

<i>SERFF Tracking Number:</i>	<i>AMMH-125710023</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>First Marine Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>20080401-01</i>		
<i>TOI:</i>	<i>09.0 Inland Marine</i>	<i>Sub-TOI:</i>	<i>09.0000 Inland Marine Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>FMIC Form updates</i>		
<i>Project Name/Number:</i>	<i>FMIC Form updates/20080401-01</i>		

## Filing at a Glance

Company: First Marine Insurance Company

Product Name: FMIC Form updates

TOI: 09.0 Inland Marine

Sub-TOI: 09.0000 Inland Marine Sub-TOI Combinations

Filing Type: Form

SERFF Tr Num: AMMH-125710023 State: Arkansas

SERFF Status: Closed

Co Tr Num: 20080401-01

Co Status:

Author: Mellisa Anderson

Date Submitted: 06/27/2008

State Tr Num: EFT \$50

State Status: Fees verified and received

Reviewer(s): Alexa Grissom, Betty Montesi

Disposition Date: 08/05/2008

Disposition Status: Approved

Effective Date Requested (New): On Approval

Effective Date Requested (Renewal): On Approval

Effective Date (New): 08/06/2008

Effective Date (Renewal):

State Filing Description:

## General Information

Project Name: FMIC Form updates

Project Number: 20080401-01

Reference Organization:

Reference Title:

Filing Status Changed: 08/05/2008

State Status Changed: 07/01/2008

Corresponding Filing Tracking Number:

Filing Description:

First Marine Insurance Company would like to submit for informational purposes only an update to our policy forms, state amendatory, and declaration pages. As we recently acquired First Marine Insurance Company we removed the prior company's logo from all policy forms, amendatory and declaration pages. The other changes that were made to these forms are outline below.

- Yacht Policy (YT99 (01/99) – We also updated the officer signatures to reflect the new company officers after the acquisition.

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

SERFF Tracking Number: AMMH-125710023 State: Arkansas  
 Filing Company: First Marine Insurance Company State Tracking Number: EFT \$50  
 Company Tracking Number: 20080401-01  
 TOI: 09.0 Inland Marine Sub-TOI: 09.0000 Inland Marine Sub-TOI Combinations  
 Product Name: FMIC Form updates  
 Project Name/Number: FMIC Form updates/20080401-01

- Motorboat Policy (MB99 (01/99) – We also updated the officer signatures to reflect the new company officers after the acquisition.
- State Amendatory (AR 1 Motorboat Policy Amendatory (11/1/05)) – Logo change only
- State Amendatory (AR 2 Yacht Policy Amendatory (11/1/05)) – Logo change only
- Motorboat Declarations Page (AR-MB-100-2 (01/05)) - We also removed the counter signature as well.
- Yacht Declarations Page (AR-YT-100-2 (01/05)) - We also removed the counter signature as well.

## Company and Contact

### Filing Contact Information

Mellisa Anderson, Filing Analyst melanderson@amig.com  
 7000 Midland Blvd (800) 759-9008 [Phone]  
 Amelia, OH 45102 (513) 947-4929[FAX]

### Filing Company Information

First Marine Insurance Company CoCode: 42722 State of Domicile: Missouri  
 3797 Hwy 54 Group Code: 127 Company Type: Property and  
 Casualty  
 Osage Beach, MO 65065 Group Name: American Modern Ins State ID Number:  
 Group  
 (800) 759-9008 ext. [Phone] FEIN Number: 43-1262602  
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## Filing Fees

Fee Required? Yes  
 Fee Amount: \$50.00  
 Retaliatory? No  
 Fee Explanation: this is the fee for EFT  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
First Marine Insurance Company	\$50.00	06/27/2008	21123684

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Alexa Grissom	08/05/2008	08/05/2008

*SERFF Tracking Number:*      *AMMH-125710023*                      *State:*                      *Arkansas*  
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*TOI:*                      *09.0 Inland Marine*                      *Sub-TOI:*                      *09.0000 Inland Marine Sub-TOI Combinations*  
*Product Name:*                      *FMIC Form updates*  
*Project Name/Number:*              *FMIC Form updates/20080401-01*

## **Disposition**

Disposition Date: 08/05/2008

Effective Date (New): 08/06/2008

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: AMMH-125710023 State: Arkansas  
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 Product Name: FMIC Form updates  
 Project Name/Number: FMIC Form updates/20080401-01

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Cover Letter	Approved	Yes
Form	Yacht Policy	Approved	Yes
Form	Motorboat Policy	Approved	Yes
Form	Motorboat policy amendatory	Approved	Yes
Form	Yacht Policy Amendatory	Approved	Yes
Form	Motorboat Dec	Approved	Yes
Form	yacht Dec Page	Approved	Yes

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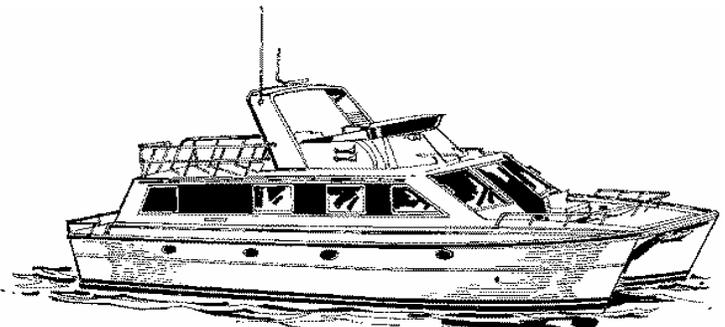
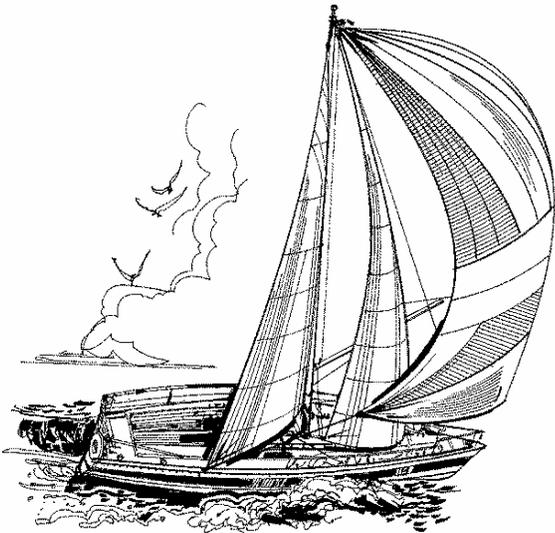
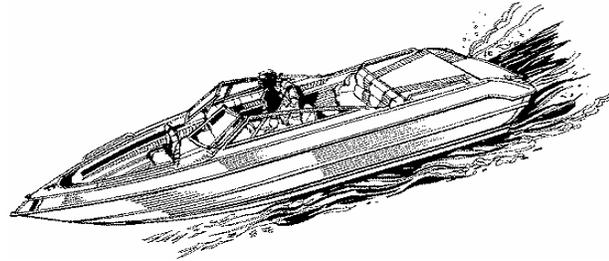
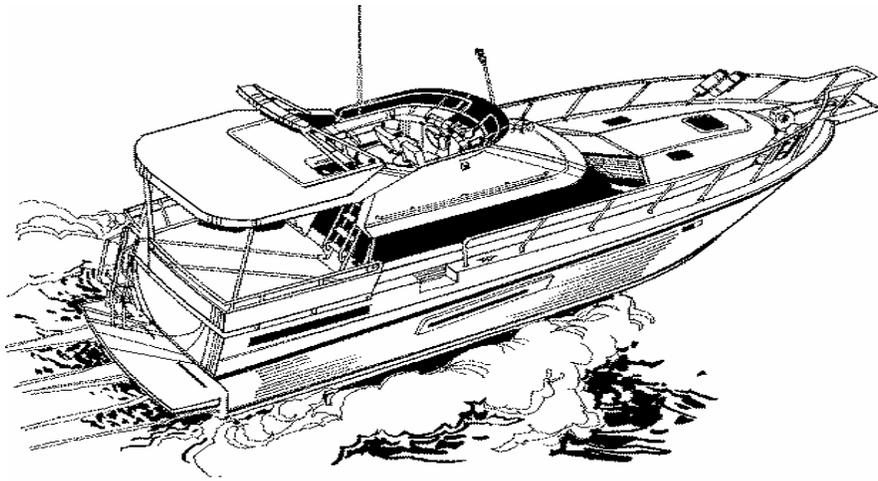
## Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Yacht Policy	YT2005	01/05	Policy/Coverage Form			Countrywide YT policy revision for 2005-8.04.04.pdf
Approved	Motorboat Policy	MB2005	01/05	Policy/Coverage Form			Countrywide MB policy revision for 2005-8.04.04.pdf
Approved	Motorboat policy amendatory	AR 1 Motorboat policy Amend	11/05	Endorsement/Amendment/Conditions	New		AR-1 01.01.05 AR AMND ENDSEMNT-MB.pdf
Approved	Yacht Policy Amendatory	AR 2 Yacht Policy Amend	11/05	Endorsement/Amendment/Conditions	New		AR-2 01.01.05 AR AMND ENDSEMNT-YT.pdf
Approved	Motorboat Dec	Motorboat Dec	01/05	Declaration News/Schedule	New		AR-MB-100-2 (01.05).pdf
Approved	yacht Dec Page	yacht Dec Page	01/05	Declaration News/Schedule	New		AR-YT-100-2 (01.05).pdf

# First Marine Insurance Co.

Amelia, Ohio

## Yacht Policy



### Main Administrative Office

P.O. BOX 5323 CINCINNATI, OH 45201-5323

1-800-543-2644

# YOUR YACHT POLICY QUICK REFERENCE

## DECLARATIONS PAGE

**Your Name and Address**  
**Policy Period**  
**Coverages**  
**Amounts of Insurance**  
**Deductibles**  
**Navigational Limits**

## APPLICATION

**Your Underwriting Information**

## READ YOUR YACHT POLICY CAREFULLY

This policy is a legal contract between you as the policyholder, and First Marine Insurance Company as the insurance company. The complete provisions of this contract are contained in the following pages and set forth in detail the rights and obligations of both you and your insurance company.

IT IS THEREFORE IMPORTANT THAT YOU READ YOUR POLICY IN ITS ENTIRETY.

	<b>Beginning on Page</b>
<b>Agreement.....</b>	<b>1</b>
<b>Definitions.....</b>	<b>1</b>
<b>Coverage A, Physical Damage.....</b>	<b>2</b>
<b>Special Conditions – Coverage A, Physical Damage.....</b>	<b>4</b>
<b>Exclusions - Coverage A, Physical Damage.....</b>	<b>5</b>
<b>Coverage B, Bodily Injury and Property Damage Liability.....</b>	<b>6</b>
<b>Exclusions - Coverage B.....</b>	<b>7</b>
<b>Coverage C, Medical Payments.....</b>	<b>8</b>
<b>Exclusions - Coverage C.....</b>	<b>9</b>
<b>Coverage D, Uninsured Boater.....</b>	<b>9</b>
<b>Exclusions - Coverage D.....</b>	<b>10</b>
<b>General Conditions Which Apply to All Coverages.....</b>	<b>10</b>

# Yacht Policy

A plain language policy for boat owners

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## AGREEMENT

In our reliance upon the application for coverage and the declarations that are made a part of this contract by attachment, we will provide the insurance described in this policy. We will provide the described insurance in return for your payment of the premium and your compliance with all of the provisions contained in this contract of insurance.

If there is any change in the information contained in your application for this policy, we must be notified of that change in writing. We must be notified as soon as practicable, and in any event, not later than thirty (30) days after the change occurs. You understand and agree that the terms and conditions set forth in this policy have not been, and cannot be, altered by any oral statements made by anyone, either before or at the time of application for this policy, or its execution and delivery.

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## DEFINITIONS

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Throughout this policy, "you" and "your" refer to the insured named on the Declarations Page, and the spouse, if resident of the same household. "We", "us" and "our" refer to First Marine Insurance Company (company). Certain other words printed in dark type in the policy are defined as follows:

**"Insured person"** means the person or persons named on the Declarations Page of the policy, including all operators of the **insured watercraft** listed on the Application for Insurance. This includes any person or persons listed as having an insurable interest in the insured property by ownership or debt. **Insured person** includes a **family member** or other regular resident of the insured's household. **Insured person** also includes any other person or organization using the **insured watercraft** with the permission of the named insured and free of charge. **Insured person** does not include any person paid as master or crewmember of the **insured watercraft**. It does not include any person or organization operating a shipyard, their employees, a marina, sales agency, or any similar business. The possible liability exposure to you, or any other **insured person**, is not covered when other persons or organizations operate the **insured watercraft**.

**"Family member"** means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child. A regular resident of the insured's household is not necessarily a **family member**.

**"Insured watercraft"** means the watercraft named on the Declarations Page. And, only under Coverage B, Watercraft Liability, **insured watercraft** also means any other similar watercraft not owned, rented or leased by you or a **family member**. Use of the non-owned watercraft must be without charge, for private pleasure only, and with the permission of the owner.

**"Personal Effects"** means wearing apparel, water sports equipment, boat covers, paddles, anchors, tie ropes and lines, and other personal property that belongs to you. This includes any such items belonging to a **family member**, guests, or volunteer crew. It does not include items or equipment permanently attached to the **insured watercraft**. Firearms, money, traveler's checks or securities, jewelry, valuable papers and other documents, or their reproduction, are not covered.

**"Loss Payee"** means any person or organization having a lien on, or secured interest in the **insured watercraft**, its motor(s), or trailer. Such persons or organizations must be specifically named in the policy.

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**DEFINITIONS (Continued):**

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"**Bodily Injury**" means bodily harm, sickness or disease resulting from a **watercraft accident**. This includes required care, loss of services and death, but does not include purely mental, emotional or spiritual harm.

"**Property Damage**" means physical damage or destruction of property due to a **direct and accidental loss**.

"**Watercraft accident**" means a **direct and accidental loss**.

