



BOATOWNERS POLICY

AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with the policy provisions.

DEFINITIONS

Throughout this policy "you" and "your" refer to the named insured on the Declarations Page, and the spouse if a resident of the same household. "We," "us" and "our" refer to the company providing this insurance. Certain other words printed in bold type in the policy, are defined as follows:

"Insured person" means you, a family member and any other person or organization using the insured watercraft with your permission, without charge. It does not include a paid master or crew member of the insured watercraft, or any person or organization (or employee thereof) operating or owning a shipyard, marina, sales agency or similar business. Insurance provided other persons or organizations under this policy does not cover their liability to you or to your spouse.

"Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or fosterchild.

"Insured watercraft" means the watercraft named on the Declarations Page, including its spars, sails, tackle, machinery, permanently attached equipment and electronics and any watercraft which you acquire during the policy period; if you notify us within thirty (30) days of the time you acquire ownership of the watercraft and pay any additional premium required. And, only under Section D, Watercraft Liability, insured watercraft also means any other similar watercraft not owned in whole or in part by you or a family member, and not furnished to you or a family member on a regular basis. Use of the other similar watercraft must be without charge, for private pleasure only, and with the permission of the owner.

"Motor" means all motor(s), attached accessories including remote controls, electric harness, the battery, electric starter and pressure gas tanks.

"Personal Effects" means wearing apparel, sports equipment (such as skis, diving and fishing gear) and other personal effects belonging to you, any family member, guests, or volunteer crew at your election. It does not include money, traveler's checks, securities, valuable papers or other documents.

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned, or reclaimed.

"Watercraft equipment" means anchors, oars, extra fuel tanks, extra batteries, electric trolling motors, tarpaulins, detachable canopies, seat cushions, life preservers, deck chairs, dinghies (tenders), including their outboard motors owned by you and used to service your insured watercraft. Watercraft equipment does not mean depth finders, fish finders, AM-FM radios, tape decks and ship-to-shore radios unless permanently attached or installed.

SECTION A – Watercraft and Equipment

WHAT WE INSURE

We cover the insured watercraft, motor, and watercraft equipment described in the Declarations. Coverage is provided while the insured watercraft and watercraft equipment are afloat, on shore or being transported on a land conveyance.

COVERAGE PROVIDED

We will pay for direct and accidental loss to the insured watercraft, its motor and its watercraft equipment, less any applicable deductible shown on the Declarations page. When applying the deductible, we will treat each covered loss as a separate claim and any two or more covered losses resulting from the same accident or occurrence as one claim. Provided that the loss has not resulted from the negligence of an insured person under this policy.

VALUATION

The amount we will pay for loss or damage to your insured watercraft, motor(s) and watercraft equipment will be the smallest of the following amounts:

1. The coverage limit shown on the Declarations Page;
2. Actual cash value at the time of loss. This means there may be a deduction for depreciation;
3. The cost of repair subject to depreciation;
4. The cost of replacement.

We may elect to replace the insured watercraft, motor and watercraft equipment with property of similar kind, quality and value with deduction for depreciation.

If we pay you in cash an amount equal to the actual cash value of your property before the loss, we have the opportunity to take legal title and possession of your property.

DEDUCTIBLE

Each adjusted loss to the insured watercraft, motor and watercraft equipment will be reduced by the deductible amount shown for the insured watercraft, motor and watercraft equipment on the Declarations Page. When applying the deductible, we will treat each covered loss as a separate claim and any two or more covered losses resulting from the same accident or occurrence as one claim.

UNREPAIRED DAMAGE

If the damage to the insured watercraft, motor or its watercraft equipment is not repaired, we will pay only for the actual cash value of the damaged parts. Our payment, however, will not exceed what it would cost to repair or replace the damaged insured watercraft, motor and watercraft equipment with material of similar kind and quality. We will not pay for unrepaired damage in addition to a payment for a subsequent total loss of the insured watercraft, motor and its watercraft equipment.

OUR OPTION OF REPAIR

If the hull of the insured watercraft is made in whole or in part of plywood, plastic, fiberglass, metal or other molded material, we have the option of limiting payment to the reasonable cost of applying suitable patches, in accordance with standard repair practice, to the damaged area.

SECTION B – TRAILER

WHAT WE INSURE

We cover the trailer used for the transportation of the insured watercraft if an amount of insurance is shown for the trailer on the Declarations Page.

COVERAGE PROVIDED

We will pay for the direct and accidental loss to the trailer, minus any applicable deductible shown on the Declarations Page, caused by fire, lightning, windstorm, explosion, collision or upset. We will also pay for loss as a result of the theft of the entire trailer.

DEDUCTIBLE

Each adjusted loss to the trailer will be reduced by the deductible amount shown for the trailer on the Declarations Page. When applying the deductible, we will treat each covered loss as a separate claim and any two or more covered losses resulting from the same accident or occurrence as one claim.

VALUATION

The amount we will pay for loss or damage to your trailer will be the smallest of the following amounts:

1. The coverage limit shown on the Declarations Page;
2. Actual cash value at the time of loss. This means there may be a deduction for depreciation;
3. The cost of repair subject to depreciation;
4. The cost of replacement.

We may elect to replace the trailer with property of similar kind, quality and value with deduction for depreciation.

If we pay you in cash an amount equal to the actual cash value of your property before the loss, we have the opportunity to take legal title and possession of your property.

SECTION C – Personal Effects

PROVIDED WITH WATERCRAFT AND EQUIPMENT

If insurance is provided under Section A, Watercraft and Equipment, insurance is also provided under this Section.

WHAT WE INSURE

We cover personal effects while they are on board or being carried on, to or off the insured watercraft, but only while the insured watercraft is afloat.

WHAT WE DO NOT INSURE

1. Jewelry, watches or furs;
2. Household furniture, animals, birds, or fish, or merchandise for sale or exhibition;
3. Insured watercraft, watercraft equipment, motors and trailers as defined in this policy;
4. Property that is dropped, thrown or propelled overboard.

COVERAGE PROVIDED

We will pay for direct and accidental loss to personal effects, less any applicable deductible shown on the Declarations Page.

VALUATION

We will pay for the actual cash value of personal effects, but not exceeding what it would cost to repair or replace the property with material of similar kind and quality. Our payment in any one loss for personal effects will not be more than \$500 or the amount listed on the Declarations Page for all losses arising from any one accident or occurrence.

