs of a trip with guests.
 5. **"Convicted"** and **"Conviction"** include, but are not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere, or having been given probation, a suspended sentence or fine.
 6. **"Emergency towing assistance"** means the cost to tow the **insured yacht** while afloat to the nearest place for necessary repairs.
 7. **"Family member"** means a parent, spouse, son or daughter (whether natural, adopted, or step-).
 8. **"Insured person"** means **you**. If the Declarations Page indicates that the operation of the **insured yacht** is restricted to "Named Operators", each of the operators listed shown is considered an **insured person**. If there is no "Named Operators" restriction shown on the Declarations Page, the definition of **insured person** includes any person or organization that operates the **insured yacht** with **your** direct knowledge and express permission. The definition of **"insured person"** does not include:
 - a. a captain or crew member who receives money or other benefits for its operation;
 - b. a person or organization (including their agents or employees) conducting **marine business**.
 9. **"Insured tender"** means the small boat shown on the Declarations Page that **you** own and principally use to provide transportation over water to and from the

insured yacht. Included are its spars, sails, fittings, and outboard motors. Not included is any boat that is more than 14 feet in length, or capable of speeds in excess of 25 knots.

10. **"Insured trailer"** means the boat trailer shown on the Declarations Page that **you** own and use exclusively to transport the **insured yacht** over land.
11. **"Insured yacht"** means the watercraft shown on the Declarations Page that **you** own. Included are its spars, sails, machinery, and fittings. Also included are permanently attached equipment used for its operation, navigation, communication, safety, or maintenance.
12. **"Loss"** means physical loss of or damage. **Loss** does not include diminution of its value or loss of its use.
13. **"Marine business"** means making, repairing, servicing, towing, chartering, renting, or selling watercraft; or operating a marina, boatyard or watercraft school; or any other commercial marine activity.
14. **"Navigation limits"** mean the navigable waters shown on the Declarations Page. If these waters include the phrase "Bahamas, Turks, and Caicos", **navigation limits** include the waters of the Bahamas excluding territorial waters of Cuba and Haiti. If these waters include the phrase "Extended Cruising", **navigation limits** include the waters of the Bahamas and the Caribbean excluding territorial waters of Cuba, Colombia, Nicaragua, Haiti, and Bermuda, waters east of 59 degrees west longitude, and waters south of 9 degrees north latitude. For the period between July 1st and November 1st, the **insured yacht** with "Extended Cruising" must remain south of 16 degrees north latitude while restricted to the waters named before, navigate continental U.S. waters, or the waters of the Bahamas. If "Port Risk" is indicated as the **navigation limits** on the Declarations Page, no coverage is afforded under this policy for **bodily injury, property damage** or **loss** that occurs while the **insured yacht** and equipment is away from its mooring location or underway.
15. **"Personal effects"** means personal property owned by **you** or **your family members** who reside with **you**, while such personal property is aboard the **insured yacht** or being loaded or unloaded. Included are miscellaneous boating equipment, fishing gear, clothing, and sporting equipment. Not included are money, traveler's checks, securities, valuable papers, and other documents.
16. **"Property damage"** means physical damage to or destruction of tangible property.
17. **"Propulsion System"** means:
 - a. an outboard motor including its attached propeller and other components;
 - b. an inboard engine including its attached transmission, drive shaft, propeller and other components;
 - c. an inboard/outdrive engine (sterndrive) including its attached outdrive unit, propeller and other components;
 - d. an inboard/jetdrive engine including its attached jet drive components and other components.
18. **"Salvage charges"** mean the charges for which **you** are

liable under maritime law resulting from the voluntary rescue of the **insured yacht**.

19. "**Uninsured watercraft**" means a watercraft:
 - a. that has no valid or collectible insurance for **bodily injury or property damage**;
 - b. that is owned or operated by a person or organization with no valid or collectible insurance for **bodily injury or property damage**;
 - c. that has an owner who can not be found or identified (such as in a hit-and-run situation).
20. "**Workers' compensation**" means compensation prescribed by state or federal law for **bodily injury** to an employee during employment.
21. "**We**", "**us**", and "**our**" mean the insurance company identified on the Declarations Page.
22. "**You**" and "**your**" mean the Named Insured identified on the Declarations Page.