"**Direct and Accidental Loss**" means **property damage** or **bodily injury** arising out of an accident or occurrence. The accident or occurrence must be sudden, unanticipated and unforeseen, resulting from a continuous and unbroken chain of events. "Accident" or "occurrence" is further defined as unexpected and unintended exposure to the same generally harmful condition or conditions which results in **property damage** or **bodily injury**.

"**Salvage**" means the retained value of the **insured watercraft** or its component parts, its equipment, its motor(s), or its trailer, following damage or loss.

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**COVERAGE A  
PHYSICAL DAMAGE**

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**Valuation** – Valuation for each item under Coverage A, Physical Damage will be at the property's actual cash value, or the Amount of Insurance shown for each item, whichever is less. 100% coinsurance applies to each item separately. Each item must be insured to 100% of its value at all times. It is the responsibility of the policyholder to notify us of changes in property values.

**Coverage Provided** – We will pay for damage caused by **direct and accidental loss** to the property indicated below. Any payment for damage caused by **direct and accidental loss** will be subject to any applicable deductible shown on the Declarations Page. This coverage is afforded while the **insured watercraft** is afloat, on shore, or being transported on land. This coverage is only applicable within the Navigational Limits specified on the Declarations Page.

1. The **insured watercraft** described on the Declarations Page. This also applies to all permanently attached equipment.
2. The motor(s) described on the Declarations Page.
3. Equipment and **personal effects** required or necessary to be on board for normal operations or maintenance of the **insured watercraft**. This coverage applies only to those **personal effects** described in the Definitions section of this policy.
4. All permanently installed electronic equipment. The amount we will pay for electronic equipment shall not exceed 20% of the value of the **insured watercraft** and motor(s) described on the Declarations Page.
5. The trailer that is described on the Declarations Page used for transporting the **insured watercraft**. This coverage will only apply within the specified Navigational Limits of the policy.

**Navigational Limits Extended** – Coverage may be extended for the transportation and storage of the **insured watercraft** outside the specified Navigational Limits. When the trailer used for transporting and storage of the **insured watercraft** is insured with us, this coverage also applies to the trailer. There is no additional premium for this coverage. This coverage is **NOT** automatic. You must receive **PRIOR** company approval for this extended coverage. A company assigned Transportation Authorization Number is required for this coverage to apply. There are certain other restrictions and exclusions that apply to this extended coverage.

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**COVERAGE A**  
**PHYSICAL DAMAGE (Continued)**

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**Loss Settlement** - We will pay the Amount of Insurance shown under Coverage A Physical Damage, on the Declarations Page for the **insured watercraft**, attached equipment, motor(s), or trailer, if the watercraft, equipment, motor(s), or trailer is completely lost. We will pay the Amount of Insurance shown on the Declarations Page for the **insured watercraft**, attached equipment, motor(s) or trailer, if the reasonable expense of recovering and repairing the damaged property and its retained salvage value exceeds the Amount of Insurance shown for this coverage on the Declarations Page. For all other losses to which this insurance applies, we will not be liable for a greater proportion of the loss than the amount insured bears to the actual cash value of the property covered. 100% coinsurance applies to each item separately. You must insure all property covered by this policy for 100% of its actual cash value. If you fail to insure all such property for 100% of its actual cash value, any recovery for loss or damage to the insured property will be reduced on a proportionate or coinsured basis. The Amounts of Insurance shown on the Declarations Page are the most we will pay for any loss under Coverage A, Physical Damage. This includes any charges for sue and labor. At no time will we pay more than the Amount of Insurance shown on the Declarations Page for the **insured watercraft**, attached equipment, motor(s), **personal effects**, or the trailer, including any and all recovery costs. Any payment made for reasonable expenses incurred to protect the insured property from additional damages after a loss (including raising of the **insured watercraft** should it sink) shall not increase the Amount of Insurance listed on the Declarations Page for Coverage A, Physical Damage. We may pay for the loss in cash, but reserve the right to repair and/or replace the damaged or stolen property. We may, at our expense, return stolen property to you. If we return stolen property to you, we will pay for any damage resulting from theft. We will depreciate losses paid for damage to, or theft of machinery, outboard motors, inboard or inboard/outboard units, electronic equipment, sails, upholstery and protective covers of fabric or similar material. Depreciation will be based on the age of the item at the time of loss and the following normal life expectancies:

Machinery	15 years
Electronic Equipment	10 years
Sails	10 years
Upholstery	10 years
Protective Covers	10 years
Life Vests	5 years

Each item subject to depreciation will be valued separately. 50% will be the maximum depreciation applied on any item. We will not be liable for a greater proportion of the loss than the amount insured bears to the actual cash value of the property covered.

**Additional Coverage** - We will pay for a loss to the **insured watercraft** caused by any hidden defect in the hull or machinery. This additional coverage will also apply to permanently attached equipment and motor(s). This coverage will not apply to the cost of repairing or replacing the defective part.

**Our Repair Option** - We may elect to pay only the reasonable cost of applying suitable patches or make area repairs to damaged parts. This repair option will apply to parts made of metal, plywood, fiberglass or other molded material. Any such repairs will be in accordance with good repair practice.

**Personal Effects** - We will pay for **direct and accidental loss** to **personal effects**. Such items are covered while they are on board, or being carried onto or off of the **insured watercraft**. Any payment for **direct and accidental loss** to **personal effects** will be based on the actual cash value of the damaged property. The sum of \$100 will be deducted from each adjusted loss. We will not pay more for damages than the cost necessary to repair or replace the property with material of like kind and quality. Our liability in any one loss will not exceed the amount of insurance shown for this coverage on the Declarations Page.

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**COVERAGE A**  
**PHYSICAL DAMAGE (Continued):**

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**Deductible** - The deductible(s) shown on the Declarations Page will apply to each adjusted loss. The **insured watercraft** and motor(s) shall be treated as one unit. The trailer and **personal effects** shall be subject to separate deductibles. The most we will pay for any one loss under this policy will be the adjusted loss less applicable deductible, or the Amount of Insurance shown on the Declarations Page of the policy, whichever is less.

**Deductible Waived** - If there is a total loss to the **insured watercraft** and equipment, the deductible shown for the **insured watercraft** and equipment will not apply. If the adjusted loss for the costs of recovering and repairing the damaged property and the **salvage** value exceed the amount shown for the **insured watercraft** and equipment, the deductible shown for the **insured watercraft** and equipment will not apply.

**Machinery Depreciation Waiver** - We will not deduct depreciation for repairs and/or replacement to underwater machinery following a covered loss if, and only if:

1. A premium amount is paid for Machinery Depreciation Waiver and is shown on the Declarations Page; and
2. After the loss has been adjusted in accordance with all of the policy's terms and conditions, the adjustment and evaluation of the loss includes application of depreciation for repairs and/or replacement to underwater machinery.

For the purposes of this endorsement, underwater machinery is defined as equipment and systems used in producing power for main propulsion of the **insured watercraft**. This does not include auxiliary motors or trolling motors.

All other policy terms and conditions remain in force and are not waived. Nothing in this machinery depreciation waiver shall waive the company's right:

1. To establish the cost of repairs and/or replacement of damaged or stolen items using good shipyard repair practices;
2. To establish the cost of repairs and/or replacement of damaged or stolen items with item(s) of like kind and quality; or,
3. To pay for the adjusted loss in cash.

This is not replacement cost insurance coverage.

**Unrepaired Damage** - If previous or accumulated damages to the **insured watercraft**, equipment, or motor(s) are not repaired, we will be liable only for the actual cash value of the damaged parts in the event of a subsequent loss. Our liability for any such subsequent loss will not exceed what it would cost to repair or replace the damaged property with material of like kind and quality. We will not pay for unrepaired damage in addition to a payment for the subsequent total loss of the **insured watercraft** and its equipment.

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**SPECIAL CONDITIONS WHICH APPLY TO COVERAGE A**

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**Loss Payable Clause** - If a **loss payee** is named in this policy, any loss payable under Coverage Physical Damage shall be paid to the lien holder and you as interests appear.

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**SPECIAL CONDITIONS WHICH APPLY TO COVERAGE A (Continued)**

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**Salvage and Abandonment** - If we make payment under this policy for loss or damage, any **salvage** that results from such loss or damage belongs to us. We have the right to recover and dispose of such **salvage** to the extent of our payment. Upon payment of the full stated and agreed Amount of Insurance shown for the **insured watercraft**, attached equipment, motor(s), or trailer listed on the Declarations Page, and minus any applicable deductible, we are entitled to the **salvage** of the damaged watercraft, its component parts, equipment, motor(s), or trailer in their entirety. You may not abandon your watercraft to us. We are not responsible for damage caused by property that you abandon.

**Newly Acquired Property** - This policy provides coverage only for the watercraft, motor(s) and trailer (if any) described on the Declarations Page. If you replace all or part of the property described, and until we are notified, we will cover the newly acquired property for a period up to thirty (30) days after you become the owner. Until we are notified and an endorsement is made, the most we will pay during this thirty (30) day period is the amount of insurance shown on the Declarations Page for the replaced property, or the cost of the new property, whichever is less. Nothing in this paragraph shall waive any policy provision in the event a loss occurs within this thirty (30) day period, or be construed to increase the Amount of Insurance shown for Coverage A, Physical Damage on the Declarations Page of the policy.

**Other Insurance** - If at the time of damage or loss, the watercraft, attached equipment, motor(s), or trailer identified in this contract are also covered by other physical damage insurance that would apply in the absence of this policy, we will pay only that proportion of the loss that the Amount of Insurance or the Limits of Liability stated on the Declarations Page of the policy bears to the total amount of insurance covering the loss.

**No Benefit to Bailee** - No person or organization shall benefit from this insurance while having custody and control of the **insured watercraft**, equipment, **personal effects**, motor(s), or trailer.

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**EXCLUSIONS WHICH APPLY TO COVERAGE A**

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

1. Any loss, damage, or expense caused by wear and tear or gradual deterioration of the insured property. This includes damages due to marring, denting, scratching, chipping, electrolysis, corrosion, rust weathering, dry rot, wet rot, or dampness of atmosphere. This exclusion also applies to any loss, damage, or expense due to inherent vice, marine life, unseaworthiness, or the strain of high speed.
2. Any mechanical or electrical breakdown, overheating, or failure of the insured property. This exclusion shall include damages caused by rupture, bursting, breakage or failure due to centrifugal force. This exclusion also includes any mechanical damage, failure, breakdown, or loss, caused by misalignment of mechanical components, improper combustion, fuel additives, or improper fuel mixture.
3. Any loss or damage to the **insured watercraft**, attached equipment, or motor(s) caused by freezing or extreme fluctuation of temperature. This exclusion applies whether such loss or damage occurs directly or indirectly from freezing or extreme fluctuations of temperature, or is caused by (a) a failure to winterize, (b) improper winterization, (c) improper heating of a storage facility, or (d) loss of, or failure of, heating equipment or electrical power used for heating purposes. This exclusion applies whether such loss of heat or power results from an act of God or any other cause.
4. **Property damage** or loss arising from the intentional act or misconduct of any **insured person**, or someone acting at the direction of any **insured person**. However, if such **property damage** or loss results from an act of, or pattern of, abuse or domestic abuse committed by or at the direction of an

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**EXCLUSIONS WHICH  
APPLY TO COVERAGE A (Continued)**

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**insured person**, this exclusion will not apply to an otherwise covered loss suffered by another **insured person**, provided:

- a. The other **insured person** did not cooperate in or contribute to the creation of the loss or damage; and
- b. The person who committed the act is criminally prosecuted.

Our payment for such loss or damage will be subject to all other applicable policy provisions and be limited to the **insured person's** insurable interest less any payments made to another party with a legal secured interest in the property. We retain all rights set forth in **Our Right To Be Repaid** with regard to action against the perpetrator of the act that caused the loss.

5. Any loss or damage occurring while the **insured watercraft** (except if a sailboat) is being operated in any race or speed contest.
6. Any loss or damage resulting from the wrongful conversion, embezzlement or secretion by a mortgagee, vendee, lessee or other person in possession of the insured property while under a mortgage, conditional sale, lease or other contract or agreement. This exclusion applies whether the mortgage, conditional sale, lease or other contract or agreement is either written or verbal.
7. Confiscation of the insured property by government or civil authority. This shall include confiscation of the insured property under right of title, claim of title, or repossession of the insured property by the lienholder. This exclusion shall also apply to **property damage** or loss from seizure of the **insured watercraft**, attached equipment, motor(s), **personal effects**, or trailer by federal, state, or local law enforcement officers as evidence against an **insured person** under the Federal Controlled Substances Act, 21 U.S.C. Section 801, et.seq., or the Federal Food and Drug Law at 21 U.S.C.A., Sections 811 and 812, including any amendments thereto, if that person is convicted of a crime.
8. **Property damage** or loss caused by or arising out of efforts by any **insured person** to elude arrest by a law enforcement officer or **property damage** or other loss caused during the commission of a criminal act by any **insured person**.
9. Loss or damage from any work done to the **insured watercraft**, attached equipment, or motor(s). This exclusion also applies to any loss or damage caused by electricity to electrical apparatus, unless it results in a fire or explosion; in which case we only cover the loss caused by the fire or explosion. This exclusion does not apply to any loss or damage due to lightning.
10. Any loss or damage caused by theft, pilferage, or unexplained disappearance of the **insured watercraft**, attached equipment, **personal effects**, motor(s) or trailer while it is left unattended. This exclusion does not apply if the loss or damage is a direct result of violent or forcible entry (of which there shall be visible evidence) from a locked and secured building or enclosure, or from a fully enclosed and locked body or compartment on the watercraft itself.
11. Theft, pilferage, or unexplained disappearance of the **insured watercraft**, attached equipment, motor(s), **personal effects**, or trailer, if held by other than the insured for sale and if left unattended by the insured or others. This exclusion does not apply if the loss is a direct result of violent or forcible entry (of which there is visible physical evidence) from a locked and secured building or enclosure.
12. **Property damage** or loss caused directly or indirectly from mold. This shall include containment, cleanup, disposal, testing or remediation from the actual or alleged growth or production of any mold, mold spore(s), fungi, mildew, or other similar biological organism(s), or subsequent production and release of resulting toxins from such growth or organisms. This exclusion shall apply if such growths or organisms, or resulting production and release of toxins, originates either directly or indirectly from:
  - a. a failure to reasonably and adequately maintain or monitor the **insured watercraft** that results in standing water. Standing water shall include, but not be limited to bilge water, bilge overflow, appliance or holding tank failure, and regardless of whether such standing water is a direct or indirect result of mechanical or electrical failure, or loss of battery or electrical power and regardless of whether such failure or loss of battery or electrical power occurs from an Act of God or any other reason; or
  - b. a failure to mitigate or repair damages from a peril otherwise covered by this policy.