EXCLUSIONS WHICH APPLY TO SECTIONS A, B AND C

We will not pay for loss to insured watercraft, motor(s), watercraft equipment, the trailer or personal effects:

1. Due and confined to: a) wear and tear; b) gradual deterioration (including marine life); c) marring, denting scratching, chipping or electrolysis; d) mechanical or electrical breakdown; e) corrosion, rust, dampness of atmosphere, weathering; f) unseaworthiness; g) defective design; h) latent defect; i) wet or dry rot; j) blistering, bubbling or delamination of fiberglass or plywood.
2. Arising out of or resulting from intentional acts or willful misconduct of any person insured under this policy.
3. Resulting directly or indirectly from ice, freezing or extremes of temperature.
4. Due to theft or attempted theft committed by an insured person.
5. Due to theft by an insured's employees.
6. While the insured watercraft, motor(s) or watercraft equipment is consigned to anyone for sale.
7. Due to confiscation by duly authorized governmental or civil authority.
8. Due to theft or unexplained disappearance of personal effects or watercraft equipment unless:
 - a. Your insured watercraft is stolen; or
 - b. There is evidence of forcible removal.
9. Arising out of or from any business use.
10. Due to the insured watercraft exceeding the registered carrying capacity of the insured trailer.

We will not pay for loss:

1. Which occurs while the insured watercraft is being operated in any organized race or speed contest except sailing vessels, in which case only damage to masts, spars, rigging and sails is excluded.
2. To electrical apparatus caused by electricity, other than lightning, unless fire results, and then only for loss caused by the resulting fire.
3. Involving wages or provisions furnished to master or crew.

SPECIAL CONDITIONS WHICH APPLY TO SECTIONS A, B AND C

ABANDONED PROPERTY

We are not obligated to accept any insured watercraft, motor(s) or watercraft equipment which you abandon.

NO BENEFIT TO BAILEE

No person or organization having custody of the insured watercraft, motor(s) or watercraft equipment insured, and being paid for services, shall benefit from this insurance.

SECTION D – Watercraft Liability

LIABILITY COVERAGE

We will pay for damages for bodily injury or property damage for which any insured person becomes liable through the ownership, maintenance or use of the insured watercraft. We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. Our obligation to settle or defend ends when the amount we pay for damages equals our limit of liability for this coverage.

SUPPLEMENTARY PAYMENTS

In addition to the limit of liability shown for Watercraft Liability on the Declarations Page, we will pay on behalf of an insured person:

1. Premiums on appeal bonds and other bonds required in any suit we defend, but not for bonds in amounts which exceed the limit of liability for Watercraft Liability.
2. Interest on our portion of the judgment which accrues before we make payment for damages.
3. Loss of earnings (but not of other income) of up to \$50 a day for attendance at court proceedings at our request.
4. Other reasonable expenses incurred at our request.

EXCLUSIONS

We will not provide coverage for any person under Watercraft Liability for:

1. Any bodily injury or property damage arising out of or resulting from intentional acts or willful misconduct of any person insured under this policy.
2. Any bodily injury incurred during the course of employment if Worker's Compensation or Federal Longshoremen's and Harbor Workers' Compensation benefits are required or available for the bodily injury.
3. Property damage or bodily injury arising out of the transportation of the insured watercraft on land.
4. Any liability assumed by an insured person under any contract or agreement.
5. Any bodily injury or property damage incurred while the insured watercraft is being operated in an organized race or speed contest, except for sailing vessels, in which case only damage to masts, spars, rigging, and sails is excluded.
6. Any bodily injury or property damage occurring while the insured watercraft is being used to tow any glider, kite, autogyro or other airborne or experimental devices.
7. Any bodily injury or property damage to any insured, family member or person who resides in your household.
8. Fines or penalties imposed by any governmental agency.
9. Any insured's liability for damages arising out of or resulting from pollutants.
10. Any bodily injury or property damage while the insured watercraft is being used for waterskiing, aquaplaning or any similar sport.
11. Bodily injury or property damage arising out of any sexual act, including but not limited to, assault, molestation, abuse, incest or rape.

REMOVAL OF WRECK

If you are legally obligated to remove or otherwise dispose of the wreck of the insured watercraft, we will pay the amount necessary to attempt or actually to remove or otherwise dispose of the wreck, or the amount for which you are held liable for failure to do so if:

- a. The peril causing the loss is covered; and
- b. Removal or destruction of the wreck is required by law or governmental authority.

The amount payable for damages to your insured watercraft plus the cost of removal or destruction of the wreck may exceed the Section A limit for your insured watercraft. In that case, an additional 5% of the Section A limit will be available to cover wreck removal costs.

LIMIT OF LIABILITY

The limit of liability shown for Watercraft Liability on the Declarations Page is our maximum limit of liability under this Section. This is the most we will pay, regardless of the number of insured persons, claims made, or watercraft involved in any one accident, or series of accidents arising out of the same event.

SECTION E – Longshoremen's and Harbor Workers' Compensation

PROVIDED WITH WATERCRAFT LIABILITY

If insurance is provided under Section D – Watercraft Liability, insurance is also provided under this section.

COVERAGE PROVIDED

If a claim is made against you for bodily injury resulting from the ownership, maintenance or use of the insured watercraft, and you are liable under the provisions of the Longshoremen's and Harbor Workers' Compensation Act, we will pay the amount for which you are liable.

We agree as required by the Act to conform to all the provisions of the act, being Public Act No. 803 of the 69th Congress, approved March 4th, 1927; all laws which amend or supplement this Act; and all lawful rules, regulations, orders and decisions of the United States Department of Labor, Bureau of Employees' Compensation and of the Deputy Commissioner having jurisdiction, which are in effect while this policy is in force. We will carry out the provisions of Section 35 of this Act, and will not be relieved of liability due to the insolvency or bankruptcy of the named insured.

SECTION F – Medical Payments

COVERAGE PROVIDED

We will pay reasonable and necessary medical and funeral service expenses incurred within one year from the date of the accident causing bodily injury to any person while in, upon, boarding or leaving the insured watercraft, including waterskiing. Medical expenses means charges for medical, surgical, X-ray, dental, ambulance, hospital and professional nursing services.

EXCLUSIONS

We do not provide coverage under Medical Payments:

1. For any bodily injury incurred during the course of employment if Workers' Compensation or Federal Longshoremen's and Harbor Workers' Compensation benefits are required or available for the bodily injury.
2. For bodily injury to any person sustained while in, upon, boarding or leaving the insured watercraft without a reasonable belief by such person that he or she is entitled to be on board the insured watercraft.
3. For liability assumed by an insured person under contract or agreement.