EXCLUSIONS APPLYING TO ALL SECTIONS (Also see the Additional Exclusions in Each Section.)

This Policy does not cover **bodily injury, property damage, or loss**:

1. When the **insured yacht**:
 - a. operates outside the **navigation limits**;
 - b. is used for a **commercial purpose**;
 - c. is used to unlawfully traffic in or carry persons, drugs, narcotics, or other property;
 - d. is owned in whole or in part by someone other than **you** or **your** spouse;
 - e. operates in any organized race or speed test, unless it is a sailboat.
2. Arising out of:
 - a. declared or undeclared war, civil war, riot or revolt;
 - b. the detonation of a nuclear device or radioactive contamination from any source.

Exclusion 1b above does not apply to **approved charters** if coverage for this use is shown on the Declarations Page.

SECTION A - PHYSICAL DAMAGE COVERAGE FOR LOSS TO THE **INSURED YACHT** AND ANY **INSURED TENDER**

PHYSICAL DAMAGE COVERAGE FOR **LOSS** TO THE **INSURED YACHT** AND ANY **INSURED TENDER**. **We** will pay for **loss** to the **insured yacht** or any **insured tender**. The **loss** must arise out of an **accident**. The **loss** and the **accident** must occur during the Policy Period shown on the Declarations Page.

EMERGENCY TOWING ASSISTANCE. If coverage for "Towing" is shown on the Declarations Page, **we** will reimburse **you** for the cost that **you** incur for **emergency towing assistance** because the **insured yacht** is disabled while navigating during the Policy Period. **We** will not pay **you** more than the limit shown on the Declarations Page for this coverage. This limit applies to all expenses arising

out of an incident. **We** will not pay for the cost of gas, oil, parts, or loaned batteries. This coverage does not apply when the **insured yacht** is docked, moored, or located in a safe location.

TERMS APPLYING TO SECTION A.

1. **ADDITIONAL PAYMENTS**. When **loss** to the **insured yacht** or **insured tender** is covered and exceeds its applicable deductible shown on the Declarations Page, **we** will also pay:
 - a. reasonable costs to transport the **insured yacht** or **insured tender** to a nearby place of repair;
 - b. reasonable costs other than **salvage charges** incurred in providing protection for the **insured yacht** or **insured tender** after a **loss**;
 - c. necessary wreck removal or disposal charges;
 - d. **salvage charges** that:
 - 1) **we** agree to pay;
 - 2) are awarded by a United States Court;
 - 3) are determined by an arbitration board in the United States that **you** and **we** agree to authorize for this purpose.
2. **ADDITIONAL EXCLUSIONS**. **We** will not pay for **loss** to the **insured yacht** or any **insured tender** that arises out of:
 - a. unseaworthiness;
 - b. mechanical, engine, transmission, electrical, or structural failure;
 - c. wear and tear, deterioration, weathering, corrosion, rust, metal fatigue, or electrolysis;
 - d. dampness of atmosphere, rot, dry rot, mold, or mildew;
 - e. marring, scratching, denting, or chipping;
 - f. delamination, or osmotic blistering;
 - g. inadequate lubrication, fuel contamination, abnormal combustion or misalignment of mechanical components;
 - h. birds, insects, domestic animals and marine life except if **loss** is caused by collision;
 - i. power surge or interruption to electrical device, other than lightning;
 - j. faulty manufacture or defect in design;
 - k. freezing or thawing;
 - l. legal or illegal seizure or confiscation or during detention by any governmental body;
 - m. a taking, holding, hiding, repossession or sale by:
 - 1) anyone to whom was given its care, custody, control, or use;
 - 2) anyone making a claim for or against it under contract, agreement or law;
 - n. transportation overland when:
 - 1) the weight of the **insured yacht** exceeds the registered weight capacity of the transporting trailer;
 - 2) the weight of the **insured yacht** and transporting trailer combined exceed the maximum towing weight recommended for the towing vehicle;