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**COVERAGE B  
BODILY INJURY AND  
PROPERTY DAMAGE LIABILITY**

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**Coverage Provided** – If an **insured person** becomes legally liable for damages due to a **watercraft accident**, we will pay damages for **bodily injury** and **property damage** that results. This applies only to a **watercraft accident** occurring within the Navigational Limits. We will settle or defend, as we consider appropriate, any claim or suit seeking such damages. Our duty to settle or defend any such suit ends when we have offered or paid an amount equal to the Limit of Liability for this coverage.

**Limit of Liability** - The Limit of Liability shown on the Declarations Page for Coverage B is the most we will pay in any one accident or occurrence. This shall include an accident or occurrence that is a continuous and unbroken chain of events arising from a single, sudden and unforeseen incident or occurrence, or from exposure to the same generally harmful conditions. This is the most we will pay regardless of the number of **insured persons**, claims made, watercraft involved, or number of other watercraft owned by you or any **family member** and insured by First Marine Insurance Company.

**Other Insurance** – If at the time of damage or loss for which any **insured person** becomes legally liable, there is other insurance available under one or more policies or provisions of coverage that would apply in absence of this policy, this policy will be considered excess over any other valid and collectible insurance that would apply in absence of this policy. If any other similar valid and collectible insurance is also written as excess, we will only pay that proportion of the loss or damage that the Amount of Insurance or Limits of Liability stated on the Declarations Page of this policy bears in relation to the total amount of valid and collectible insurance covering this loss or damage. However, any insurance that may be provided by this policy to watercraft that you do not own shall be excess over any other valid and collectible insurance.

**Wreckage Removal** - If you are legally required to remove or otherwise dispose of the wreck of the **insured watercraft**, we will pay the amount necessary to attempt or actually remove, or otherwise dispose of the wreck. At our choice, we may elect to only pay the amount for which you are held liable for failing to do so. Any payment made by the company under this provision shall not increase the Amount of Insurance shown on the Declarations Page for Coverage A, Physical Damage.

**Additional Payments** - In addition to our Limit of Liability, we will pay on behalf of an **insured person**:

1. Premiums on bonds required in any lawsuit we defend. This will not apply to bond amounts greater than the Limit of Liability for Coverage B.
2. Interest on our portion of the judgment that is earned before we make payment.
3. Loss of earnings (but not of other income) of up to \$50 per day for attendance in court at our request.
4. Other reasonable expenses incurred at our expense.

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**EXCLUSIONS WHICH  
APPLY TO COVERAGE B**

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We do not provide coverage for **Bodily Injury** and **Property Damage** Liability for:

1. **Bodily injury** or **property damage** that is intentionally caused by any **insured person**. This also applies to any **bodily injury** or **property damage** done at the direction of any **insured person**.
2. Any damage to property that is owned by, leased by, rented to, used by, or is in the care of any **insured person**.
3. **Bodily injury** to a person eligible to receive benefits under any State Workers' Compensation Act. This also applies to any person covered under the Federal Longshoreman's and Harbor Workers' Compensation Law.
4. Liability that is assumed by any person under any contract or agreement.
5. **Bodily injury** or **property damage** occurring during transportation, storage, or maintenance of the **insured watercraft** on land.

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**EXCLUSIONS WHICH  
APPLY TO COVERAGE B (Continued)**

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6. **Bodily injury** or **property damage** occurring while the **insured watercraft** (except if a sailboat) is being operated in any race or speed contest.
7. **Bodily injury** or **property damage** sustained while the **insured watercraft** is being used as a residence premises.
8. **Bodily injury** to the **insured person**. This exclusion also applies to **bodily injury** to the spouse of the **insured person**, the relatives of either, and any other regular resident of the insured's household.
9. **Bodily injury** or **property damage** that occurs when any person is parasailing. This exclusion also applies to any **bodily injury** or **property damage** that occurs from any similar sport in which a person or objects become airborne.
10. **Bodily injury** to any person that occurs or is sustained, on any dock, dock fixture, or any similar structure or apparatus. This exclusion applies regardless of whether the **insured watercraft** is moored or otherwise connected to the structure or apparatus in any manner.
11. **Bodily injury** or **property damage** resulting in any manner from the actual, alleged, or threatened discharge, seepage, release or escape of any pollutants from the **insured watercraft**, attached equipment or motor(s). This will include, but not be limited to: petroleum distillates, acid, chemicals, smoke, garbage or sewage. This exclusion also applies to any costs associated with the containment and cleanup of such alleged or threatened discharge. This exclusion does not apply if any **insured person** becomes legally liable for **bodily injury** or **property damages** resulting from fire, sinking, or collision involving the **insured watercraft** if such peril is not otherwise excluded by this policy.
12. **Bodily injury** or **property damage** that occurs directly or indirectly from any hidden or latent defect in the **insured watercraft**, equipment, or motor(s).
13. Punitive or exemplary damages, regardless of any provisions of this policy or endorsements made part of the policy by attachment. Except that if a suit shall have been brought against the insured with respect to a claim for acts or alleged acts falling within the coverage hereof, seeking both compensatory and punitive or exemplary damages, then the company will afford a defense to such action, without liability however, for such punitive or exemplary damages.
14. **Bodily injury** or **property damage** caused directly or indirectly from mold. This shall include containment, cleanup, disposal, testing or remediation from the actual or alleged growth or production of any mold, mold spore(s), fungi, mildew, or other similar biological organism(s), or the subsequent production and release of resulting toxins from such growth or organisms. This exclusion shall not apply if any **insured person** becomes legally liable for **bodily injury** or **property damage** and such growths or organisms, or resulting production and release of toxins, does not originate either directly or indirectly from:
  - a. a failure to reasonably and adequately maintain or monitor the **insured watercraft** that results in standing water. Standing water shall include, but not be limited to bilge water, bilge overflow, appliance or holding tank failure. This shall apply regardless of whether such standing water is a direct or indirect result of mechanical or electrical failure, or loss of battery or electrical power and regardless of whether such failure or loss of battery or electrical power occurs from an Act of God or any other reason; or
  - b. does not occur from failure to mitigate or repair damages from a peril otherwise covered by this policy.

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**COVERAGE C  
MEDICAL PAYMENTS**

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**Coverage Provided** - We will pay the necessary medical expenses and funeral services incurred within three (3) years from the date of an accident resulting from a **direct and accidental loss**. This applies only for **bodily injury** sustained by any person while they are in, upon, boarding or leaving the **insured watercraft**. This applies only to **bodily injury** sustained in an accidental loss that occurs within the specified Navigational Limits.

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**COVERAGE C**  
**MEDICAL PAYMENTS (Continued)**

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For purpose of this coverage, medical expenses mean reasonable charges for medical treatment. This shall include hospital, surgical, dental and X-ray costs, prosthetic devices, ambulance charges, and professional nursing services.

**Limit of Liability** - Our liability in any one accident shall not exceed the Amount of Insurance shown for Medical Payments on the Declarations Page. This shall apply regardless of the number of persons involved, or claims made in the accident.

**Other Insurance** – This insurance is in excess of any other valid and collectible insurance that would apply in absence of this coverage.

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**EXCLUSIONS WHICH**  
**APPLY TO COVERAGE C**

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No coverage under Medical Payments is provided to any person:

1. For **bodily injury** incurred during the course of employment if the injury is covered under any State Workers' Compensation Act. This exclusion also applies if the injury is covered under the Federal Longshoreman's and Harbor Workers' Compensation Law.
2. For **bodily injury** incurred while a person is in, upon, boarding or leaving the **insured watercraft** without a reasonable belief that they are entitled to be on board.

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**COVERAGE D**  
**UNINSURED BOATER**

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**Coverage Provided** – If a premium amount is shown on the Declarations Page for this coverage, and if **bodily injury** to an **insured person** while aboard an **insured watercraft** results directly from a **watercraft accident** involving the collision of the **insured watercraft** and an uninsured vessel, we will pay damages that person is legally entitled to receive or recover from the owner and/or operator of the uninsured vessel that is other than an **insured watercraft** as defined by this policy.

An uninsured watercraft owner and/or operator are the person or persons legally responsible for a **watercraft accident**; and:

1. To whom no liability insurance policy applies at the time of the **watercraft accident**; or,
2. Who cannot be identified following a **watercraft accident**.

**Limit of Liability** - The Limit of Liability shown on the Declarations Page for Coverage D, Uninsured Watercraft, is the most we will pay in any one accident or occurrence. This shall include an accident or occurrence that is a continuous and unbroken chain of events arising from a single, sudden and unforeseen incident or occurrence, or from exposure to the same generally harmful conditions. This is the most we will pay regardless of the number of **insured persons**, claims made, watercraft involved, or number of other watercraft owned by you or any **family member** and insured by First Marine Insurance Company.

The Limit of Liability for Coverage D, Uninsured Watercraft, will be reduced by any amount paid or payable under any State Workers' Compensation Act, the Federal Longshoreman's, Harbor Workers' Compensation Law, disability benefits, or any other such similar coverages, and by the total amount the person has received from the person or persons legally responsible for the **watercraft accident**, including any payments under this policy's Coverage C, Medical Payments provision.

**Other Insurance** – This insurance is in excess of any other valid and collectible insurance that would apply in absence of this coverage.

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**EXCLUSIONS WHICH  
APPLY TO COVERAGE D**

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No coverage under Coverage D, Uninsured Watercraft, is provided to any person if:

1. The uninsured vessel is owned or operated by a government agency or employee;
2. There is no evidence of physical contact between the **insured watercraft** and the uninsured vessel;
3. The uninsured vessel is rented, owned, or leased by an **insured person** or **family member**, or is furnished to you, an **insured person**, or a **family member** on a regular basis;
4. The **insured watercraft** at the time of the **watercraft accident** was being operated without permission;
5. The **bodily injury** occurs to a person while in, upon, boarding or leaving the **insured watercraft** without a reasonable belief that they are entitled to be on board;
6. The **bodily injury** occurs when any person is parasailing. This exclusion also applies when the **bodily injury** occurs from any similar sport in which a person or objects become airborne; or,
7. A claim is settled without our consent.

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**GENERAL CONDITIONS  
WHICH APPLY TO  
ALL COVERAGES**

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**Policy Period** – This policy applies only to those losses occurring during the policy period as set forth on the Declarations Page.

**Duties After Loss** – In case of a loss to which this insurance may apply you must:

1. Give us notification of the loss promptly and as soon as reasonably possible. This notification must include 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 address 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(s) for which we may be liable without our written permission. This does not apply to expense(s) incurred to mitigate the loss, or otherwise limit damage to include, but not be limited to, taking all reasonable and necessary steps to protect the insured property from further loss or damage.
4. Cooperate with us in the investigation, defense or settlement of any loss and upon our request, submit to Examinations Under Oath by anyone designated by us and subscribe to same. If more than one person is examined, we have the right to examine each insured or each person separately and not in the presence of others. Our request for an Examination Under Oath does not waive any policy term or condition.
5. Permit us to examine and copy any documents, records, receipts, invoices, and/or financial records needed to investigate, settle or defend any loss. You must provide the necessary authorization for the release of such information to us.
6. Submit a Sworn Statement in Proof of Loss with supporting inventory forms upon our request for such document. Additionally, we will provide these forms upon the written request of any person

If the claim is for **property damage**, you also must:

7. Take all reasonable steps to protect the property from further loss. We will pay the reasonable expenses incurred in doing this.
8. Give prompt notice to the appropriate Law Enforcement Agency or U.S. Coast Guard authorities following an accident. This shall also apply to the discovery of the theft of any insured property.

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**GENERAL CONDITIONS  
WHICH APPLY TO  
ALL COVERAGES (Continued)**

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9. Permit us to inspect the damaged property before it is repaired or disposed of. When requested by us, permit our inspection during or after repairs. This shall include the right of disassembly of component parts for inspection.

If the claim is for **bodily injury**, you must:

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

**Non-Waiver Provision** – No action that we may take in connection with the investigation, settlement or defense of any loss shall be considered as a waiver of any of our rights under this policy. This shall also apply to any action taken by us to recover or save the insured property from further damage after a loss has occurred.

**Private Pleasure Only** – We do not provide coverage while the **insured watercraft** is used for business or other commercial purposes, unless we agree to such coverage in writing. This shall also apply while the **insured watercraft** is on exhibition, if it is rented to others, or if it is used to carry persons or property for a fee.

**Additional Interests** – Upon request of the named insured, entities such as marinas or municipalities requiring proof of insurance may be added to the Declarations Page of the policy as “Additional Interests”. Copies of all contracts between the named insured and such entities will be required. Entities named as “Additional Interests” will appear on the Declarations Page and a copy of the Declarations Page, and any lapse, cancellation, or non-renewal notices will be forwarded to them.

Additional Interests named on the Declarations Page are not insureds under any provision of this policy.

**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.

**Fraud, Concealment or Misrepresentation** – Whether before or after a loss, if you or any other insured has concealed or misrepresented a material fact or circumstance, engaged in any fraudulent conduct, made false or misleading statements pertaining to this insurance with the intent to deceive, knew or should have known that the representation was false and we rely on the misrepresentation, this policy is void as to you and any other insured. Knowledge by our authorized agent of a material fact pertaining to this insurance is considered to be knowledge by us.

**WARNING:** Any person who knowingly presents a false or fraudulent claim for payment of loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. This policy is void if it was knowingly obtained by misrepresentation, fraud, incomplete or misleading information, or the concealment of material facts.

**Changes in Policy** – This policy contains all the agreements between you and us. No changes may be made unless they are in writing, signed by us.