LIMIT OF LIABILITY

Our limit of liability in any one accident shall not exceed the amount of insurance shown for Medical Payments on the Declarations Page, regardless of the number of persons involved or claims made in the accident.

SECTION G – Duties Following a Loss

DUTIES FOLLOWING ANY LOSS

In the event of any loss covered by this policy, you must:

1. Give us immediate notification of the loss, with details as to how, when and where the loss occurred, the property involved, the names and addresses of any injured persons, and the names and addresses of any witnesses.
2. Promptly forward to us any legal papers or notices received in connection with the loss.
3. Not assume any obligation, admit any liability or incur any expense for which we may be liability without our written permission, except expenses incurred to protect the insured watercraft, motor(s) or watercraft equipment from further loss.
4. Cooperate with us in the investigation, defense, or settlement of any loss, and agree to be examined under oath if we so request.
5. Permit us to examine any records needed to verify the loss and its amount.
6. Submit written proof of loss.

DAMAGE TO INSURED WATERCRAFT AND WATERCRAFT EQUIPMENT

A person presenting a claim for damage to insured watercraft, motor(s) and watercraft equipment must:

1. Take all reasonable steps to protect the property from further loss. We will pay the reasonable expenses incurred in doing this.
2. Give prompt notice to the Police or U.S. Coast Guard authorities upon discovery of a theft of any property.
3. Permit us to inspect the damaged property before it is disposed of or repaired.

BODILY INJURY

A person presenting a claim for bodily injury must also:

1. Submit, as often as we request, to physical examinations by physicians of our choice.
2. Permit us to obtain copies of medical reports and other necessary medical records.

SECTION H – General Conditions Which Apply to All Sections of this Policy

CHANGES IN POLICY

This policy contains all the agreements between you and us. No changes may be made unless they are in writing by us.

POLICY PERIOD, TERRITORY

This policy applies only to losses which occur during the policy period and:

1. While the insured watercraft is within the Navigation Limits specified on the Declarations Page and within 100 miles of the coast of the Continental United States and Canada.
2. For insured watercraft, motor(s) and watercraft equipment on shore or being transported by land conveyance, within the Continental United States and Canada.

PRIVATE PLEASURE ONLY

We do not provide coverage while the insured watercraft is on exhibition, rented to others, used to carry persons or property for a fee or used for other commercial purposes.

WAR AND NUCLEAR EXCLUSION

We will not pay for any loss resulting directly or indirectly from:

1. Radioactive Contamination.
2. Discharge of any nuclear weapon (even if accidental).
3. War, invasion, hostilities, acts of foreign enemies, civil war, rebellion, insurrection, military, usurped power, martial law, or confiscation by order of any government or public authority.

CONCEALMENT OR MISREPRESENTATION

If any person or organization claiming coverage under this policy has intentionally concealed or misrepresented any material fact or circumstance relating to this insurance, this policy shall be void with respect to any such person or organization.

INSURABLE INTEREST

We will not be liable in any one loss for more than the amount of your insurable interest at the time of loss nor more than the amount of coverage afforded by this policy.

LEGAL ACTION AGAINST US

No legal action may be brought against us unless there has been full compliance with all terms of this policy and the action is started within one year after the accident causing the loss. In addition, under Section D – Watercraft Liability, no legal action may be brought against us until we agree in writing that the insured person has an obligation to pay a specified amount or until the amount of that obligation has been finally determined by judgment after trial. No person or organization has any right under this policy to bring us into any action to determine the liability of an insured person.

IMPAIRMENT OF RECOVERY

If you agree after a loss to give up your rights to recover damages from any carrier, bailee or other party who may be liable to you, this policy will be considered void and will be without effect as to such loss. We will still have the right to retain or recover the premium.

OUR RIGHT TO BE REPAID

If we make payment for a loss to anyone, or on behalf of anyone who has a right to recover damages from others, we shall take over that person's right to recover the damages. That person must cooperate with us in our efforts to recover the amount which we paid. If we make payment for a loss to anyone or on behalf of anyone who also recovers damages for that loss from others, that person shall hold the proceeds of the recovery in trust for us and shall reimburse us to the extent of our payment.

PAYMENT OF LOSS

Payment of loss will be made within 30 days after either we reach agreement with you, a final judgment is entered in the court or an appraisal award is filed with us.

NON-WAIVER PROVISIONS

No action on our part after a loss, to recover or save the insured watercraft, motor(s) or watercraft equipment from further loss nor any action which we may take in connection with investigation of any loss shall be considered as a waiver of any of our rights under this policy.

APPRAISAL FOR PROPERTY DAMAGE LOSSES

1. If you and we fail to agree as to the amount of loss, either may demand an appraisal of the loss. In such event, you and we shall each select a competent appraiser and the appraisers shall select a competent and disinterested umpire. The appraisers shall state separately the actual cash value and the amount of loss and failing to agree, shall submit their differences to the umpire. An agreement of any two shall determine the amount of loss. You and we shall each pay the chosen appraiser and bear equally the expense of the umpire.
2. We shall not be held to have waived any of our rights by any act relating to appraisal.

INSURANCE NOT REDUCED

Any loss which we pay will not reduce the amount of insurance or the limit of liability of the Section of the policy under which the loss was paid.

OTHER INSURANCE

If at the time of loss there is available any other insurance which would apply in the absence of this policy, the insurance under this policy shall apply only as excess insurance over the other insurance.

BANKRUPTCY

Bankruptcy of any person or organization insured under this policy does not relieve us of any of our obligations under this policy.

CANCELLATION

You may cancel this policy by returning it to us or our authorized representative and stating, in writing, the future date you want it to be cancelled. We may cancel this policy by written notice to you at the address shown in this policy, or last known address. Cancellation by us will be effective as of the date and time shown on the cancellation notice, but not less than ten (10) days after the date of mailing the notice. The mailing of notice is sufficient proof of notice of cancellation. Delivery of notice shall be equivalent to mailing. When you request cancellation, the return premium will be based on our short-rate table. When we cancel, the return premium will be pro rata of the annual premium.

CONFORMITY TO STATUTES

Any provision in this policy that conflicts with any State statute is hereby amended to conform to the minimum requirements of the state statute.

SECTION I – Uninsured Boatowners

- 1. We will pay for loss or damage which an insured is legally entitled to recover from an uninsured boater because of bodily injury:
 - a. Sustained by an insured, your guests or unpaid crew members;
 - b. Caused by an occurrence;
 - c. While the insured is on the hull.