- 3) the **insured yacht** or transporting trailer is wider than 8 feet 6 inches.
- Exclusions b. through j. shall not apply to ensuing **loss** caused by consequential sinking, burning, or collision unless Exclusion a. also applies. Exclusion n.3) shall not apply if the **insured yacht** is transported legally by a common carrier.
3. TERMS OF PAYMENT OF **LOSS**. When **loss** is covered, the following terms apply:
- a. **We** will pay for reasonable repairs in accordance with customary marine repair practices. This includes:
 - 1) limiting payment to the cost to patch or spot repair;
 - 2) replacing parts, at **our** option, with parts that have been remanufactured or reconditioned;
 - 3) reducing payment for damaged or missing parts for depreciation based on the parts' condition and expected useful life just prior to the **loss**. However, if the Declarations Page indicates that **you** have purchased a "Waiver of Depreciation" option, reductions for depreciation will only apply to sails, sail covers, boat covers, bimini tops, and dodgers.
 - b. If the **insured yacht** or **insured tender** is missing or has estimated repair costs exceeding 70% of the insured value shown for it on the Declarations Page, **we** may, at **our** option:
 - 1) pay the amount of the reasonable price of repairs less the applicable deductibles;
 - 2) pay its insured value less all applicable deductibles and any unrepaired prior **loss**; or
 - 3) purchase and deliver to **you** a watercraft of like kind and quality. With this second option, **you** would owe money to **us** for any applicable deductibles.
 - c. The maximum that **we** will pay for all Additional Payments (as defined in Paragraph 1 above) arising out of any one **accident** is 50% of the insured value shown in the Declarations Page for the **insured yacht**.
 - d. If the **insured yacht** or **insured tender** is lost or stolen and not found or recovered, the **loss** will be settled after a reasonable investigation period, but not less than 60 days.
4. DEDUCTIBLE. **We** will adjust each **loss** separately. **Our** payment for **loss** will be reduced by the applicable deductible amount shown on the Declarations Page except as stated below:
- a. If a separate "catastrophe deductible" is shown on the Declarations Page, it applies instead if **loss** to the **insured yacht** occurs during an event that is assigned a catastrophe number by Property Claim Services.
 - b. If a separate "theft deductible" is shown on the Declarations Page it applies instead if the **insured yacht** is stolen, whether recovered or not. This deductible does not apply if the "catastrophe deductible" referenced above applies.
- c. If **loss** occurs in waters of the Bahamas and such waters are included in the **navigation limits**, the applicable deductible will be the greater of:
 - 1) twice the deductible amount shown on the Declarations Page;
 - 2) any applicable "theft deductible";
 - 3) any applicable "catastrophe deductible".
 - d. If **loss** occurs in covered waters of the Caribbean and such waters are included in the **navigation limits**, the applicable deductible will be the greater of:
 - 1) twice the deductible amount shown on the Declarations Page;
 - 2) \$2,000;
 - 3) any applicable "theft deductible";
 - 4) any applicable "catastrophe deductible".
 - e. If a separate "engine deductible" is shown on the Declarations Page, it applies in addition to any other applicable deductible when **loss** includes damage to a **propulsion system**. If the **insured yacht** has multiple **propulsion systems**, this additional deductible applies separately to each.
5. UNREPAIRED PRIOR **LOSS**. **We** may also reduce **our** payment for **loss** by any unrepaired prior **loss** or damage.
 6. APPRAISAL. If **we** cannot agree with **you** on the amount of payment for **loss** or the cause of **loss**, either party may make written demands for an appraisal. In this event, each party will choose and pay a competent and disinterested appraiser. Each will share other appraisal costs equally. The appraisers will pick a third person to settle differences. An amount or cause of **loss** agreed to in writing by two of them will be the amount or cause of the **loss**. An award under the terms of this condition shall be entered as Final Judgement in any lawsuit, in any court, arising out of this claim.
 7. SALVAGE. When **we** pay for a **loss**, **we** have the option to claim any salvage. If **we** exercise this option, **you** must give **us** clear title to that salvage.
 8. NO BENEFIT TO OTHERS. This Coverage is for **your** benefit alone.
 9. LOSS PAYEE. Payment for **loss** will be made to **you** and the Lienholder shown in the Declarations Page.
 10. OTHER INSURANCE. When there is other insurance for a **loss** covered by this insurance, **we** will apply that part of the **loss** that **our** covered amount bears to the total limits of all insurance.