**Payment of Loss** – Payment of loss will be made within thirty (30) days after you meet all conditions of the contract, or when a final judgment is rendered in court. If a total loss occurs, payment will be made within thirty (30) days after we reach agreement with you, or when a bill of sale and appropriate titles properly endorsed are delivered to us.

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**GENERAL CONDITIONS  
WHICH APPLY TO  
ALL COVERAGES (Continued)**

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**Our Right To Be Repaid** – If we pay a loss to, or on behalf of, anyone having a right to recover damages from others, we shall take over that person's right of recovery. That person must assist us in our efforts to recover the amount we paid. If anyone paid by us for a loss also recovers damages for that loss from others, that person shall hold the recovered damages in trust for us and shall repay us the amount we paid. If we recover from another party for payments made under this policy, we will make you whole before recovering our loss.

**Suit Against Us** – No suit may be brought against us unless all the terms of this form have been complied with, and:

1. The suit is brought within the Statute of Limitations applicable for the State in which the accident or loss occurred; and
2. Under Coverage B, Bodily Injury and Property Damage Liability, no suit may be brought against us until;
  - a. We agree in writing that the insured person has an obligation to pay a specified amount; or
  - b. A final judgment against the insured person has been determined as the result of a trial.

No person has a right under this policy to join or implead us in any lawsuit or action that is brought to fix the liability of an insured.

**Dishonored Premium Payments** – If any check or negotiable instrument tendered in payment of the initial premium or subsequent renewal is not honored, the binder or any other policy of insurance issued will be void on the effective date and at the time of binder or contract inception date.

**Insurance Not Reduced** – Any loss we pay will not reduce the Amount of Insurance or the Limit of Liability of the coverage under which the loss was paid. If we pay a claim for the total loss of the **insured watercraft** and its equipment, the unearned premium for the lost property will be fully earned.

**Bankruptcy** – Your insolvency or bankruptcy does not relieve us of our liability under this policy.

**War and Nuclear Exclusion** – We will not pay for any loss resulting directly or indirectly from:

1. Radioactive contamination or discharge of any nuclear weapon (even if accidental), or;
2. War (declared or undeclared), or;
3. Civil war, insurrection, rebellion or revolution, or;
4. Any consequences of any of these.

**Renewal, Cancellation, and Minimum Earned Premium** – This policy will expire and terminate on the date the premium is due, without further notice to you, if the premium has not been paid to us on or before its due date. In this event, and within fifteen (15) days of the date the policy expired, we will mail or deliver to you at your last address known to us a notice of said expiration. The notice will indicate the date that the policy expired.

If we elect to renew this policy, we will notify you by delivering, or mailing to you at your last address known to us, a notice for the renewal premium amount. We will notify you of the renewal premium amount at least thirty (30) days before the end of the current policy period. Proof of delivery or mailing is sufficient proof of notification.

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**GENERAL CONDITIONS  
WHICH APPLY TO  
ALL COVERAGES (Continued)**

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We may non-renew this policy for the reasons stated in this condition by mailing written notice to you at your address shown on the Declarations Page of the Policy, or your last known address given to us. Such notice will state the reasons for the non-renewal. Any notice of non-renewal shall be sent by registered, certified, or first-class mail. If sent by first class mail, a United States Postal Service certificate of mailing shall be sufficient proof of receipt of the notice on the third calendar day after the date of the certificate.

You may cancel this policy by returning the policy to our agent or to us, or by giving us written notice and stating the future date you want coverage to stop. When you have not paid the premium, whether payable to us or your agent, we may cancel at any time by notifying you at least ten (10) days before the cancellation takes effect. When this policy has been in effect for less than sixty (60) days and it is not a renewal with us, we may cancel for any reason by notifying you at least thirty (30) days before the date the cancellation takes effect.

When this policy has been in effect for sixty (60) days or more or at any time if it's a renewal with us, we may cancel or non-renew on the anniversary date if:

1. The premium has not been paid when due;
2. There has been a material misrepresentation of fact, which if known to us, would have caused us not to issue the policy;
3. There has been a material change in the risk which substantially increases any hazard insured against after the policy issuance;
4. We have discovered a willful or reckless act or omission by you which increases the hazard of the risk; or,
5. There has been a material violation of any of the terms or conditions of the policy.

Policy cancellation for one or more of the above reasons can be made by notifying you in writing at least thirty (30) days before the date the cancellation takes effect. The delivery or mailing of this notice shall be sufficient proof of cancellation. When we cancel your policy, your return premium, if any, will be refunded on a pro-rata basis at the time of cancellation, or as soon as practical, and without demand by you for the return of such premium. When you request cancellation, the return premium will be short rate and the company will retain the minimum earned premium indicated on the Declarations Page of the Policy. Payment or tender of the unearned premium is not a condition of cancellation.

**Conformity to State Law** – Any provision in this policy in conflict with any State statute is amended to conform to the minimum requirements of such statute.

**Property and Casualty Guaranty Association Endorsement**

1. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims under the Act if we become insolvent.
2. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of payment. The following limitations apply subject to all other provisions of the Act.
  - a. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the date the insurer becomes insolvent.
3. If the insurer prepares an annual report to shareholders, or an annual report to management reflecting net worth, then such report for the fiscal year immediately preceding the date of insolvency of the insurer will be used to determine net worth.

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**GENERAL CONDITIONS  
WHICH APPLY TO  
ALL COVERAGES (Continued)**

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4. Payments made by the Association for covered claims will include only that amount of each claim, which is:
- (1) In excess of \$100; and
  - (2) Less than \$300,000.

However, the Association will not:

- 1. Pay an amount in excess of the applicable limit of insurance of the policy from which the claim arises; or
- 2. Return to an insured any unearned premium in excess of \$10,000.

These limitations have no effect on the coverage we will provide under this policy.

**Liberalization** – If in the policy period, we revise this policy and broaden the coverage without an additional premium, the broadened coverage is effective immediately.

**Transfer of Your Interest In This Policy** – Your rights and duties in this policy may not be transferred without our written consent.

**In Witness Whereof**, the company has caused this policy to be executed and attested. This policy shall not be valid unless countersigned by our authorized representative.

**Secretary**



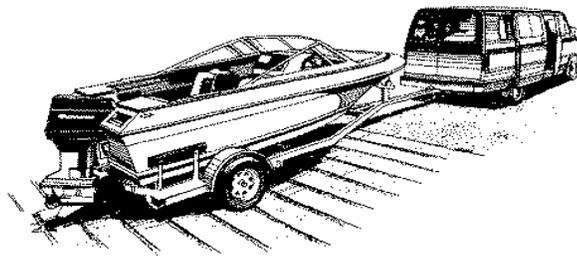
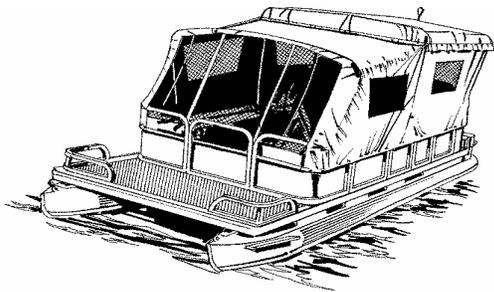
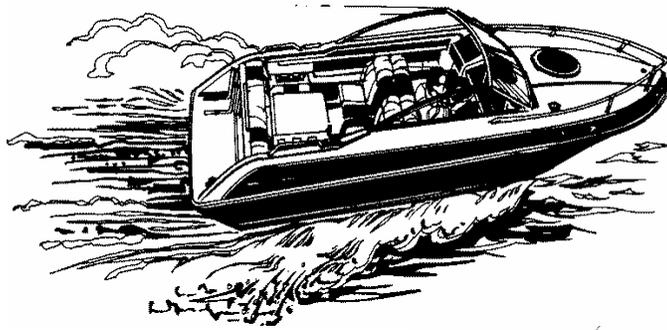
**President**



# First Marine Insurance Co.

Amelia, Ohio

## Motorboat Policy



**Main Administrative Office**

P.O. BOX 5323 CINCINNATI, OH 45201-5323

**1-800-543-2644**

# YOUR MOTORBOAT POLICY QUICK REFERENCE

## DECLARATIONS PAGE

**Your Name and Address**  
**Policy Period**  
**Coverages**  
**Amounts of Insurance**  
**Deductibles**  
**Navigational Limits**

## APPLICATION

**Your Underwriting Information**

## READ YOUR MOTORBOAT POLICY CAREFULLY

This policy is a legal contract between you as the policyholder, and First Marine Insurance Company as the insurance company. The complete provisions of this contract are contained in the following pages and set forth in detail the rights and obligations of both you and your insurance company.

IT IS THEREFORE IMPORTANT THAT YOU READ YOUR POLICY IN ITS ENTIRETY.

	<b>Beginning on Page</b>
<b>Agreement.....</b>	<b>1</b>
<b>Definitions.....</b>	<b>1</b>
<b>Coverage A, Physical Damage.....</b>	<b>2</b>
<b>Special Conditions – Coverage A, Physical Damage.....</b>	<b>4</b>
<b>Exclusions - Coverage A, Physical Damage.....</b>	<b>5</b>
<b>Coverage B, Bodily Injury and Property Damage Liability.....</b>	<b>6</b>
<b>Exclusions - Coverage B.....</b>	<b>7</b>
<b>Coverage C, Medical Payments.....</b>	<b>8</b>
<b>Exclusions - Coverage C.....</b>	<b>9</b>
<b>Coverage D, Uninsured Boater.....</b>	<b>9</b>
<b>Exclusions - Coverage D.....</b>	<b>9</b>
<b>General Conditions Which Apply to All Coverages.....</b>	<b>10</b>

# Motorboat Policy

A plain language policy for boat owners

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## AGREEMENT

In our reliance upon the application for coverage and the declarations that are made a part of this contract by attachment, we will provide the insurance described in this policy. We will provide the described insurance in return for your payment of the premium and your compliance with all of the provisions contained in this contract of insurance.

If there is any change in the information contained in your application for this policy, we must be notified of that change in writing. We must be notified as soon as practicable, and in any event, not later than thirty (30) days after the change occurs. You understand and agree that the terms and conditions set forth in this policy have not been, and cannot be, altered by any oral statements made by anyone, either before or at the time of application for this policy, or its execution and delivery.

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## DEFINITIONS

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Throughout this policy, "you" and "your" refer to the insured named on the Declarations Page, and the spouse, if resident of the same household. "We", "us" and "our" refer to First Marine Insurance Company (company). Certain other words printed in dark type in the policy are defined as follows:

**"Insured person"** means the person or persons named on the Declarations Page of the policy, including all operators of the **insured watercraft** listed on the Application for Insurance. This includes any person or persons listed as having an insurable interest in the insured property by ownership or debt. **Insured person** includes a **family member** or other regular resident of the insured's household. **Insured person** also includes any other person or organization using the **insured watercraft** with the permission of the named insured and free of charge. **Insured person** does not include any person paid as master or crewmember of the **insured watercraft**. It does not include any person or organization operating a shipyard, their employees, a marina, sales agency, or any similar business. The possible liability exposure to you, or any other **insured person**, is not covered when other persons or organizations operate the **insured watercraft**.

**"Family member"** means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child. A regular resident of the insured's household is not necessarily a **family member**.

**"Insured watercraft"** means the watercraft named on the Declarations Page. And, only under Coverage B, Watercraft Liability, **insured watercraft** also means any other similar watercraft not owned, rented or leased by you or a **family member**. Use of the non-owned watercraft must be without charge, for private pleasure only, and with the permission of the owner.

**"Personal Effects"** means wearing apparel, water sports equipment, fishing equipment, life preservers, boat cushions, auxiliary gas tanks, boarding ladders, boat covers, batteries, paddles, anchors, tie ropes and lines, and other personal property that belongs to you. This includes any such items belonging to a **family member**, guests, or volunteer crew. It does not include items or equipment permanently attached to the **insured watercraft**. Firearms, money, traveler's checks or securities, jewelry, valuable papers and other documents, or their reproduction, are not covered.

**"Loss Payee"** means any person or organization having a lien on, or secured interest in the **insured watercraft**, its motor(s), or trailer. Such persons or organizations must be specifically named in the policy.

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**DEFINITIONS (Continued):**

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"**Bodily Injury**" means bodily harm, sickness or disease resulting from a **watercraft accident**. This includes required care, loss of services and death, but does not include purely mental, emotional or spiritual harm.

"**Property Damage**" means physical damage or destruction of property due to a **direct and accidental loss**.

"**Watercraft accident**" means a **direct and accidental loss**.

"**Direct and Accidental Loss**" means **property damage** or **bodily injury** arising out of an accident or occurrence. The accident or occurrence must be sudden, unanticipated and unforeseen, resulting from a continuous and unbroken chain of events. "Accident" or "occurrence" is further defined as unexpected and unintended exposure to the same generally harmful condition or conditions which results in **property damage** or **bodily injury**.

"**Salvage**" means the retained value of the **insured watercraft** or its component parts, its equipment, its motor(s), or its trailer, following damage or loss.

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**COVERAGE A  
PHYSICAL DAMAGE**

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**Valuation** – Valuation for each item under Coverage A, Physical Damage will be at the property's actual cash value, or the Amount of Insurance shown for each item, whichever is less. 100% coinsurance applies to each item separately. Each item must be insured to 100% of its value at all times. It is the responsibility of the policyholder to notify us of changes in property values.

**Coverage Provided** – We will pay for damage caused by **direct and accidental loss** to the property indicated below. Any payment for damage caused by **direct and accidental loss** will be subject to any applicable deductible shown on the Declarations Page. This coverage is afforded while the **insured watercraft** is afloat, on shore, or being transported on land. This coverage is only applicable within the Navigational Limits specified on the Declarations Page.

1. The **insured watercraft** described on the Declarations Page. This also applies to all permanently attached equipment.
2. The motor(s) described on the Declarations Page.
3. Equipment and **personal effects** required or necessary to be on board for normal operations or maintenance of the **insured watercraft**. This coverage applies only to those **personal effects** described in the Definitions section of this policy.
4. All permanently installed electronic equipment. The amount we will pay for electronic equipment shall not exceed 15% of the value of the **insured watercraft** and motor(s) described on the Declarations Page.
5. The trailer that is described on the Declarations Page used for transporting the **insured watercraft**. This coverage will only apply within the specified Navigational Limits of the policy.