The uninsured boater's liability for loss or damage must arise out of the ownership, maintenance or use of an uninsured boat.

- 2. **EXCLUSIONS:** We do not provide Uninsured Boaters Coverage for:
 - a. Any vessel owned by an insured or any family member which is not insured for this coverage under this policy.
 - b. Any vessel or equipment owned by or furnished or available for the regular use of an insured or any family member or owned by any state or federal governmental unit or agency;
 - c. Claims settled without our written request.
 - d. An insured using the hull without permission.

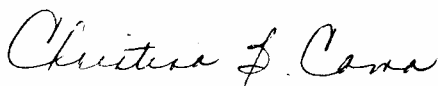
This coverage shall not apply directly or indirectly to benefit any insured or self-insured under any state or federal compensation act.

- 3. **AMOUNT OF INSURANCE:** The limit of liability shown in Section I of the Declarations Page is our maximum limit of liability for all loss or damage resulting from any one occurrence. This is the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made;
 - c. Hulls shown in the Declarations; or
 - d. Vessels involved in the occurrence.

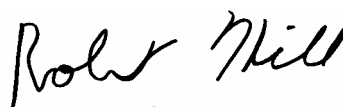
- 4. **LIMIT OF LIABILITY:** Any amount otherwise payable for all loss or damage under the coverage provided in Section I shall be reduced by all sums paid because of the bodily injury by or on behalf of persons or organizations who may be legally responsible. This includes all sums that a person is entitled to recover for or is paid for under Section D.

- 5. **DUTIES IN THE EVENT OF LOSS:** In the event loss or damage may be covered under Section I of this policy, the insured must:
 - a. As soon as possible, give us notification of the loss and its circumstances, including the names and addresses of witnesses or injured parties;
 - b. Notify the police, Coast Guard, Marine Patrol, or other governmental authority with jurisdiction over the loss and its circumstances;
 - c. Give us the opportunity to examine the damaged property before it is repaired or discarded;
 - d. Cooperate with us in the investigation, defense, or settlement of any loss and agree to be examined under oath if we so request;
 - e. Allow examination by physicians of our choice;
 - f. Assist us in obtaining copies of medical records and reports; and
 - g. Notify us and send us every demand, notice, summons or other legal papers received by you or your representative, if a claim is made or a suit is brought against you for a loss or damage that is covered under this policy.

In Witness Whereof, we have caused this policy to be executed and attested, but this policy shall not be valid unless countersigned on the Declarations Page by our authorized representative.



SECRETARY



PRESIDENT



These Declarations and all Endorsements issued together with the policy jacket, form your complete insurance policy.

LOSS PAYABLE CLAUSE

If you borrowed money to buy your watercraft, the person or business that loaned you the money is called the loss payee. The designation of a loss payee on the Declarations is considered to be an acknowledgement by you that the entity named has a legal interest in the watercraft due to an installment sales contract or other security agreement. Your loss payee may require you to name it on the Declaration as a separate insured party for any insurable interest it may have.

When a loss payee is named on the Declarations, our Payment Method will recognize their interest in your property. If we elect to settle your loss or damage in money, both your name and your loss payee's will appear on our payment check. If you have paid off your loss payee, please tell us so that their name may be removed from the policy.

If your interest in the watercraft is terminated, our Payment Method will recognize only the loss payee's. No change in title or ownership of your watercraft or any negligent acts of yours will cancel the loss payee's interest in this policy.

You or the loss payee must let us know of any change of ownership or any increase in hazard which comes to your or the loss payee's knowledge. If an increase in hazard requires an additional premium, you must pay the additional premium.

If you fail to pay any premium due for this policy, your loss payee may be requested to pay that premium.

If you fail to give us proof of loss within 90 days, the loss payee is given an additional 30 days to notify us of the loss.

We have the right to cancel this policy as provided in the policy and the cancellation shall terminate this agreement with respect to the loss payee's interest. When we cancel, we will give the same advance notice of cancellation to the loss payee as we give to you.

When we pay the loss payee, we are entitled, to the extent of our payment, to the loss payee's right of recovery.



Assurant Group Privacy Policy

The trust of our customers is Assurant Group's most valuable asset. Assurant Group safeguards that trust by keeping nonpublic personal information about customers in a secure environment and using that information in accordance with this Privacy Policy.

This Privacy Policy includes examples of the types of nonpublic personal information we collect and the kind of companies with whom we share such information. These examples are illustrative and should not be considered a complete inventory of our information collection, use and sharing practices. In addition, you may have other privacy protections under some state laws. We will comply with applicable state laws regarding information about you. For example, certain state laws may restrict the types of information we may disclose about you or require us to provide you with additional notices.

Please note that this Privacy Policy will not apply to your relationships with other financial service providers, such as banks, credit card issuers, finance companies and independent insurance agents that are not a part of the Assurant Group companies listed below. Their privacy policies will govern how they collect, use and disclose personal information that you allow them to access.

Below is Assurant Group's privacy pledge to our customers:

Information We May Collect

Assurant Group may collect nonpublic personal information about you from the following sources:

- Information we receive from you (or is provided to us on your behalf) on applications and other forms, such as your name, address, telephone number, employer, and income;
- Information about your transactions with the companies of Assurant Group or other nonaffiliated parties, such as your name, address, telephone number, age, credit card usage, insurance coverage, transaction history, claims history and premiums;
- Information from consumer reporting agencies, public records and data collection agencies, such as your obligations with others and your creditworthiness; and
- Information from health care providers, such as doctors and hospitals to determine your past or present health condition. Health information will be collected as we deem appropriate to determine eligibility for coverage, to process claims, to prevent fraud, and as authorized by you, or as otherwise permitted or required by law. Please note we collect health information only to administer a product or service, such as life or disability insurance, you requested. For example, if you purchased involuntary unemployment insurance or an extended service product from one of our companies, we do not collect health information to administer the product.

Information We May Disclose and To Whom We May Disclose Information

The nonpublic personal information Assurant Group may collect as described above may be disclosed in order to deliver products and services to you, provide customer service or administer your account.

- ***Disclosures Permitted by Law***

Assurant Group may disclose all of the nonpublic personal information described above, as permitted by law. For example, we may use affiliated and nonaffiliated parties to perform services for us, such as providing customer assistance, handling claims, protecting against fraud and maintaining software for us. We also may disclose information in response to requests from law enforcement agencies or State insurance authorities.

