



## BOAT AND MOTOR COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This coverage is added under Section I – Property Coverage, Coverage C – Personal Property.

#### THE AGREEMENT

If your declaration indicates Boat and Motor Coverage is included, we will pay for direct physical loss or damage to the watercraft listed on your declaration while being used or operated anywhere in Canada and the Continental United States.

Watercraft includes the following:

- the boat and its permanently attached equipment;
- outboard motor(s);
- personal watercraft;
- equipment used for the operation, safety and maintenance of the watercraft;
- watercraft trailer.

If the watercraft insured is a sailboat, you agree it will only be used during the navigation period stated on your declaration, otherwise the sailboat will be laid up and out of commission.

#### DEDUCTIBLE

We are responsible for the amount of loss or damage that exceeds the Boat and Motor Coverage deductible shown on your declaration for any one occurrence.

#### ADDITIONAL CONDITIONS

If you acquire another watercraft to replace the watercraft currently described on your declaration, we will insure the newly acquired watercraft for a period not exceeding 30 days from the date of acquisition. We will only pay up to the amount of insurance shown on your declaration.

In the event of an insured loss, we will pay up to \$1,500 per occurrence for the rental of a replacement watercraft of like kind and quality.

#### WHAT IS EXCLUDED

**In addition to the items outlined in Section I – What Is Excluded, we do not insure:**

- loss or damage caused by marine life, marine borers, electrolysis, denting, weathering, or resulting from freezing;
- watercraft used for deliveries, or carrying passengers for compensation;
- watercraft rented to others;
- dishonesty of any person entrusted with care, custody or control of the listed watercraft. This exclusion does not apply where the person is a carrier for hire;
- watercraft while used in, or in preparation for, any race or speed test. This exclusion does not apply to sailboats.

## **BASIS OF SETTLEMENT**

We will pay for insured loss or damage to the watercraft listed on your declaration as follows:

- For those items on your declaration which indicate Basis of Settlement: Valued, we will pay the lesser of the:
  - a) actual cost of repairs, including replacement with new parts, without deduction for depreciation;
  - b) value stated on your declaration.
- For those items on your declaration which indicate Basis of Settlement: Actual Cash Value, we will pay the lesser of the:
  - a) actual amount necessary to repair subject to depreciation;
  - b) actual cash value of the watercraft; or
  - c) amount of insurance indicated on your declaration.

## **SPECIAL CONDITIONS**

The following Special Conditions apply to all losses regardless of the Basis of Settlement shown on your declaration:

- Loss or damage to sails and protective covers of fabric or similar material which will be adjusted on the basis of the actual cash value at the time of loss or damage.
- We will not pay more than the actual cash value of the loss or damage if the described watercraft is not repaired or replaced.
- When an insured event results in a total or constructive total loss, we will not pay the cost of recovering the watercraft.
- As a result of any insured losses, we may take over any salvage at our discretion.

This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.

**Please note:** We have updated certain coverage wordings that may apply to your insurance policy. Insurance policies dated June 2020 or later that contain coverage endorsements may look different because they now reference new titles. There may be instances where certain coverage wordings within your policy will not yet reflect these changes. We have provided the following guide to help you understand how the updated titles apply:

- Updated Title: Section I – Personal Property      Original Title: Section I – Property Coverage
- Updated Title: Section I – What is Excluded      Original Title: Section I – Loss or Damage not Insured