**Loss Settlement** - We will pay the Actual Cash Value or the Amount of Insurance shown on the Declarations Page, whichever is less, for the **insured watercraft**, attached equipment, motor(s), or trailer, if one or more of these items is completely lost. We will pay the Actual Cash Value or the Amount of Insurance shown on the Declarations Page, whichever is less, for the **insured watercraft**, attached equipment, motor(s) or trailer, if the reasonable expense of recovering and repairing the damaged property and its retained salvage value exceeds the Amount of Insurance shown for this coverage on the Declarations Page.

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**COVERAGE A**  
**PHYSICAL DAMAGE**  
**Loss Settlement (Continued):**

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For all other losses to which this insurance applies, we will not be liable for a greater proportion of the loss than the amount insured bears to the actual cash value of the property covered. 100% coinsurance applies to each item separately. You must insure all property covered by this policy for 100% of its actual cash value. If you fail to insure all such property for 100% of its actual cash value, any recovery for loss or damage to the insured property will be reduced on a proportionate or coinsured basis. The Amounts of Insurance shown on the Declarations Page are the most we will pay for any loss under Coverage A, Physical Damage. This includes any charges for sue and labor. At no time will we pay more than the Amount of Insurance shown on the Declarations Page for the **insured watercraft**, attached equipment, motor(s), **personal effects**, or the trailer, including any and all recovery costs. Any payment made for reasonable expenses incurred to protect the insured property from additional damages after a loss (including raising of the **insured watercraft** should it sink) shall not increase the Amount of Insurance listed on the Declarations Page for Coverage A, Physical Damage. We may pay for the loss in cash, but reserve the right to repair and/or replace the damaged or stolen property. We may, at our expense, return stolen property to you. If we return stolen property to you, we will pay for any damage resulting from theft. We will depreciate losses paid for damage to, or theft of machinery, outboard motors, inboard or inboard/outboard units, electronic equipment, sails, upholstery and protective covers of fabric or similar material. Depreciation will be based on the age of the item at the time of loss and the following normal life expectancies:

Machinery	15 years
Electronic Equipment	10 years
Sails	10 years
Upholstery	10 years
Protective Covers	10 years
Life Vests	5 years

Each item subject to depreciation will be valued separately. 50% will be the maximum depreciation applied on any item. We will not be liable for a greater proportion of the loss than the amount insured bears to the actual cash value of the property covered.

**Our Repair Option** - We may elect to pay only the reasonable cost of applying suitable patches or make area repairs to damaged parts. This repair option will apply to parts made of metal, plywood, fiberglass or other molded material. Any such repairs will be in accordance with good repair practice.

**Personal Effects** - We will pay for **direct and accidental loss** to **personal effects**. Such items are covered while they are on board, or being carried onto or off of the **insured watercraft**. Any payment for **direct and accidental loss** to **personal effects** will be based on the actual cash value of the damaged property. The sum of \$100 will be deducted from each adjusted loss. We will not pay more for damages than the cost necessary to repair or replace the property with material of like kind and quality. Our liability in any one loss will not exceed the amount of insurance shown for this coverage on the Declarations Page.

**Deductible** - The deductible(s) shown on the Declarations Page will apply to each adjusted loss. The **insured watercraft** and motor(s) shall be treated as one unit. The trailer and **personal effects** shall be subject to separate deductibles. The most we will pay for any one loss under this policy will be the adjusted loss less applicable deductible, or the Amount of Insurance shown on the Declarations Page of the policy, whichever is less.

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**COVERAGE A**  
**PHYSICAL DAMAGE (Continued):**

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**Machinery Depreciation Waiver** – We will not deduct depreciation for repairs and/or replacement to underwater machinery following a covered loss if, and only if:

1. A premium amount is paid for Machinery Depreciation Waiver and is shown on the Declarations Page; and
2. After the loss has been adjusted in accordance with all of the policy's terms and conditions, the adjustment and evaluation of the loss includes application of depreciation for repairs and/or replacement to underwater machinery.

For the purposes of this endorsement, underwater machinery is defined as equipment and systems used in producing power for main propulsion of the **insured watercraft**. This does not include auxiliary motors or trolling motors.

All other policy terms and conditions remain in force and are not waived. Nothing in this machinery depreciation waiver shall waive the company's right:

1. To establish the cost of repairs and/or replacement of damaged or stolen items using good shipyard repair practices;
2. To establish the cost of repairs and/or replacement of damaged or stolen items with item(s) of like kind and quality; or,
3. To pay for the adjusted loss in cash.

This is not replacement cost insurance coverage.

**Unrepaired Damage** - If previous or accumulated damages to the **insured watercraft**, equipment, or motor(s) are not repaired, we will be liable only for the actual cash value of the damaged parts in the event of a subsequent loss. Our liability for any such subsequent loss will not exceed what it would cost to repair or replace the damaged property with material of like kind and quality. We will not pay for unrepaired damage in addition to a payment for the subsequent total loss of the **insured watercraft** and its equipment.

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**SPECIAL CONDITIONS WHICH APPLY TO COVERAGE A**

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**Loss Payable Clause** - If a **loss payee** is named in this policy, any loss payable under Coverage Physical Damage shall be paid to the lien holder and you as interests appear.

**Salvage and Abandonment** - If we make payment under this policy for loss or damage, any **salvage** that results from such loss or damage belongs to us. We have the right to recover and dispose of such **salvage** to the extent of our payment. Upon payment of the Actual Cash Value or the Amount of Insurance shown for the **insured watercraft**, attached equipment, motor(s), or trailer listed on the Declarations Page, and minus any applicable deductible, we are entitled to the **salvage** of the damaged watercraft, its component parts, equipment, motor(s), or trailer in their entirety. You may not abandon your watercraft to us. We are not responsible for damage caused by property that you abandon.

**Newly Acquired Property** - This policy provides coverage only for the watercraft, motor(s) and trailer (if any) described on the Declarations Page. If you replace all or part of the property described, and until we are notified, we will cover the newly acquired property for a period up to thirty (30) days after you become the owner. Until we are notified and an endorsement is made, the most we will pay during this thirty (30) day period is the amount of insurance shown on the Declarations Page for the replaced property, or the cost of the new property, whichever is less. Nothing in this paragraph shall waive any policy provision in the event a loss occurs within this thirty (30) day period, or be construed to increase the Amount of Insurance shown for Coverage A, Physical Damage on the Declarations Page of the policy.

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**Other Insurance** – If at the time of damage or loss, the watercraft, attached equipment, motor(s), or trailer identified in this contract are also covered by other physical damage insurance that would apply in the absence of this policy, we will pay only that proportion of the loss that the Amount of Insurance or the Limits of Liability stated on the Declarations Page of the policy bears to the total amount of insurance covering the loss.

**No Benefit to Bailee** - No person or organization shall benefit from this insurance while having custody and control of the **insured watercraft**, equipment, **personal effects**, motor(s), or trailer.

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#### **EXCLUSIONS WHICH APPLY TO COVERAGE A**

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

1. Any loss, damage, or expense caused by wear and tear or gradual deterioration of the insured property. This includes damages due to marring, denting, scratching, chipping, electrolysis, corrosion, rust weathering, dry rot, wet rot, or dampness of atmosphere. This exclusion also applies to any loss, damage, or expense due to inherent vice, marine life, unseaworthiness, or the strain of high speed.
2. Any mechanical or electrical breakdown, overheating, or failure of the insured property. This exclusion shall include damages caused by rupture, bursting, breakage or failure due to centrifugal force. This exclusion also includes any mechanical damage, failure, breakdown, or loss, caused by misalignment of mechanical components, improper combustion, fuel additives, or improper fuel mixture.
3. Any loss or damage to the **insured watercraft**, attached equipment, or motor(s) caused by freezing or extreme fluctuation of temperature. This exclusion applies whether such loss or damage occurs directly or indirectly from freezing or extreme fluctuations of temperature, or is caused by (a) a failure to winterize, (b) improper winterization, (c) improper heating of a storage facility, or (d) loss of, or failure of, heating equipment or electrical power used for heating purposes. This exclusion applies whether such loss of heat or power results from an act of God or any other cause.
4. **Property damage** or loss arising from the intentional act or misconduct of any **insured person**, or someone acting at the direction of any **insured person**. However, if such **property damage** or loss results from an act of, or pattern of, abuse or domestic abuse committed by or at the direction of an **insured person**, this exclusion will not apply to an otherwise covered loss suffered by another **insured person**, provided:
  - a. The other **insured person** did not cooperate in or contribute to the creation of the loss or damage; and
  - b. The person who committed the act is criminally prosecuted.

Our payment for such loss or damage will be subject to all other applicable policy provisions and be limited to the **insured person's** insurable interest less any payments made to another party with a legal secured interest in the property. We retain all rights set forth in **Our Right To Be Repaid** with regard to action against the perpetrator of the act that caused the loss.

5. Any loss or damage occurring while the **insured watercraft** (except if a sailboat) is being operated in any race or speed contest.
6. Any loss or damage resulting from the wrongful conversion, embezzlement or secretion by a mortgagee, vendee, lessee or other person in possession of the insured property while under a mortgage, conditional sale, lease or other contract or agreement. This exclusion applies whether the mortgage, conditional sale, lease or other contract or agreement is either written or verbal.
7. Confiscation of the insured property by government or civil authority. This shall include confiscation of the insured property under right of title, claim of title, or repossession of the insured property by the lienholder. This exclusion shall also apply to **property damage** or loss from seizure of the **insured watercraft**, attached equipment, motor(s), **personal effects**, or trailer by federal, state, or local law enforcement officers as evidence against an **insured person** under the Federal Controlled Substances Act, 21 U.S.C. Section 801, et.seq., or the Federal Food and Drug Law at 21 U.S.C.A., Sections 811 and 812, including any amendments thereto, if that person is convicted of a crime.

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**EXCLUSIONS WHICH  
APPLY TO COVERAGE A (Continued)**

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8. **Property damage** or loss caused by or arising out of efforts by any **insured person** to elude arrest by a law enforcement officer or **property damage** or other loss caused during the commission of a criminal act by any **insured person**.
9. Loss or damage resulting from any hidden defect, mechanical, electrical, or structural breakdown or failure. This shall include the costs for repairing or replacing such defect, mechanical, electrical, or structural breakdown or failure.
10. Loss or damage from any work done to the **insured watercraft**, attached equipment, or motor(s). This exclusion also applies to any loss or damage caused by electricity to electrical apparatus, unless it results in a fire or explosion; in which case we only cover the loss caused by the fire or explosion. This exclusion does not apply to any loss or damage due to lightning.
11. Any loss or damage caused by theft, pilferage, or unexplained disappearance of the **insured watercraft**, attached equipment, **personal effects**, motor(s) or trailer while it is left unattended. This exclusion does not apply if the loss or damage is a direct result of violent or forcible entry (of which there shall be visible evidence) from a locked and secured building or enclosure, or from a fully enclosed and locked body or compartment on the watercraft itself.
12. Theft, pilferage, or unexplained disappearance of the **insured watercraft**, attached equipment, motor(s), **personal effects**, or trailer, if held by other than the insured for sale and if left unattended by the insured or others. This exclusion does not apply if the loss is a direct result of violent or forcible entry (of which there is visible physical evidence) from a locked and secured building or enclosure.
13. **Property damage** or loss caused directly or indirectly from mold. This shall include containment, cleanup, disposal, testing or remediation from the actual or alleged growth or production of any mold, mold spore(s), fungi, mildew, or other similar biological organism(s), or subsequent production and release of resulting toxins from such growth or organisms. This exclusion shall apply if such growths or organisms, or resulting production and release of toxins, originates either directly or indirectly from:
  - a. a failure to reasonably and adequately maintain or monitor the **insured watercraft** that results in standing water. Standing water shall include, but not be limited to bilge water, bilge overflow, appliance or holding tank failure, and regardless of whether such standing water is a direct or indirect result of mechanical or electrical failure, or loss of battery or electrical power and regardless of whether such failure or loss of battery or electrical power occurs from an Act of God or any other reason; or
  - b. a failure to mitigate or repair damages from a peril otherwise covered by this policy.

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**COVERAGE B  
BODILY INJURY AND  
PROPERTY DAMAGE LIABILITY**

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**Coverage Provided** – If an **insured person** becomes legally liable for damages due to a **watercraft accident**, we will pay damages for **bodily injury** and **property damage** that results. This applies only to a **watercraft accident** occurring within the Navigational Limits. We will settle or defend, as we consider appropriate, any claim or suit seeking such damages. Our duty to settle or defend any such suit ends when we have offered or paid an amount equal to the Limit of Liability for this coverage.

**Limit of Liability** - The Limit of Liability shown on the Declarations Page for Coverage B is the most we will pay in any one accident or occurrence. This shall include an accident or occurrence that is a continuous and unbroken chain of events arising from a single, sudden and unforeseen incident or occurrence, or from exposure to the same generally harmful conditions. This is the most we will pay regardless of the number of **insured persons**, claims made, watercraft involved, or number of other watercraft owned by you or any **family member** and insured by First Marine Insurance Company.

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**COVERAGE B**  
**BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Continued)**

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**Other Insurance** – If at the time of damage or loss for which any **insured person** becomes legally liable, there is other insurance available under one or more policies or provisions of coverage that would apply in absence of this policy, this policy will be considered excess over any other valid and collectible insurance that would apply in absence of this policy. If any other similar valid and collectible insurance is also written as excess, we will only pay that proportion of the loss or damage that the Amount of Insurance or Limits of Liability stated on the Declarations Page of this policy bears in relation to the total amount of valid and collectible insurance covering this loss or damage. However, any insurance that may be provided by this policy to watercraft that you do not own shall be excess over any other valid and collectible insurance.