- ***Disclosures for Joint Marketing and Servicing***

In addition, we may disclose all of the nonpublic personal information we collect as described above, with the exception of health information, to companies that perform marketing services on our behalf (for example, financial service providers, such as banks, and credit card issuers; non-financial companies, such as direct marketers and mail houses; and others, such as membership organizations) or to other financial institutions, such as banks and credit card issuers, with whom we have joint marketing agreements. We also may share such information among the companies of the Assurant Group to perform marketing services on our behalf or to offer you other Assurant Group products and services that we think may be of interest to you.

Information Regarding Former Customers

Assurant Group does not disclose nonpublic personal information about former customers or customers with inactive accounts, except in accordance with this Privacy Policy.

Our Security Procedures

Assurant Group restricts access to nonpublic personal information about you to those employees whom we determine have a legitimate business purpose to access such information in connection with the provision of products or services to you. We employ security techniques designed to protect our customer data. We provide training and communications programs designed to educate employees about the meaning and requirements of our strict standards for data security and confidentiality.

Changes to this Privacy Policy

We reserve the right to modify or supplement this Privacy Policy at any time. If we make material changes, we will provide current customers with a revised notice that describes our new practices.

The companies of Assurant Group, listed below, value their relationship with you and appreciate the opportunity to bring you world class products and services. Should you have any questions regarding this Privacy Policy, please write to us at Assurant Group Privacy Office, 260 Interstate North Circle, Atlanta, Georgia 30339 or e-mail us your question at theprivacyoffice@assurant.com.

American Bankers General Agency
American Bankers Insurance Company of Florida
American Bankers Life Assurance Company of Florida
American Bankers Warranty Company
American Reliable Insurance Company
American Security Insurance Company
American Summit General Agency, Inc.
Bankers American Life Assurance Company
Caribbean American Insurance Agency Company
Caribbean American Life Assurance Company
Caribbean American Property Insurance Company
Commerce National Insurance Company
Consumer Assist Network Association, Inc.
Federal Warranty Service Corporation
Financial Exchange, Inc.
Financial Insurance Exchange
First Fortis Life Insurance Company
Fortis Benefits Insurance Company
Insureco, Inc.
Insureco Agency and Insurance Services, Inc.
Interfinancial Services Corporation

Life Insurance Company of Mississippi
MS Casualty Insurance Company
MS Dealer Service Corporation
MS Life Insurance Company
National Insurance Agency
PAS Financial Group
Roadgard Motor Club, Inc.
Safeware, The Insurance Agency, Inc.
Specialty Lloyds Insurance Company
Standard Guaranty Insurance Company
Sureway, Inc.
The Computer Insurance Agency, Inc.
Union Security Life Insurance Company
United Service Protection, Inc.
United Service Protection Corporation
Voyager Indemnity Insurance Company
Voyager Life and Health Insurance Company
Voyager Life Insurance Company
Voyager Property and Casualty Insurance Company
Voyager Service Programs, Inc.
Voyager Service Warranties, Inc.

And all other affiliated companies of the Assurant Group



AMERICAN RELIABLE INSURANCE COMPANY LOSS PAYEE DEDUCTIBLE LIMIT

The deductible to the Loss Payee shall not exceed \$250 in the event of repossession.

AMERICAN RELIABLE INSURANCE COMPANY UNINSURED BOATOWNERS

1. We will pay for loss or damage which an insured is legally entitled to recover from an uninsured boater because of bodily injury:
 - a. Sustained by an insured, your guests or unpaid crew members;
 - b. Caused by an occurrence;
 - c. While the insured is on the hull.

The uninsured boater's liability for the loss or damage must arise out of the ownership, maintenance or use of an uninsured boat.

2. **EXCLUSIONS:** We do not provide Uninsured Boaters Coverage for:
 - a. Any vessel owned by an insured or any family member which is not insured for this coverage under this policy;
 - b. Any vessel or equipment owned by or furnished or available for the regular use of an insured or any family member or owned by any state or federal governmental unit or agency;
 - c. Claims settled without our written request;
 - d. An insured using the hull without permission.

This coverage shall not apply directly or indirectly to benefit any insured or self-insured under any state of federal compensation act.

3. **AMOUNT OF INSURANCE:** The limit of liability shown in the Declarations Page is our maximum limit of liability for all loss or damage resulting from any one occurrence. This is the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made;
 - c. Hulls shown in the Declarations; or
 - d. Vessels involved in the occurrence.
4. **LIMIT OF LIABILITY:** Any amount otherwise payable for all loss or damage under the coverage provided in Section I shall be reduced by all sums paid because of the bodily injury by or on behalf of persons or organizations who may be legally responsible. This includes all sums that a person is entitled to recover for or is paid for under Section D.
5. **DUTIES IN THE EVENT OF LOSS:** In the event loss or damage may be covered under this policy, the insured must:
 - a. As soon as possible, give us notification of the loss and its circumstances, including the names and addresses of witnesses or injured parties;
 - b. Notify the police, Coast Guard, Marine Patrol, or other government authority with jurisdiction over the loss and its circumstances.
 - c. Give us the opportunity to examine the damaged property before it is repaired or discarded;
 - d. Cooperate with us in the investigation, defense, or settlement of any loss and agree to be examined under oath if we so request.
 - e. Allow examination by physicians of our choice
 - f. Assist us in obtaining copies of medical records and reports; and
 - g. Notify us and send us every demand notice, summons or other legal papers received by you or your representative, if a claim is made or a suit is brought against you for a loss or damage that is covered under this policy.



These Declarations and all Endorsements issued together with the policy jacket, form your complete insurance policy.

LOSS PAYABLE CLAUSE

If you borrowed money to buy your watercraft, the person or business that loaned you the money is called the loss payee. The designation of a loss payee on the Declarations is considered to be an acknowledgement by you that the entity named has a legal interest in the watercraft due to an installment sales contract or other security agreement. Your loss payee may require you to name it on the Declaration as a separate insured party for any insurable interest it may have.

When a loss payee is named on the Declarations, our Payment Method will recognize their interest in your property. If we elect to settle your loss or damage in money, both your name and your loss payee's will appear on our payment check. If you have paid off your loss payee, please tell us so that their name may be removed from the policy.

If your interest in the watercraft is terminated, our Payment Method will recognize only the loss payee's. No change in title or ownership of your watercraft or any negligent acts of yours will cancel the loss payee's interest in this policy.

You or the loss payee must let us know of any change of ownership or any increase in hazard which comes to your or the loss payee's knowledge. If an increase in hazard requires an additional premium, you must pay the additional premium.