SECTION B – PHYSICAL DAMAGE COVERAGE FOR **LOSS TO PERSONAL EFFECTS**

If "Personal Effects" Coverage is shown on the Declarations Page, **we** will pay for **loss** to or theft of **personal effects** on the same terms **we** agree to pay for **loss** under Section A while the **insured yacht** is afloat. All terms, conditions, exclusions and limitations of Section A apply except as stated below:

1. The coverage amount shown on the Declarations Page for Section B is the most **we** will pay for all physical damage to or theft of **personal effects** combined arising out of any one **accident**.
2. The deductibles that apply under Section A do not apply to **personal effects**. The separate deductible shown on the Declarations Page for Section B applies instead.

SECTION C – PHYSICAL DAMAGE COVERAGE FOR LOSS TO AN **INSURED TRAILER**

If "Trailer Coverage" is shown on the Declarations Page, **we** will pay for **loss** to **your insured trailer** on the same terms **we** agree to pay for **loss** under Section A. All terms, conditions, exclusions and limitations of Section A apply, except the deductibles that apply under Section A do not apply to an **insured trailer**. The separate deductible shown on the Declarations Page for Section C applies instead.

SECTION D – LIABILITY COVERAGE

We will pay for **bodily injury** and **property damage** for which an **insured person** is legally liable. The **bodily injury** and **property damage** must be caused by an **accident** during the Policy Period shown in the Declarations Page. Liability must arise from the ownership, maintenance or use of the **insured yacht** or any **insured tender**.

TERMS APPLYING TO SECTION D:

1. **OUR DUTY TO DEFEND.** **We** will settle or defend, as **we** consider appropriate, a claim or suit asking for damages for **bodily injury** or **property damage**. However, **our** duty to settle or defend:
 - a. is limited to costs **we** incur and counsel of **our** choice;
 - b. ends when **we** have paid or offered to pay an amount equal to **our** Limit of Liability.
2. **ADDITIONAL PAYMENTS.** When **bodily injury** or **property damage** is covered, **we** will also pay:
 - a. interest on that part of a judgment that does not exceed **our** Limit of Liability. Interest is paid from the date of judgment until **we** pay or offer to pay **our** part of the judgment;
 - b. reasonable costs an **insured person** incurs at **our** request to attend trials or hearings. However, **we** will not pay for loss of earnings.
3. **ADDITIONAL EXCLUSIONS.** This Coverage does not apply to:
 - a. **Bodily injury** to:
 - 1) **you**;
 - 2) a captain or crew member who receives money or other benefits from an **insured person** for operating or providing services to the **insured yacht** unless optional coverage

- for "Paid Crew" is shown on the Declarations Page;
- 3) an employee of an **insured person** when **workers' compensation** benefits are available or required;
- 4) a person who trespasses on the **insured yacht**;
- b. **Bodily injury** arising out of:
 - 1) communicable diseases or sickness;
 - 2) any sexual act, including but not limited to assault, molestation, abuse, incest, or rape;
 - 3) corporal punishment or physical or mental abuse;
- c. **Bodily injury** or **property damage** arising out of:
 - 1) noise or vibration;
 - 2) pollution or contamination unless caused by a covered **loss**;
 - 3) parasailing, spinnaker flying, kite skiing, hang gliding, or similar activity involving tethered flight or subsequent release;
 - 4) the transportation of the **insured yacht** on land;
- d. **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;
- e. **Bodily injury** or **property damage** liability an **insured person** assumes by contract or agreement;
- f. **Property damage** to property:
 - 1) owned by an **insured person** or his or her **family members**;
 - 2) rented to or in the care, custody, or control of an **insured person**;
- g. Punitive damages;
- h. Governmental fines or penalties;
- i. **Salvage charges**;
- j. Costs for the removal, transportation, or disposal of the **insured yacht** (See Section A, Additional Payments).
4. **LIMITS OF LIABILITY.** Except for the exception stated below, the coverage amount for Section D that is shown on the Declarations Page is the most **we** will pay for all **bodily injury** and **property damage** combined in one **accident**. An exception is made for the following situations for which a smaller limit applies:
 - a. **We** will not pay more than \$25,000 for liability of **insured persons** for **bodily injury** to:
 - 1) their **family members**;
 - 2) other **insured persons**.
 The limitation in 4.a.2) above does not apply to **your** liability to other **insured persons**.
 - b. If **you** are a legal partnership, corporation, or other organization, **we** will not pay more \$25,000 for an **insured person's** liability for **bodily injury** to anyone with an ownership interest in **you**.
 - c. **We** will not pay more than \$500 for **property damage** to personal property that is carried aboard the **insured yacht**. (This \$500 limitation does not apply to personal property of **insured persons** or their **family members** since such personal property is excluded elsewhere in