**Wreckage Removal** - If you are legally required to remove or otherwise dispose of the wreck of the **insured watercraft**, we will pay the amount necessary to attempt or actually remove, or otherwise dispose of the wreck. At our choice, we may elect to only pay the amount for which you are held liable for failing to do so. Any payment made by the company under this provision shall not increase the Amount of Insurance shown on the Declarations Page for Coverage A, Physical Damage.

**Additional Payments** - In addition to our Limit of Liability, we will pay on behalf of an **insured person**:

1. Premiums on bonds required in any lawsuit we defend. This will not apply to bond amounts greater than the Limit of Liability for Coverage B.
2. Interest on our portion of the judgment that is earned before we make payment.
3. Loss of earnings (but not of other income) of up to \$50 per day for attendance in court at our request.
4. Other reasonable expenses incurred at our expense.

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**EXCLUSIONS WHICH  
APPLY TO COVERAGE B**

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We do not provide coverage for **Bodily Injury** and **Property Damage** Liability for:

1. **Bodily injury** or **property damage** that is intentionally caused by any **insured person**. This also applies to any **bodily injury** or **property damage** done at the direction of any **insured person**.
2. Any damage to property that is owned by, leased by, rented to, used by, or is in the care of any **insured person**.
3. **Bodily injury** to a person eligible to receive benefits under any State Workers' Compensation Act. This also applies to any person covered under the Federal Longshoreman's and Harbor Workers' Compensation Law.
4. Liability that is assumed by any person under any contract or agreement.
5. **Bodily injury** or **property damage** occurring during transportation, storage, or maintenance of the **insured watercraft** on land.
6. **Bodily injury** or **property damage** occurring while the **insured watercraft** (except if a sailboat) is being operated in any race or speed contest.
7. **Bodily injury** or **property damage** sustained while the **insured watercraft** is being used as a residence premises.
8. **Bodily injury** to the **insured person**. This exclusion also applies to **bodily injury** to the spouse of the **insured person**, the relatives of either, and any other regular resident of the insured's household.
9. **Bodily injury** or **property damage** that occurs when any person is parasailing. This exclusion also applies to any **bodily injury** or **property damage** that occurs from any similar sport in which a person or objects become airborne.
10. **Bodily injury** to any person that occurs or is sustained, on any dock, dock fixture, or any similar structure or apparatus. This exclusion applies regardless of whether the **insured watercraft** is moored or otherwise connected to the structure or apparatus in any manner.

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**EXCLUSIONS WHICH  
APPLY TO COVERAGE B (Continued)**

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11. **Bodily injury** or **property damage** resulting in any manner from the actual, alleged, or threatened discharge, seepage, release or escape of any pollutants from the **insured watercraft**, attached equipment or motor(s). This will include, but not be limited to: petroleum distillates, acid, chemicals, smoke, garbage or sewage. This exclusion also applies to any costs associated with the containment and cleanup of such alleged or threatened discharge. This exclusion does not apply if any **insured person** becomes legally liable for **bodily injury** or **property damages** resulting from fire, sinking, or collision involving the **insured watercraft** if such peril is not otherwise excluded by this policy.
12. **Bodily injury** or **property damage** that occurs directly or indirectly from any hidden or latent defect in the **insured watercraft**, equipment, or motor(s).
13. Punitive or exemplary damages, regardless of any provisions of this policy or endorsements made part of the policy by attachment. Except that if a suit shall have been brought against the insured with respect to a claim for acts or alleged acts falling within the coverage hereof, seeking both compensatory and punitive or exemplary damages, then the company will afford a defense to such action, without liability however, for such punitive or exemplary damages.
14. **Bodily injury** or **property damage** caused directly or indirectly from mold. This shall include containment, cleanup, disposal, testing or remediation from the actual or alleged growth or production of any mold, mold spore(s), fungi, mildew, or other similar biological organism(s), or the subsequent production and release of resulting toxins from such growth or organisms. This exclusion shall not apply if any **insured person** becomes legally liable for **bodily injury** or **property damage** and such growths or organisms, or resulting production and release of toxins, does not originate either directly or indirectly from:
  - a. a failure to reasonably and adequately maintain or monitor the **insured watercraft** that results in standing water. Standing water shall include, but not be limited to bilge water, bilge overflow, appliance or holding tank failure. This shall apply regardless of whether such standing water is a direct or indirect result of mechanical or electrical failure, or loss of battery or electrical power and regardless of whether such failure or loss of battery or electrical power occurs from an Act of God or any other reason; or
  - b. does not occur from failure to mitigate or repair damages from a peril otherwise covered by this policy.

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**COVERAGE C  
MEDICAL PAYMENTS**

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**Coverage Provided** - We will pay the necessary medical expenses and funeral services incurred within three (3) years from the date of an accident resulting from a **direct and accidental loss**. This applies only for **bodily injury** sustained by any person while they are in, upon, boarding or leaving the **insured watercraft**. This applies only to **bodily injury** sustained in an accidental loss that occurs within the specified Navigational Limits. For purpose of this coverage, medical expenses mean reasonable charges for medical treatment. This shall include hospital, surgical, dental and X-ray costs, prosthetic devices, ambulance charges, and professional nursing services.

**Limit of Liability** - Our liability in any one accident shall not exceed the Amount of Insurance shown for Medical Payments on the Declarations Page. This shall apply regardless of the number of persons involved, or claims made in the accident.

**Other Insurance** - This insurance is in excess of any other valid and collectible insurance that would apply in absence of this coverage.

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**EXCLUSIONS WHICH  
APPLY TO COVERAGE C**

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No coverage under Medical Payments is provided to any person:

1. For **bodily injury** incurred during the course of employment if the injury is covered under any State Workers' Compensation Act. This exclusion also applies if the injury is covered under the Federal Longshoreman's and Harbor Workers' Compensation Law.
2. For **bodily injury** incurred while a person is in, upon, boarding or leaving the **insured watercraft** without a reasonable belief that they are entitled to be on board.

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**COVERAGE D  
UNINSURED BOATER**

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**Coverage Provided** – If a premium amount is shown on the Declarations Page for this coverage, and if **bodily injury** to an **insured person** while aboard an **insured watercraft** results directly from a **watercraft accident** involving the collision of the **insured watercraft** and an uninsured vessel, we will pay damages that person is legally entitled to receive or recover from the owner and/or operator of the uninsured vessel that is other than an **insured watercraft** as defined by this policy.

An uninsured watercraft owner and/or operator are the person or persons legally responsible for a **watercraft accident**; and:

1. To whom no liability insurance policy applies at the time of the **watercraft accident**; or,
2. Who cannot be identified following a **watercraft accident**.

**Limit of Liability** - The Limit of Liability shown on the Declarations Page for Coverage D, Uninsured Watercraft, is the most we will pay in any one accident or occurrence. This shall include an accident or occurrence that is a continuous and unbroken chain of events arising from a single, sudden and unforeseen incident or occurrence, or from exposure to the same generally harmful conditions. This is the most we will pay regardless of the number of **insured persons**, claims made, watercraft involved, or number of other watercraft owned by you or any **family member** and insured by First Marine Insurance Company.

The Limit of Liability for Coverage D, Uninsured Watercraft, will be reduced by any amount paid or payable under any State Workers' Compensation Act, the Federal Longshoreman's, Harbor Workers' Compensation Law, disability benefits, or any other such similar coverages, and by the total amount the person has received from the person or persons legally responsible for the **watercraft accident**, including any payments under this policy's Coverage C, Medical Payments provision.

**Other Insurance** – This insurance is in excess of any other valid and collectible insurance that would apply in absence of this coverage.

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**EXCLUSIONS WHICH  
APPLY TO COVERAGE D**

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No coverage under Coverage D, Uninsured Watercraft, is provided to any person if:

1. The uninsured vessel is owned or operated by a government agency or employee;
2. There is no evidence of physical contact between the **insured watercraft** and the uninsured vessel;
3. The uninsured vessel is rented, owned, or leased by an **insured person** or **family member**, or is furnished to you, an **insured person**, or a **family member** on a regular basis;

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**EXCLUSIONS WHICH  
APPLY TO COVERAGE D (Continued)**

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4. The **insured watercraft** at the time of the **watercraft accident** was being operated without permission;
  5. The **bodily injury** occurs to a person while in, upon, boarding or leaving the **insured watercraft** without a reasonable belief that they are entitled to be on board;
  6. The **bodily injury** occurs when any person is parasailing. This exclusion also applies when the **bodily injury** occurs from any similar sport in which a person or objects become airborne; or,
  7. A claim is settled without our consent.
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**GENERAL CONDITIONS  
WHICH APPLY TO  
ALL COVERAGES**

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**Policy Period** – This policy applies only to those losses occurring during the policy period as set forth on the Declarations Page.

**Duties After Loss** – In case of a loss to which this insurance may apply you must:

1. Give us notification of the loss promptly and as soon as reasonably possible. This notification must include 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 address 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(s) for which we may be liable without our written permission. This does not apply to expense(s) incurred to mitigate the loss, or otherwise limit damage to include, but not be limited to, taking all reasonable and necessary steps to protect the insured property from further loss or damage.
4. Cooperate with us in the investigation, defense or settlement of any loss and upon our request, submit to Examinations Under Oath by anyone designated by us and subscribe to same. If more than one person is examined, we have the right to examine each insured or each person separately and not in the presence of others. Our request for an Examination Under Oath does not waive any policy term or condition.
5. Permit us to examine and copy any documents, records, receipts, invoices, and/or financial records needed to investigate, settle or defend any loss. You must provide the necessary authorization for the release of such information to us.
6. Submit a Sworn Statement in Proof of Loss with supporting inventory forms upon our request for such document. Additionally, we will provide these forms upon the written request of any person

If the claim is for **property damage**, you also must:

7. Take all reasonable steps to protect the property from further loss. We will pay the reasonable expenses incurred in doing this.
8. Give prompt notice to the appropriate Law Enforcement Agency or U.S. Coast Guard authorities following an accident. This shall also apply to the discovery of the theft of any insured property.
9. Permit us to inspect the damaged property before it is repaired or disposed of. When requested by us, permit our inspection during or after repairs. This shall include the right of disassembly of component parts for inspection.

If the claim is for **bodily injury**, you must:

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

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**GENERAL CONDITIONS  
WHICH APPLY TO  
ALL COVERAGES (Continued)**

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**Non-Waiver Provision** – No action that we may take in connection with the investigation, settlement or defense of any loss shall be considered as a waiver of any of our rights under this policy. This shall also apply to any action taken by us to recover or save the insured property from further damage after a loss has occurred.

**Private Pleasure Only** – We do not provide coverage while the **insured watercraft** is used for business or other commercial purposes, unless we agree to such coverage in writing. This shall also apply while the **insured watercraft** is on exhibition, if it is rented to others, or if it is used to carry persons or property for a fee.

**Additional Interests** – Upon request of the named insured, entities such as marinas or municipalities requiring proof of insurance may be added to the Declarations Page of the policy as “Additional Interests”. Copies of all contracts between the named insured and such entities will be required. Entities named as “Additional Interests” will appear on the Declarations Page and a copy of the Declarations Page, and any lapse, cancellation, or non-renewal notices will be forwarded to them.

Additional Interests named on the Declarations Page are not insureds under any provision of this policy.

**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.

**Fraud, Concealment or Misrepresentation** – Whether before or after a loss, if you or any other insured has concealed or misrepresented a material fact or circumstance, engaged in any fraudulent conduct, made false or misleading statements pertaining to this insurance with the intent to deceive, knew or should have known that the representation was false and we rely on the misrepresentation, this policy is void as to you and any other insured. Knowledge by our authorized agent of a material fact pertaining to this insurance is considered to be knowledge by us.

**WARNING:** Any person who knowingly presents a false or fraudulent claim for payment of loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. This policy is void if it was knowingly obtained by misrepresentation, fraud, incomplete or misleading information, or the concealment of material facts.

**Changes in Policy** – This policy contains all the agreements between you and us. No changes may be made unless they are in writing, signed by us.

**Payment of Loss** – Payment of loss will be made within thirty (30) days after you meet all conditions of the contract, or when a final judgment is rendered in court. If a total loss occurs, payment will be made within thirty (30) days after we reach agreement with you, or when a bill of sale and appropriate titles properly endorsed are delivered to us.

**Our Right To Be Repaid** – If we pay a loss to, or on behalf of, anyone having a right to recover damages from others, we shall take over that person’s right of recovery. That person must assist us in our efforts to recover the amount we paid. If anyone paid by us for a loss also recovers damages for that loss from others, that person shall hold the recovered damages in trust for us and shall repay us the amount we paid. If we recover from another party for payments made under this policy, we will make you whole before recovering our loss.

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**GENERAL CONDITIONS  
WHICH APPLY TO  
ALL COVERAGES (Continued)**

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**Suit Against Us** – No suit may be brought against us unless all the terms of this form have been complied with, and:

1. The suit is brought within the Statute of Limitations applicable for the State in which the accident or loss occurred; and
2. Under Coverage B, Bodily Injury and Property Damage Liability, no suit may be brought against us until;
  - a. We agree in writing that the insured person has an obligation to pay a specified amount; or
  - b. A final judgment against the insured person has been determined as the result of a trial.

No person has a right under this policy to join or implead us in any lawsuit or action that is brought to fix the liability of an insured.

**Dishonored Premium Payments** – If any check or negotiable instrument tendered in payment of the initial premium or subsequent renewal is not honored, the binder or any other policy of insurance issued will be void on the effective date and at the time of binder or contract inception date.

**Insurance Not Reduced** – Any loss we pay will not reduce the Amount of Insurance or the Limit of Liability of the coverage under which the loss was paid. If we pay a claim for the total loss of the **insured watercraft** and its equipment, the unearned premium for the lost property will be fully earned.

**Bankruptcy** – Your insolvency or bankruptcy does not relieve us of our liability under this policy.

**War and Nuclear Exclusion** – We will not pay for any loss resulting directly or indirectly from:

1. Radioactive contamination or discharge of any nuclear weapon (even if accidental), or;
2. War (declared or undeclared), or;
3. Civil war, insurrection, rebellion or revolution, or;
4. Any consequences of any of these.