If you fail to pay any premium due for this policy, your loss payee may be requested to pay that premium.

If you fail to give us proof of loss within 90 days, the loss payee is given an additional 30 days to notify us of the loss.

We have the right to cancel this policy as provided in the policy and the cancellation shall terminate this agreement with respect to the loss payee's interest. When we cancel, we will give the same advance notice of cancellation to the loss payee as we give to you.

When we pay the loss payee, we are entitled, to the extent of our payment, to the loss payee's right of recovery.

**AMERICAN RELIABLE INSURANCE COMPANY
WATERCRAFT PROGRAM
AGREED VALUE ENDORSEMENT**

This form changes the policy. Please read it carefully.

Section A. Watercraft & Equipment, Valuation Section is amended to include the following:

In case of a total or Constructive Total Loss covered by this policy, the insured watercraft shall be valued at the agreed valuation shown in Section A on the Declarations Page or on an endorsement to the policy issued by us.

For insured watercraft over 10 years old, with regard to a total or Constructive Total Loss covered by a peril insured under this policy, we will only pay the Actual Cash Value of the property at the time of loss. Actual Cash Value means the replacement cost at the time of loss or damage less depreciation.

By Constructive Total Loss, we mean:

We will pay you for loss or damage to the insured watercraft if the cost of recovering and repairing the insured watercraft is greater than the agreed value shown in Section A. on the Declarations Page or by a written endorsement to the policy.

All other provisions of this policy will apply.

**AMERICAN RELIABLE INSURANCE COMPANY
WATERCRAFT PROGRAM
AMENDMENT TO POLICY PROVISIONS
STATE OF FLORIDA**

This form changes the policy. Please read it carefully.

UNDER SECTION D – WATERCRAFT LIABILITY, the following Sections are amended as follows:

- A. Under Supplementary Payments, the words “on the Declarations” are deleted and replaced by “in the Schedule.”
- B. The Limit of Liability Section is deleted in its entirety and replaced by the following:

SPLIT LIABILITY LIMITS

SCHEDULE

Bodily Injury Liability	\$ _____	each person
	\$ _____	each accident
Property Damage Liability	\$ _____	each accident

LIMIT OF LIABILITY

The limit of liability shown in the Schedule for “each person” for bodily injury Liability is our maximum limit of liability for all damages for bodily injury sustained by any one person in any one watercraft accident. Subject to this limit for “each person,” the limit of liability shown in the Schedule for “each accident” for Bodily Injury Liability is our maximum limit of liability for all damages for all damages for bodily injury resulting from any one watercraft accident. The limit of liability shown in the Schedule for “each accident” for Property Damage Liability is our maximum limit of liability for all damages to all property resulting from any one watercraft accident. This is the most we will pay regardless of the number of:

- 1. **Insured persons;**
- 2. Claims made;
- 3. Persons injured.

SECTION H – GENERAL CONDITIONS, which apply to all Sections of this Policy, the following Sections are amended as follows:

POLICY PERIOD, TERRITORY

This policy applies only to losses which occur during the policy period and:

- a. While the insured watercraft is within:
 - 1. the Navigation Limits specified on the Declarations Page;
 - 2. within 50 miles of the coast of the Continental United States and Canada.
- b. For property on shore or being transported by land conveyance, within the Continental United States and Canada.

PAYMENT OF LOSS

The entire paragraph is deleted and replaced with the following:

Payment of loss will be made within:

- 1. 20 days after either we reach agreement with you;
- 2. a final judgment is entered in the court;
- 3. an appraisal award is filed with us.

CANCELLATION

This policy may be cancelled during the policy period as follows:

1. The named insured shown in the Declarations may cancel by:
 - a. returning this policy to us; or
 - b. giving us advance written notice of the date cancellation is to take effect.
2. We may cancel by mailing registered or certified mail or United States Post Office proof of mailing to the named insured shown in the Declarations at the address shown in this policy:
 - a. at least 20 days notice if cancellation is for nonpayment of premium; or
 - b. at least 45 days notice in all other cases.
3. After this policy is in effect for 90 days, we will cancel only where there has been:
 - a. a material misstatement;
 - b. nonpayment of premium;
 - c. failure to comply with underwriting requirements;
 - d. a substantial change in the risk.

NONRENEWALS

If we decide not to renew or continue this policy we will mail advance notice to the named insured shown in the Declarations at the address shown in this policy at least 45 days before the end of the policy period. Notice will be mailed by registered or certified mail or United States Post Office proof of mailing. If the policy period is other than one year, we will have the right not to renew or continue it only at each anniversary of its original effective date.

We will not refuse to renew or continue this policy solely because:

1. You were convicted of one or more traffic violations which did not involve an accident or cause revocation or suspension of your driving privilege; or
2. You have had only one accident if we have insured **your insured watercraft** for a period of at least 5 years immediately preceding the renewal date.

AUTOMATIC TERMINATION

If we offer to renew or continue and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If you obtain other insurance on **your insured watercraft**, any similar insurance provided by this policy will terminate as to that watercraft on the effective date of the other insurance.

OTHER TERMINATION PROVISIONS

1. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
2. If this policy is cancelled, you may be entitled to a premium refund. If so, we will send you the refund. The premium refund, if any, will be computed according to our manuals. However, making or offering to make the refund is not a condition of cancellation.
3. The effective date of cancellation stated in the notice shall become the end of the policy period.

All other provisions of this policy will apply.

**AMERICAN RELIABLE INSURANCE COMPANY
WATERCRAFT PROGRAM
LAY UP PERIOD ENDORSEMENT**

This form changes the policy. Please read it carefully.

If a Lay Up Period is shown on the Declarations Page, the following provision is added to Section A – Watercraft and Equipment, COVERAGES PROVIDED:

No coverage will be provided for loss or damage as a result of collision or negligence of an insured, captain, or crew member if operating the **insured watercraft** during the lay up period shown on the Declarations Page.

All other provisions of this policy will apply.

**AMERICAN RELIABLE INSURANCE COMPANY
WATERCRAFT PROGRAM
WATERSPORTS COVERAGE ENDORSEMENT**

This form changes the policy. Please read it carefully.

It is hereby agreed that the following changes are made to your policy:

Section D – Watercraft Liability

Exclusion 10 is hereby deleted.

All other provisions of this policy will apply.

**AMERICAN RELIABLE INSURANCE COMPANY
WATERCRAFT PROGRAM
STORAGE EXPENSE ENDORSEMENT**

This form changes the policy. Please read it carefully.