this Policy.)

- d. The number of **our** policies, **insured persons**,
 - e. increase these amounts.
5. OTHER INSURANCE. This insurance is excess over any other valid and collectible insurance. However, **you** may purchase insurance in specific excess of this Policy.

SECTION F - MEDICAL PAYMENTS AND **UNINSURED WATERCRAFT** COVERAGE

MEDICAL PAYMENTS

We will pay for necessary medical or funeral expenses for **bodily injury** caused by an **accident** while in, upon, boarding, leaving or being towed behind the **insured yacht**. The **bodily injury** must occur during the Policy Period shown on the Declarations Page and all costs must be incurred within one year of the **accident**.

UNINSURED WATERCRAFT COVERAGE

We will pay for **bodily injury** sustained aboard the **insured yacht** for which an **uninsured watercraft** is legally responsible. The **bodily injury** must be caused by an **accident** involving the collision of an **uninsured watercraft** and the **insured yacht**. The **accident** must occur during the Policy Period shown on the Declarations Page.

TERMS APPLYING TO MEDICAL PAYMENTS:

1. ADDITIONAL EXCLUSIONS. This Coverage does not apply to:
 - a. **bodily injury** to:
 - 1) an employee of an **insured person** when **workers' compensation** benefits are available or required;
 - 2) a person who trespasses on the **insured yacht**;
 - b. **bodily injury** which is expected or intended;
 - c. **bodily injury** occurring while the **insured yacht** is operated by any person without **your** direct knowledge and express permission.
2. LIMITS OF LIABILITY. **Our** Limit of Liability for **bodily injury** to any one person in one **accident** is the coverage amount shown on the Declarations Page for Section F. This limit shall apply separately to each person injured in any one **accident**. **Bodily injury** sustained by any one such person shall include all injuries and damages sustained by others as a consequence of that **bodily injury**.
3. OTHER INSURANCE. This insurance is primary insurance and applies in addition to any other insurance.

TERMS APPLYING TO **UNINSURED WATERCRAFT** COVERAGE:

1. ADDITIONAL EXCLUSIONS. **We** will not pay for:
 - a. **bodily injury** claims that are settled without **our**

insured yachts, claims or claimants does not

written consent;

- b. **bodily injury** when no evidence of physical contact exists between the **insured yacht** and the **uninsured watercraft**;
 - c. **bodily injury** when the **uninsured watercraft** is:
 - 1) owned in whole or in part by, or furnished for regular use by:
 - a) an **insured person** or any of their **family members**;
 - b) the injured person making the claim for such **bodily injury** or a **family member** of that person;
 - 2) owned or operated by a state or federal governmental agency or authority.
2. LIMITS OF LIABILITY. **We** will pay no more than the coverage amount shown in the Declarations Page for Section D for all **bodily injury** combined arising out of an **accident**.
3. PAYMENT REDUCTION. **Our** payment under this coverage shall be reduced by amounts:
 - a. paid by or on behalf of those legally liable;
 - b. paid or payable under Section D or Medical Payments.

