

Boat and/or Motor Floater - Form 2030

If the Coverage Summary Page indicates Form 2030 applies, we insure:

1. the boat(s) if described on the Coverage Summary Page including its permanently attached equipment (except outboard motors);
2. the motor(s) if described on the Coverage Summary Page including fuel containers and electric starting equipment or controls supplied as integral equipment by the manufacturer;
3. if there is coverage for either 1 or 2 above, we include miscellaneous boat equipment such as batteries, oars, oarlocks, anchors, boat covers, cushions, life preservers, fire extinguishers, extra gasoline tanks, horns, pumps and similar property, while such property is attached to or contained in or on the boat(s) covered by this insurance. Boat equipment does not include outboard motors, parasails, hang gliders, water skiing equipment, scuba gear, fishing tackle, other sporting equipment or other personal property.

Insured Perils

This Rider insures against all risks of direct physical loss or damage from any external cause to the insured property except as hereinafter provided.

Loss or Damage Not Insured

We do not insure:

1. loss or damage caused by marine life;
2. loss or damage caused by or resulting from any repairing, adjusting, servicing or maintenance operation, unless fire or explosion ensues and then only for the loss or damage by such ensuing fire or explosion;
3. loss or damage caused by freezing;
4. loss or damage resulting from the inability of the operator to maintain proper control of the watercraft as the result of being under the influence of intoxicating and/or illegal substances and/or medications indicating restrictions pertaining to the safe operation of transportation devices or machinery;
5. loss or damage caused while the property is not being operated in accordance with the Canada Shipping Act regulations governing age and horsepower restrictions and operator competency requirements;
6. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

Territorial Limits – This Rider covers only within the limits of Canada and Continental United States.

Sound Condition – It is warranted that the insured property is in sound condition at the time of attachment of this insurance.

Limitation of Use – This Rider shall be null and void if the boat and/or motor insured:

1. is used as a public or livery conveyance for carrying passengers for compensation;
2. is rented;
3. is used in any illicit or prohibited trade or transportation;
4. is operated in any official race or speed test.

Permission Granted - Permission is granted the Insured:

1. to rent or borrow boats from others and attach thereto the motor(s) insured hereunder;
2. to race sailboat(s) insured hereunder.

Plywood, Plastics, Fiberglass and Molded Hulls - In the event of damage to plywood, plastic, fiberglass and molded hull boats insured hereunder, the Insurer shall not be liable for more than the cost of making repairs in accordance with the manufacturer's specifications or other generally accepted repair practices.

Basis of Claim Payment

We will pay for insured loss or damage up to your financial interest in the property, but not exceeding the applicable amount(s) of insurance for any loss or damage arising out of one occurrence. Claim payment options are listed below.

1. Replacement Cost

We will pay on the basis of Replacement Cost provided that:

- a. repair or replacement is effected as soon as reasonably possible, but in no event more than one year after the date of loss;
- b. the property at the time of loss was useable for its original purpose;
- c. the property was in working condition immediately before the loss occurred;
- d. the property was not more than 10 model years old at the beginning of the policy term (unless the Coverage Summary Page indicates that Replacement Cost coverage applies even if the property is older than 10 model years at the beginning of the policy term).

2. **Actual Cash Value**

If all the above conditions are not met, we will pay the loss on the basis of Actual Cash Value of the damaged or destroyed property at the time of loss. You have the option of choosing an Actual Cash Value settlement in all cases.

3. **Appraised Value**

If the Coverage Summary Page indicates "Appraised Value" we will pay up to the "Appraised Value" provided that:

- a. The property at the time of loss was useable for its original purpose;
- b. The property was in working condition immediately before the loss occurred;

"Actual Cash Value" will take into account such things as the cost of replacement less any depreciation, and in determining depreciation we will consider the condition immediately before the damage, the resale value and the normal life expectancy.

"Appraised Value" means the value listed on the appraisal document accepted by us.

"Replacement Cost" means the cost, at the time of loss, of repairs or replacement (whichever is lower), with new property of similar kind and quality, without deduction for depreciation.

Deductible - We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of deductible shown on the Coverage Summary Page in any one occurrence.

Co-Insurance Clause - With respect to property described, we are liable in the event of loss for no greater proportion thereof than the amount of insurance bears to 80% of the Actual Cash Value of the insured property at the time of loss. If "Replacement Cost Coverage" applies, we are liable for no greater proportion of the loss than the amount of insurance bears to 80% of the Replacement Cost of the insured property at the time of loss. This clause applies separately to each item for which an amount of insurance is shown. This Clause is not applicable to "Appraised Value" coverage.

Extensions of Coverage

Additional Acquisition Clause - If the insured property is disposed of by the Insured during the term of this policy, we agree to hold covered similar property acquired in replacement thereof for a period not exceeding 30 days from the date of acquisition and to an amount not exceeding the limit of liability on the property disposed of or the invoice cost of the newly acquired property, whichever is less.

Emergency Towing - We will reimburse you for the reasonable cost of any commercial tow incurred as a result of any breakdown of the watercraft, including running out of fuel. Towing is defined as from the location of the breakdown until the watercraft is berthed at the home port or nearest repair or fuel facility, whichever is the lesser in distance. This extension is limited to a maximum payout of \$1,000 per occurrence. This is not an additional amount of insurance.

Extra Expenses - If your watercraft is damaged as a result of a loss covered by this policy, we will reimburse your reasonable out of pocket lodging and transportation expenses incurred as a result of the loss of use of your watercraft. This extension is limited to a maximum payout of \$1,000 per occurrence. This is not an additional amount of insurance.

Fire Department Charges - We will pay for your liability assumed by contract or agreement for fire department charges incurred when a fire department is called to save or protect the insured property from a loss which would be covered by this policy. This extension is limited to a maximum payout of \$1,000 per occurrence. This is not an additional amount of insurance.

Rental Expense - If the insured boat and/or motor are damaged as a result of a loss covered by this policy, we will reimburse the reasonable cost of renting a replacement boat and/or motor while yours is being repaired. The rental unit must be similar to the insured boat and / or motor. This extension is limited to a maximum payout of \$1,000 per occurrence. This is not an additional amount of insurance.

Salvage Charges - We will pay reasonable Salvage Charges, where necessary to retrieve an insured boat and/or motor that has been damaged as the result of a loss covered by this policy.

Any amount paid under this extension shall be deducted from the limit of insurance on the damaged boat and/or motor. This is not an additional amount of insurance.

Test Drive Extension - If you have a boat and/or motor insured by this policy and a boat and/or motor you are test driving is damaged as a result of a loss covered by this policy, we will reimburse the owner of the boat and/or motor for repairs on an Actual Cash Value basis. This extension is limited to a maximum payout of \$1,000 per occurrence, subject to the deductible applicable to this policy. This is not an additional amount of insurance.