It is hereby agreed that the following changes are made to your policy:

SECTION A. – WATERCRAFT AND EQUIPMENT

Additional Coverage is added:

Storage

If you are not able to use your watercraft due to a covered loss, we will pay up to \$10 per day for expenses incurred for storing the watercraft. If the watercraft can be repaired, we will provide payment only for the time reasonably required to repair the watercraft up to a maximum of \$150. This coverage does not increase the Limit of Liability applying to the property being repaired.

All other provisions of this policy will apply.

AMERICAN RELIABLE INSURANCE COMPANY WATERCRAFT PROGRAM POLLUTION COVERAGE ENDORSEMENT

This form changes the policy. Please read it carefully.

The amount of insurance for this coverage is \$100,000 or the Limit of Liability shown on the Declarations Page for Section D, whichever is less.

Section D, Watercraft Liability Exclusion 9, is deleted and replaced with the following:

Any Insured's liability arising out of the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, oil or other petroleum substance or derivative (including all oil refuse or oil mixed wastes) or other irritants, contaminants or **pollutants** into or upon land, the atmosphere, or any watercourse or body of water.

This exclusion shall not apply; however, provided that the Insured establishes that all of the following conditions have been met:

- 1) The discharge, dispersal, release or escape was accidental and was neither expected nor intended by the Insured. A discharge, dispersal, release or escape shall not be considered unintended or unexpected unless caused by some intervening event neither foreseeable nor intended by the Insured;
- 2) The discharge, dispersal, release or escape can be identified as commencing at a specific time and date during the term of this policy;
- 3) The discharge, dispersal, release or escape became known to the Insured within 72 hours after its commencement;
- 4) The discharge, dispersal, release or escape was reported in writing to us within 30 days after having become known to the Insured; and
- 5) The discharge, dispersal, release or escape did not result from the Insured's intentional and willful violation of any government statute, rule or regulation.

Nothing contained in this clause shall operate to provide any coverage with respect to:

- 1) Loss of, damage to or loss of use of property directly or indirectly resulting from subsidence caused by subsurface operations of the Insured;
- 2) Removal of, loss of or damage to subsurface oil, gas or any other substance;
- 3) Fines, penalties, punitive damages, exemplary damages, treble damages or any other damages resulting from the multiplication of compensatory damages;
- 4) Any site or location used in whole or in part for the handling, processing, treatment, storage, disposal or dumping of any waste materials or substances or the transportation of any waste materials or substances.

All other provisions of this policy will apply.

AMERICAN RELIABLE INSURANCE COMPANY WATERCRAFT PROGRAM REPLACEMENT COST ENDORSEMENT

This form changes the policy. Please read it carefully.

If the insured watercraft is less than 25 months old, the following conditions apply:

1. What We Will Pay

- a. We remove our right under Section A of your policy. "Valuation," to deduct depreciation from the value of your **insured watercraft** for loss or damage caused by a peril for which you are insured under Section A, "Watercraft & Equipment." This coverage is subject to the deductible shown on the Declarations Page of your policy.
- b. The most we will pay is the lowest of the following amounts:
 - 1) Replacement cost at the time of loss without deduction for depreciation;
 - 2) The full cost of repair at the time of loss; or
 - 3) The cost of replacing the **insured watercraft** with a new watercraft of the same make and model, similarly equipped.

These amounts include all applicable taxes.

2. What is Not Covered

This change does not apply to:

- a. Batteries; or
- b. Betterment of the watercraft resulting from repairing or replacing parts for prior unrepaired damage.

All other provisions of this policy will apply.

**AMERICAN RELIABLE INSURANCE COMPANY
WATERCRAFT PROGRAM
EMERGENCY TOWING AND ASSISTANCE ENDORSEMENT**

This form changes the policy. Please read it carefully.

We will pay you up to the limit shown on your Declarations Page for the reasonable costs you incur resulting from the following emergency services to your insured boat or trailer if you cannot get voluntary help and you must get commercial assistance.

1. Emergency towing to the nearest place where the necessary repairs can be made; and
2. Emergency delivery of gas, oil or battery (excluding the cost of these items).

All other provisions of this policy will apply.

AMERICAN RELIABLE INSURANCE COMPANY ADDITIONAL INSURED

ENDORSEMENT NO.

Attached to and made a part of Policy No.

Issued by AMERICAN RELIABLE INSURANCE COMPANY

Name and Address of Additional Insured:

We agree that Section D – Watercraft Liability of this policy is extended to cover the above entity as an additional insured, subject, however, to the following modifications, terms and conditions:

1. The additional insured named in this endorsement is insured only with regard to claims rising out of their interest, if any, in your insured watercraft and only with respect to the liability arising out of the negligence of the insured for damages arising out of the ownership, maintenance or the use of the insured watercraft;
2. This coverage shall not apply with regard to claims made by any insured or additional insured under this policy against any other insured or additional insured under this policy;
3. We agree to waive our right of subrogation under Section D – Watercraft Liability of this policy against the additional insured named above;
4. We will give the additional insured named above ten (10) days written notice before any cancellation of this policy shall be effective;
5. Except as expressly stated in this endorsement, the coverage extended to the additional insured is subject to all the terms and conditions of the policy to which this endorsement is attached.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AMERICAN RELIABLE INSURANCE COMPANY REPLACEMENT COST PERSONAL EFFECTS

SECTION C – PERSONAL EFFECTS

VALUATION

Special Amounts of Insurance is added:

Special Amounts of Insurance apply to the following groups of personal effects. These Special Amounts of Insurance do not increase the total Amount of Insurance provided by Coverage C – Personal Effects. The Special Amount of Insurance for each group is the maximum we will pay for any one loss for all property included in the following groups:

<u>Special Amounts of Insurance</u>	<u>Personal Property Group</u>
\$2,500	Fishing Equipment
\$2,500	Sports Equipment

Section C – Personal Effects, Valuation is changed to read:

The amount we will pay for loss to your personal effects will be the lowest of:

1. The **replacement cost** of the personal effects at the time of the loss.
2. The amount required to repair or replace your personal effects.
3. The Amount of Insurance shown on the Declarations Page.

All other provisions of your policy apply.

AMERICAN RELIABLE INSURANCE COMPANY MOLD EXCLUSION

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

Your policy is amended as follows:

The following is added to the DEFINITIONS section:

“Mold” means any mold, fungi, organic pathogen, bacteria, virus or their spores, scent or by products of any type of nature that cause, threaten to cause, or are alleged to cause physical damage, deterioration, loss of use, and/or loss of value or marketability, to any tangible property or that can cause, threaten to cause or are alleged to cause harm of any type to any living organism. This includes, but is not limited to, any type of “mold” that is harmful to or is potentially harmful to the health or welfare of persons (such as *Stachybotrys* and others), and/or that is damaging or potentially damaging to tangible property (including wet or dry rot, mildew and others).