GENERAL CONDITIONS

1. COMMUNICATION WITH **US**. Any communication between **you** and **our** agent, National Marine Underwriters, Inc., is considered communication between **you** and **us**.
2. POLICY CHANGE TO BE MADE BY **US**. No change may be made to this Policy except by Endorsement issued by **us** or by National Marine Underwriters, Inc., on **our** behalf.
3. SUIT AGAINST **US**. **We** may not be sued unless there has been compliance with all the terms of this Policy. For all sections of this policy other than Section D, the action must be started within one year after the **accident** causing the **loss**. Under Section D, no one has a right to sue **us** until the duty of an **insured person** to pay is finally decided by a court. Bankruptcy or insolvency of an **insured person** or an **insured person's** estate does not relieve **us** of **our** obligation under this Policy.
4. **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.
5. TRANSFER OF POLICY. Interest in this Policy may not be transferred without **our** written consent.
6. NONRENEWAL. If **we** decide not to renew this Policy, **we** will mail **you** a notice of nonrenewal. This notice will be sent to the address shown on the Declarations Page. It will be sent at least 30 days

- before the Policy Period ends. Proof of mailing will be proof that **you** were notified. If **we** offer to renew and **you** do not pay the renewal premium, **you** have declined **our** offer.
7. CANCELLATION BY **YOU**. To cancel this Policy, **you** must tell **us** in writing at what future date the cancellation should be.
 8. CANCELLATION BY **US**. **We** may cancel by mailing **you** a cancellation notice. This notice will be sent to the address on the Declarations Page. It will be sent at least 30 days before the cancellation date. Only 10 days notice will be given if **we** cancel for nonpayment of premium. In addition, only 10 days notice will be given if the Policy has been in effect less than 60 days and is not a renewal policy. Proof of mailing will be proof that **you** were notified.
 9. RETURN OF PREMIUM. Upon cancellation, **you** may be entitled to a premium refund. **We** will send that refund to **you**. However:
 - a. **our** making a refund is not a condition of cancellation;
 - b. if **we** cancel for a reason other than nonpayment of premium, the refund will be figured on a pro rata basis;
 - c. if **you** cancel for any reason, or if **we** cancel because of **your** nonpayment of premium, the refund will be based on **our** short rate table, and is subject to a minimum premium of 20% of the annual policy premium earned;
 - d. if the **insured yacht** incurs a **loss** for which **we** pay **our** maximum limit, the annual premium shall be fully earned.
 10. POLICY CONFORMS TO STATE LAW. If terms of this Policy conflict with **your** state law, they are amended to conform to that law.
 11. RIGHT TO SURVEY. **We** have the right to survey the **insured yacht** anytime during the Policy Period. If **we** elect to do so, **we** will give **you** notice. Then **you** must give **us** the help **we** request to locate and board the **insured yacht**.
 12. ABANDONMENT. **You** may not abandon any **insured yacht, trailer, tender** or other property to **us** without **our** prior written consent.
 13. RESPONSIBILITIES AFTER AN **ACCIDENT OR LOSS**. **You** must notify **us** immediately of any **accident**. This notice shall give the time, place, and circumstances of the **accident** or **loss**. It should also include the names and addresses of witnesses and injured persons. An **insured person** shall also:
 - a. cooperate with and assist **us** in matters concerning a claim or suit;
 - b. immediately send **us** all legal papers received;
 - c. authorize **us** to obtain medical and other records;
 - d. provide proofs of **loss we** require;
 - e. if **we** ask, give **us** a written statement describing the **accident** or **loss** and agree to be examined under oath;
 - f. not assume any obligation, admit any liability or incur any expense for which **we** may be liable without written permission, except expenses incurred to protect damaged property from further **loss** or for first aid expense;
 - g. take reasonable steps after a **loss** to protect the **insured yacht**;
 - h. immediately report theft or vandalism to the police;
 - i. allow **us** to inspect the **insured yacht** before repair or disposal
14. MISREPRESENTATION AND FRAUD. This policy will be voided back to its inception if **you** at any time intentionally conceal or misrepresent material information relating to application(s), **accidents**, or **losses**. 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.

The President and Secretary of **our** Company have signed this Policy and it is countersigned on the Declarations Page by an authorized representative.



T. Michael Miller, President & CEO



Dennis R. Smith, Secretary

THIS POLICY IS GOVERNED BY THE LAWS OF MARYLAND