**Renewal, Cancellation, and Minimum Earned Premium** – This policy will expire and terminate on the date the premium is due, without further notice to you, if the premium has not been paid to us on or before its due date. In this event, and within fifteen (15) days of the date the policy expired, we will mail or deliver to you at your last address known to us a notice of said expiration. The notice will indicate the date that the policy expired.

If we elect to renew this policy, we will notify you by delivering, or mailing to you at your last address known to us, a notice for the renewal premium amount. We will notify you of the renewal premium amount at least thirty (30) days before the end of the current policy period. Proof of delivery or mailing is sufficient proof of notification.

We may non-renew this policy for the reasons stated in this condition by mailing written notice to you at your address shown on the Declarations Page of the Policy, or your last known address given to us. Such notice will state the reasons for the non-renewal. Any notice of non-renewal shall be sent by registered, certified, or first-class mail. If sent by first class mail, a United States Postal Service certificate of mailing shall be sufficient proof of receipt of the notice on the third calendar day after the date of the certificate.

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**GENERAL CONDITIONS  
WHICH APPLY TO  
ALL COVERAGES (Continued)**

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You may cancel this policy by returning the policy to our agent or to us, or by giving us written notice and stating the future date you want coverage to stop. When you have not paid the premium, whether payable to us or your agent, we may cancel at any time by notifying you at least ten (10) days before the cancellation takes effect. When this policy has been in effect for less than sixty (60) days and it is not a renewal with us, we may cancel for any reason by notifying you at least thirty (30) days before the date the cancellation takes effect.

When this policy has been in effect for sixty (60) days or more or at any time if it's a renewal with us, we may cancel or non-renew on the anniversary date if:

1. The premium has not been paid when due;
2. There has been a material misrepresentation of fact, which if known to us, would have caused us not to issue the policy;
3. There has been a material change in the risk which substantially increases any hazard insured against after the policy issuance;
4. We have discovered a willful or reckless act or omission by you which increases the hazard of the risk; or,
5. There has been a material violation of any of the terms or conditions of the policy.

Policy cancellation for one or more of the above reasons can be made by notifying you in writing at least thirty (30) days before the date the cancellation takes effect. The delivery or mailing of this notice shall be sufficient proof of cancellation. When we cancel your policy, your return premium, if any, will be refunded on a pro-rata basis at the time of cancellation, or as soon as practical, and without demand by you for the return of such premium. When you request cancellation, the return premium will be short rate and the company will retain the minimum earned premium indicated on the Declarations Page of the Policy. Payment or tender of the unearned premium is not a condition of cancellation.

**Conformity to State Law** – Any provision in this policy in conflict with any State statute is amended to conform to the minimum requirements of such statute.

**Property and Casualty Guaranty Association Endorsement**

1. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims under the Act if we become insolvent.
2. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of payment. The following limitations apply subject to all other provisions of the Act.
  - a. Claims covered by the Association do not include a claim by or against an insured of a insolvent insurer, if the insured has a net worth of more than \$25 million on the date the insurer becomes insolvent.
3. If the insurer prepares an annual report to shareholders, or an annual report to management reflecting net worth, then such report for the fiscal year immediately preceding the date of insolvency of the insurer will be used to determine net worth.
4. Payments made by the Association for covered claims will include only that amount of each claim, which is:
  - (1) In excess of \$100; and
  - (2) Less than \$300,000.

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**GENERAL CONDITIONS  
WHICH APPLY TO  
ALL COVERAGES (Continued)**

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However, the Association will not:

1. Pay an amount in excess of the applicable limit of insurance of the policy from which the claim arises; or
2. Return to an insured any unearned premium in excess of \$10,000.

These limitations have no effect on the coverage we will provide under this policy.

**Liberalization** – If in the policy period, we revise this policy and broaden the coverage without an additional premium, the broadened coverage is effective immediately.

**Transfer of Your Interest In This Policy** – Your rights and duties in this policy may not be transferred without our written consent.

**In Witness Whereof**, the company has caused this policy to be executed and attested. This policy shall not be valid unless countersigned by our authorized representative.

**Secretary**

*Michael Flowers*

**President**

*John Hayden*

## ARKANSAS AMENDATORY ENDORSEMENT

The following endorsement applies only to Arkansas Policyholders of Motorboat (MB) Policies, and conforms these policies to requirements of the State of Arkansas:

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### DEFINITIONS

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“**Direct and Accidental Loss**” is deleted in its entirety and replaced by the following:

“**Direct and Accidental Loss**” means **property damage** arising out of an accident or occurrence, including a continuous and unbroken chain of events from a single, sudden, unanticipated and unforeseen incident or occurrence, or from exposure to the same generally harmful condition or conditions.

---

### COVERAGE A PHYSICAL DAMAGE EXCLUSIONS WHICH APPLY TO COVERAGE A

---

1. is deleted in its entirety and replaced by the following:

1. Loss, damage or expense caused by wear and tear or gradual deterioration of the insured property. This includes damages due to marring, denting, scratching, chipping, electrolysis, corrosion, rust, weathering, dry rot, wet rot, or dampness of atmosphere, deterioration, marine life, smog, seepage, unseaworthiness, damage due to the strain of high speed, inherent vice, or any quality in the insured property that causes it to damage or destroy itself. This exclusion also applies to any loss damage or expense due to the loss of battery or electrical power, or the growth of fungi, mold, mold spore(s), mildew or other similar biological organisms or decay resulting from a failure to adequately monitor, maintain, repair or mitigate damages to the **insured watercraft** from a peril otherwise covered by this policy. Remedial costs, including but not limited to the cost of testing, containment, or fumigation of the insured property for fungi, mold, mold spore(s), mildew, or other similar biological contamination, are specifically excluded, regardless of whether such remedial costs are due to a covered peril, watercraft accident, or for any other reason.

13. is deleted in its entirety.

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### COVERAGE B BODILY INJURY AND PROPERTY DAMAGE LIABILITY EXCLUSIONS WHICH APPLY TO COVERAGE B

---

We do not provide coverage for **Bodily Injury** and **Property Damage** Liability for:

13. is amended by addition of the following:

Punitive or exemplary damages means those damages imposed to punish a wrongdoer and to deter others from similar conduct.

14. is deleted in its entirety and replaced by the following:

14. **Bodily injury** or **property damage**, directly or indirectly caused or resulting in any manner from deterioration, marine life, smog, seepage, inherent vice or any quality in the insured property that causes it to damage or destroy itself, or the growth of any fungi, mold, mold spore(s), mildew or other similar biological organisms or decay resulting from a failure to adequately monitor, maintain, repair or mitigate damages to the **insured watercraft** from a peril otherwise covered by this policy. Remedial costs, including but not limited to the cost of testing, containment, or fumigation of the insured property for fungi, mold, mold spore(s), mildew, or other similar biological contamination are specifically excluded, regardless of whether such remedial costs are due to a covered peril, watercraft accident, or for any other reason.

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### COVERAGE C MEDICAL PAYMENTS

---

**Coverage Provided** is deleted in its entirety and replaced by the following:

**Coverage Provided** – We will pay the necessary medical expenses and funeral services incurred within two (2) years from the date of an accident resulting from a **direct and accidental loss**. This applies only for **bodily injury** sustained by any person while they are in, upon, boarding or leaving the **insured watercraft**. This applies only to **bodily injury** sustained in an accidental loss that occurs within the specified Navigational Limits. For purpose of this coverage, medical expenses mean reasonable charges for medical treatment. This shall include hospital, surgical, dental and X-ray costs, prosthetic devices, ambulance charges, and professional nursing services.

---

## GENERAL CONDITIONS WHICH APPLY TO ALL COVERAGES

---

**Suit Against Us** – the following is added:

Any suit against us must be brought within five (5) years after the loss. If applicable law makes this time period invalid, the suit must be brought within the shortest time period allowed by law.

**Renewal, Cancellation and Minimum Earned Premium** – is deleted in its entirety and replaced by the following:

**Renewal, Cancellation and Minimum Earned Premium** – This policy will expire and terminate on the date the premium is due, without further notice to you, if the premium has not been paid to us on or before its due date. In this event, and within fifteen (15) days of the date the policy expired, we will mail or deliver to you at your last address known to us a notice of said expiration, the notice will indicate the date that the policy expired.

If we elect to renew this policy, we will notify you by delivering, or mailing to you at your last address known to us, a notice for the renewal premium amount. We will notify you of the renewal premium amount at least thirty (30) days before the end of the current policy period. proof of delivery or mailing is sufficient proof of notification.

We may non-renew this policy for the reasons stated in this Condition by mailing written notice to you at your address shown on the Declarations Page of the Policy, or your last known address given to us. Such notice will state the reasons for the non-renewal. Any notice of non-renewal shall be sent by registered, certified, or first-class mail. If sent by first class mail, a United States Postal Service certificate of mailing shall be sufficient proof of receipt of the notice on the third calendar day after the date of the certificate.

You may cancel this policy by returning the policy to our agent or to us, or by giving us written notice and stating the future date you want coverage to stop. Cancellations will not be backdated more than thirty (30) days from the date received in our office, unless accompanied by evidence of duplicate coverage or a copy of the bill of sale is attached to the cancellation. When you have not paid the premium, whether payable to us or your agent, we may cancel at any time by notifying you at least ten (10) days before the cancellation takes effect. When this policy has been in effect for less than sixty (60) days and it is not a renewal with us, we may cancel for any reason by notifying you at least thirty (30) days before the date the cancellation takes effect.

When this policy has been in effect for sixty (60) business days or more or at any time if it is a renewal with us, we will not cancel a policy in force unless the reason for cancellation is stated and is based on at least one of the following reasons:

1. Nonpayment of premium.
2. Fraud or material misrepresentation of fact made by or with the knowledge of the named insured in obtaining the policy, which if known to us, would have caused us not to issue or continue the policy.
3. Fraud or material misrepresentation in presenting a claim under the policy.
4. The occurrence of material change in the risk which substantially increases any hazard insured against after policy issuance.
5. A material violation of any of the terms or conditions of the policy.
6. Violation of any local fire, health, safety, building construction regulation or ordinance with respect to any insured property or the occupancy thereof which substantially increases any hazard insured against under the policy.

Policy cancellation for one or more of the above reasons can be made by notifying you in writing at least twenty (20) days before the date the cancellation takes effect. The delivery or mailing of this notice shall be sufficient proof of cancellation. When we cancel your policy, your return premium, if any, will be refunded on a pro-rata basis at the time of cancellation, or as soon as practical, and without demand by you for the return of such premium. When you request cancellation, the return premium will be short rate and the company will retain the minimum earned premium indicated on the Declarations Page of the Policy. Payment or tender of the unearned premium is not a condition of cancellation.

**Property and Casualty Guaranty Association Endorsement** is deleted in its entirety, as insureds who are residents of the State of Arkansas are subject to the provisions of the Arkansas Property & Casualty Guaranty Fund.

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If you have a question or complaint regarding the evaluation of any claim under this policy you may contact us directly by phone or mail at the following address:

First Marine Insurance Company  
Claims Department  
P.O. Box 5323  
Cincinnati, OH 45201-5323  
1-800-375-2075

You may also contact the Arkansas Insurance Department at the following address:

Arkansas Insurance Department  
Consumer Services Division  
1200 W. 3<sup>rd</sup> Street  
Little Rock, AR 72201-1904  
Phone (800) 852-5494 or (501) 371-2640

This information is provided in accordance with Arkansas Insurance Department Bulletin 6-87.

## ARKANSAS AMENDATORY ENDORSEMENT

The following endorsement applies only to Arkansas Policyholders of Yacht (YT) Policies, and conforms these policies to requirements of the State of Arkansas:

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### DEFINITIONS

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“**Direct and Accidental Loss**” is deleted in its entirety and replaced by the following:

“**Direct and Accidental Loss**” means **property damage** arising out of an accident or occurrence, including a continuous and unbroken chain of events from a single, sudden, unanticipated and unforeseen incident or occurrence, or from exposure to the same generally harmful condition or conditions.

---

### COVERAGE A PHYSICAL DAMAGE EXCLUSIONS WHICH APPLY TO COVERAGE A

---

1. is deleted in its entirety and replaced by the following:

1. Loss, damage or expense caused by wear and tear or gradual deterioration of the insured property. This includes damages due to marring, denting, scratching, chipping, electrolysis, corrosion, rust, weathering, dry rot, wet rot, or dampness of atmosphere, deterioration, marine life, smog, seepage, unseaworthiness, damage due to the strain of high speed, inherent vice, or any quality in the insured property that causes it to damage or destroy itself. This exclusion also applies to any loss damage or expense due to the loss of battery or electrical power, or the growth of fungi, mold, mold spore(s), mildew or other similar biological organisms or decay resulting from a failure to adequately monitor, maintain, repair or mitigate damages to the **insured watercraft** from a peril otherwise covered by this policy. Remedial costs, including but not limited to the cost of testing, containment, or fumigation of the insured property for fungi, mold, mold spore(s), mildew, or other similar biological contamination, are specifically excluded, regardless of whether such remedial costs are due to a covered peril, watercraft accident, or for any other reason.

13. is deleted in its entirety.

---

### COVERAGE B BODILY INJURY AND PROPERTY DAMAGE LIABILITY EXCLUSIONS WHICH APPLY TO COVERAGE B

---

We do not provide coverage for **Bodily Injury** and **Property Damage** Liability for:

13. is amended by addition of the following:

Punitive or exemplary damages means those damages imposed to punish a wrongdoer and to deter others from similar conduct.

14. is deleted in its entirety and replaced by the following:

14. **Bodily injury** or **property damage**, directly or indirectly caused or resulting in any manner from deterioration, marine life, smog, seepage, inherent vice or any quality in the insured property that causes it to damage or destroy itself, or the growth of any fungi, mold, mold spore(s), mildew or other similar biological organisms or decay resulting from a failure to adequately monitor, maintain, repair or mitigate damages to the **insured watercraft** from a peril otherwise covered by this policy. Remedial costs, including but not limited to the cost of testing, containment, or fumigation of the insured property for fungi, mold, mold spore(s), mildew, or other similar biological contamination are specifically excluded, regardless of whether such remedial costs are due to a covered peril, watercraft accident, or for any other reason.