“Remediation” means to test for, monitor, clean up, treat, eliminate, prevent, detoxify, neutralize, contain, remove, dispose of, or in any way respond to or assess the effects of “mold”.

The following is added to Section H- General Conditions Which Apply to All Sections of this Policy:

Mold Exclusion

We do not under any circumstances insure loss, damage or remediation costs caused by or resulting from the presence of mold, mildew, or other fungi, their secretions, and dry and wet rot of any kind regardless of the cause, condition or loss that led to their formation or growth.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AMERICAN RELIABLE INSURANCE COMPANY WINDSTORM DEDUCTIBLE

The following deductible provision is in addition to the Deductible clause as stated in **SECTION A – Watercraft and Equipment**.

Windstorm Deductible:

We will apply a separate hull deductible to losses caused by wind, rain, wave or hail when those losses are the result of either a Tropical Depression, Tropical Storm, Hurricane or Nor'easter. This deductible will be in lieu of the Policy SECTION A – Watercraft and Equipment DEDUCTIBLE amount shown on the Declarations Page, and will be applied to the amount of each loss. It will be applicable to all partial, total or constructive total losses.

The Windstorm Deductible amount will equal the greatest of the following amounts:

- a. Five (5) percent of the Policy SECTION A – Watercraft and Equipment LIMIT OF LIABILITY shown on the Declarations Page;
- b. The SECTION A – Watercraft and Equipment DEDUCTIBLE shown on the Declarations Page;
- c. \$1,000.

Definition:

Tropical depressions, tropical storms and hurricanes mean those weather systems so designated by the U.S. National Weather Service and/or the National Hurricane Center.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AMERICAN RELIABLE INSURANCE COMPANY WINDSTORM DEDUCTIBLE

The following deductible provision is in addition to the Deductible clause as stated in **SECTION A – Watercraft and Equipment**.

Windstorm Deductible:

We will apply a separate hull deductible to losses caused by wind, rain, wave or hail when those losses are the result of either a Tropical Depression, Tropical Storm, Hurricane or Nor'easter. This deductible will be in lieu of the Policy SECTION A – Watercraft and Equipment DEDUCTIBLE amount shown on the Declarations Page, and will be applied to the amount of each loss. It will be applicable to all partial, total or constructive total losses.

The Windstorm Deductible amount will equal the greatest of the following amounts:

- a. Three (3) percent of the Policy SECTION A – Watercraft and Equipment LIMIT OF LIABILITY shown on the Declarations Page;
- b. The SECTION A – Watercraft and Equipment DEDUCTIBLE shown on the Declarations Page;
- c. \$750.

Definition:

Tropical depressions, tropical storms and hurricanes mean those weather systems so designated by the U.S. National Weather Service and/or the National Hurricane Center.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AMERICAN RELIABLE INSURANCE COMPANY NORTH CAROLINA AMENDATORY ENDORSEMENT

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

The following changes are made to the Boatowners Policy:

Under **SECTION A - Watercraft and Equipment**, subsection **UNREPAIRED DAMAGE** is deleted and replaced with the following:

UNREPAIRED DAMAGE

If the damage to the insured watercraft or its equipment is not repaired, we will not be liable for more than the actual cash value of the damage. We will not pay for unrepaired damaged in addition to a payment for a subsequent total loss of the watercraft and its equipment.

Under **SECTION H - General Conditions Which Apply to All Sections of this Policy**, subsection **LEGAL ACTION AGAINST US**, the first sentence is deleted and replaced with the following:

No legal action may be brought against us unless there has been full compliance with all the terms of this policy, and the action is started within three years after the accident causing the loss.

The following is added to **SECTION H - General Conditions Which Apply to All Sections of this Policy**, subsection **OTHER INSURANCE**:

If a loss occurs involving two or more policies, each of which provides that its insurance shall be excess, the insurers will contribute pro rata.

All other terms and conditions remain unchanged.

AMERICAN RELIABLE INSURANCE COMPANY SOUTH CAROLINA AMENDATORY ENDORSEMENT

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

The following changes are made to the Boatowners Policy:

Under **SECTION H - General Conditions Which Apply to All Sections of this Policy**, subsection **CANCELLATION** is amended as follows:

You may cancel this policy at any time by returning it to us or by notifying us in writing of the future date cancellation is to take effect.

This policy may be cancelled by US mailing to YOU and the agent, if any, written notice of cancellation at least:

1. Ten days prior to the effective date of cancellation if WE cancel for nonpayment of premium; or
2. Thirty days prior to the effective date of cancellation if WE cancel for any other reason.

Any notice of cancellation will be mailed or delivered to YOU and YOUR agent's last known addresses. Proof of mailing is sufficient proof of notice.

Cancellation of Policies in Effect for 90 Days or More

If this policy has been in effect for 90 days or more, or if this policy is a renewal or continuation of a policy issued by US, it may be cancelled by US only for one or more of the following reasons:

1. Nonpayment of premium;
2. Material misrepresentation of fact, which if known by US, would have caused US not to issue the policy;
3. Substantial change in the risk assumed, except to the extent that WE should have foreseen the change or contemplated the risk in writing the policy;
4. Substantial breaches of contractual duties, conditions or warranties; or
5. Loss of OUR reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the policy would imperil OUR solvency or place US in violation of the insurance laws of South Carolina.

Notice of cancellation will state the reason for cancellation. If your policy is cancelled by YOU or US, we will return the pro-rata return unused portion of the premium. Any return premium will be refunded within a reasonable time after the date cancellation takes effect.

If a lienholder is named on the Schedule Page, we will mail written notice to the lienholder 10 days prior to cancellation regardless of whether you or we cancel the policy.

The following is added to **SECTION H - General Conditions Which Apply to All Sections of this Policy**:

NONRENEWAL

If WE elect not to renew this policy, WE shall mail or deliver to YOU and YOUR agent, if any, written notice of nonrenewal, along with the reason for nonrenewal, at least 30 days prior to:

1. The expiration date; or
2. The anniversary date if this is a continuous policy.

Any notice of nonrenewal will be mailed or delivered to YOU and YOUR agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.

All other terms and conditions of this policy remain unchanged.