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### COVERAGE C MEDICAL PAYMENTS

---

**Coverage Provided** is deleted in its entirety and replaced by the following:

**Coverage Provided** – We will pay the necessary medical expenses and funeral services incurred within two (2) years from the date of an accident resulting from a **direct and accidental loss**. This applies only for **bodily injury** sustained by any person while they are in, upon, boarding or leaving the **insured watercraft**. This applies only to **bodily injury** sustained in an accidental loss that occurs within the specified Navigational Limits. For purpose of this coverage, medical expenses mean reasonable charges for medical treatment. This shall include hospital, surgical, dental and X-ray costs, prosthetic devices, ambulance charges, and professional nursing services.

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## GENERAL CONDITIONS WHICH APPLY TO ALL COVERAGES

---

**Suit Against Us** – the following is added:

Any suit against us must be brought within five (5) years after the loss. If applicable law makes this time period invalid, the suit must be brought within the shortest time period allowed by law.

**Renewal, Cancellation and Minimum Earned Premium** – is deleted in its entirety and replaced by the following:

**Renewal, Cancellation and Minimum Earned Premium** – This policy will expire and terminate on the date the premium is due, without further notice to you, if the premium has not been paid to us on or before its due date. In this event, and within fifteen (15) days of the date the policy expired, we will mail or deliver to you at your last address known to us a notice of said expiration, the notice will indicate the date that the policy expired.

If we elect to renew this policy, we will notify you by delivering, or mailing to you at your last address known to us, a notice for the renewal premium amount. We will notify you of the renewal premium amount at least thirty (30) days before the end of the current policy period. proof of delivery or mailing is sufficient proof of notification.

We may non-renew this policy for the reasons stated in this Condition by mailing written notice to you at your address shown on the Declarations Page of the Policy, or your last known address given to us. Such notice will state the reasons for the non-renewal. Any notice of non-renewal shall be sent by registered, certified, or first-class mail. If sent by first class mail, a United States Postal Service certificate of mailing shall be sufficient proof of receipt of the notice on the third calendar day after the date of the certificate.

You may cancel this policy by returning the policy to our agent or to us, or by giving us written notice and stating the future date you want coverage to stop. Cancellations will not be backdated more than thirty (30) days from the date received in our office, unless accompanied by evidence of duplicate coverage or a copy of the bill of sale is attached to the cancellation. When you have not paid the premium, whether payable to us or your agent, we may cancel at any time by notifying you at least ten (10) days before the cancellation takes effect. When this policy has been in effect for less than sixty (60) days and it is not a renewal with us, we may cancel for any reason by notifying you at least thirty (30) days before the date the cancellation takes effect.

When this policy has been in effect for sixty (60) business days or more or at any time if it is a renewal with us, we will not cancel a policy in force unless the reason for cancellation is stated and is based on at least one of the following reasons:

1. Nonpayment of premium.
2. Fraud or material misrepresentation of fact made by or with the knowledge of the named insured in obtaining the policy, which if known to us, would have caused us not to issue or continue the policy.
3. Fraud or material misrepresentation in presenting a claim under the policy.
4. The occurrence of material change in the risk which substantially increases any hazard insured against after policy issuance.
5. A material violation of any of the terms or conditions of the policy.
6. Violation of any local fire, health, safety, building construction regulation or ordinance with respect to any insured property or the occupancy thereof which substantially increases any hazard insured against under the policy.

Policy cancellation for one or more of the above reasons can be made by notifying you in writing at least twenty (20) days before the date the cancellation takes effect. The delivery or mailing of this notice shall be sufficient proof of cancellation. When we cancel your policy, your return premium, if any, will be refunded on a pro-rata basis at the time of cancellation, or as soon as practical, and without demand by you for the return of such premium. When you request cancellation, the return premium will be short rate and the company will retain the minimum earned premium indicated on the Declarations Page of the Policy. Payment or tender of the unearned premium is not a condition of cancellation.

**Property and Casualty Guaranty Association Endorsement** is deleted in its entirety, as insureds who are residents of the State of Arkansas are subject to the provisions of the Arkansas Property & Casualty Guaranty Fund.

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If you have a question or complaint regarding the evaluation of any claim under this policy you may contact us directly by phone or mail at the following address:

First Marine Insurance Company  
Claims Department  
P.O. Box 5323  
Cincinnati, OH 45201-5323  
1-800-375-2075

You may also contact the Arkansas Insurance Department at the following address:

Arkansas Insurance Department  
Consumer Services Division  
1200 W. 3<sup>rd</sup> Street  
Little Rock, AR 72201-1904  
Phone (800) 852-5494 or (501) 371-2640

This information is provided in accordance with Arkansas Insurance Department Bulletin 6-87.

AGENT xxxxxx		POLICY PERIOD	
		From: 01/01/2008	To: 01/01/09
John Doe Agency 1111 Test Drive City, State, ZIP		12:01 A.M Standard Time at the address of the named insured. To the extent that coverage in this policy replaces coverages in other policies terminating at noon standard time on the inception date of this policy, coverage under this policy shall not become effective until such other coverage has terminated.	

NAMED INSURED AND ADDRESS	LOSS PAYEE AND ADDRESS
John Doe 1111 Test Drive City, State, ZIP	
	ADDITIONAL INTEREST

The insurance afforded is only with respect to such of the following items and coverages as are indicated by specific premium charge or charges. The limit of the company's liability for each such coverage shall be as stated herein, subject to all of the provisions of this policy having reference thereto.

COVERAGE A PHYSICAL DAMAGE	LIMITS OF OUR LIABILITY OR AMOUNT OF INSURANCE	DEDUCTIBLE	PREMIUM
1990 21' SEA RAY 210 Hull serial No. SERA5001F090 Fiberglass I/O Sterndrive MERCUISER 205 OC879458	\$ 6,500.00	\$500	\$100.00
Trailer Serial No. 1ROBP192XK1508703 River Coverage	\$ 1,000.00	\$ 50.00	\$ 30.00 \$ 10.00
<b>Personal Effects</b>	\$ 500.00	50	
<b>Machinery Depreciation Waiver</b>	<b>YES</b>		\$ 25.00
<b>COVERAGE B BODILY INJURY AND PROPERTY DAMAGES</b>	<b>LIMIT OF LIABILITY \$500,000.00</b>		\$ 119.00
<b>COVERAGE C MEDICAL PAYMENTS</b>	\$ 1,000.00		<b>Included</b>
<b>COVERAGE D UNINSURED BOATER</b>	<b>LIMIT OF LIABILITY \$300,000.00</b>		\$ 25.00

<b>NAVIGATIONAL LIMITS</b> Coverage extends to all navigable waters, lakes, and rivers within the Continental United States and within 200 miles of the Canadian Border, excluding the Great Lakes, Lake Powell, Lake Havasu, and all Atlantic, Pacific and Gulf Coast waters.	<b>TOTAL PREMIUM</b>	<b>\$ 309.00</b>
	<b>First Marine Insurance Company</b>	

Minimum Earned Premium \$75.00      \* **THIS IS NOT A BILL**

**AR-MB-100-2**      Insured Copy      Print Date

Effective: 1/1/05

<b>AGENT xxxxxx</b>	<b>POLICY PERIOD</b>	
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John Doe Agency 1111 Test Drive City, State, ZIP	From: 01/01/2008	To: 01/01/09
12:01 A.M Standard Time at the address of the named insured. To the extent that coverage in this policy replaces coverages in other policies terminating at noon standard time on the inception date of this policy, coverage under this policy shall not become effective until such other coverage has terminated.		

<b>NAMED INSURED AND ADDRESS</b>	<b>LOSS PAYEE AND ADDRESS</b>
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John Doe 1111 Test Drive City, State, ZIP	
	<b>ADDITONAL INTEREST</b>

The insurance afforded is only with respect to such of the following items and coverages as are indicated by specific premium charge or charges. The limit of the company's liability for each such coverage shall be as stated herein, subject to all of the provisions of this policy having reference thereto.

COVERAGE A PHYSICAL DAMAGE	LIMITS OF OUR LIABILITY OR AMOUNT OF INSURANCE	DEDUCTIBLE	PREMIUM
1990 21' SEA RAY 210 Hull serial No. SERA5001F090 Fiberglass I/O Sterndrive MERCUISER 205 OC879458	\$ 6,500.00	\$500	\$100.00
Trailer Serial No. 1ROBP192XK1508703 River Coverage	\$ 1,000.00	\$ 50.00	\$ 30.00 \$ 10.00
<b>Personal Effects</b>	\$ 500.00	50	
<b>Machinery Deprecciation Waiver</b>	YES		\$ 25.00
<b>COVERAGE B BODILY INJUST AND PROPERTY DAMAGES</b>	LIMIT OF LIABILITY \$500,000.00		\$ 119.00
<b>COVERAGE C MEDICAL PAYMENTS</b>	\$ 1,000.00		Included
<b>COVERAGE D UNINSURED BOATER</b>	LIMIT OF LIABILITY \$300,000.00		\$ 25.00

<b>NAVIGATIONAL LIMITS</b>	<b>TOTAL PREMIUM</b>	<b>\$ 309.00</b>
Coverage extends to all navigable waters, lakes, and rivers within the Continental United States and within 200 miles of the Canadian Border, excluding the Great Lakes, Lake Powell, Lake Havasu, and all Atlantic, Pacific and Gulf Coast wa	<b>First Marine Insurance Company</b>	

Minimum Eearned Premium \$75.00

**\* THIS IS NOT A BILL**

**AR-YT-100-2**  
Effective: 1/1/05

Insured Copy

Print Date

*SERFF Tracking Number:*      *AMMH-125710023*                      *State:*                      *Arkansas*  
*Filing Company:*              *First Marine Insurance Company*                      *State Tracking Number:*      *EFT \$50*  
*Company Tracking Number:*      *20080401-01*  
*TOI:*                      *09.0 Inland Marine*                      *Sub-TOI:*                      *09.0000 Inland Marine Sub-TOI Combinations*  
*Product Name:*              *FMIC Form updates*  
*Project Name/Number:*      *FMIC Form updates/20080401-01*

## **Rate Information**

Rate data does NOT apply to filing.

SERFF Tracking Number: AMMH-125710023 State: Arkansas  
Filing Company: First Marine Insurance Company State Tracking Number: EFT \$50  
Company Tracking Number: 20080401-01  
TOI: 09.0 Inland Marine Sub-TOI: 09.0000 Inland Marine Sub-TOI Combinations  
Product Name: FMIC Form updates  
Project Name/Number: FMIC Form updates/20080401-01

## Supporting Document Schedules

**Satisfied -Name:** Uniform Transmittal Document-  
Property & Casualty **Review Status:** Approved 08/05/2008

**Comments:**

**Attachments:**

F777AR\_form.pdf  
F778AR\_Form.pdf

**Satisfied -Name:** Cover Letter **Review Status:** Approved 08/05/2008

**Comments:**

**Attachment:**

Filing letter-Forms.pdf

## Property & Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td colspan="2">a. Date the filing is received:</td></tr> <tr><td colspan="2">b. Analyst:</td></tr> <tr><td colspan="2">c. Disposition:</td></tr> <tr><td colspan="2">d. Date of disposition of the filing:</td></tr> <tr><td colspan="2">e. Effective date of filing:</td></tr> <tr> <td style="width: 50%; text-align: center;">New Business</td> <td></td> </tr> <tr> <td style="text-align: center;">Renewal Business</td> <td></td> </tr> <tr><td colspan="2">f. State Filing #:</td></tr> <tr><td colspan="2">g. SERFF Filing #:</td></tr> <tr> <td>h. Subject Codes</td> <td></td> </tr> </table>	a. Date the filing is received:		b. Analyst:		c. Disposition:		d. Date of disposition of the filing:		e. Effective date of filing:		New Business		Renewal Business		f. State Filing #:		g. SERFF Filing #:		h. Subject Codes	
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Renewal Business																					
f. State Filing #:																					
g. SERFF Filing #:																					
h. Subject Codes																					

<b>3. Group Name</b>	<b>Group NAIC #</b>
American Modern Insurance Group	127

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
First Marine Insurance Company	MO	42722	43-1262602	24

<b>5. Company Tracking Number</b>	<b>20080401-01</b>
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**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Mellisa Holder-Anderson PO Box 5323 Cincinnati, OH 45201	Filing Analyst	800-759-9008 x 5835	513-947-4929	mholder@amig.com

<b>7.</b> Signature of authorized filer	
<b>8.</b> Please print name of authorized filer	Mellisa M. Holder-Anderson

**Filing information** (see General Instructions for descriptions of these fields)

<b>9. Type of Insurance (TOI)</b>	9.0 (inland Marine)
<b>10. Sub-Type of Insurance (Sub-TOI)</b>	9.0000(inland marine)
<b>11. State Specific Product code(s) (if applicable)[See State Specific Requirements]</b>	n/a
<b>12. Company Program Title</b> (Marketing title)	FMIC Form updates
<b>13. Filing Type</b>	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
<b>14. Effective Date(s) Requested</b>	New: upon approval                      Renewal: upon approval
<b>15. Reference Filing?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>16. Reference Organization</b> (if applicable)	n/a

<b>17. Reference Organization # &amp; Title</b>	n/a
<b>18. Company's Date of Filing</b>	06/27/2008
<b>19. Status of filing in domicile</b>	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input checked="" type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

### Property & Casualty Transmittal Document—

<b>20. This filing transmittal is part of Company Tracking #</b>	20080401-01
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<b>21. Filing Description</b> [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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First Marine Insurance Company would like to submit for informational purposes only an update to our policy forms, state amendatory, and declaration pages. As we recently acquired First Marine Insurance Company we removed the prior company's logo from all policy forms, amendatory and declaration pages. The other changes that were made to these forms are outline below.

- Yacht Policy (YT99 (01/99)) – We also updated the officer signatures to reflect the new company officers after the acquisition.
- Motorboat Policy (MB99 (01/99)) – We also updated the officer signatures to reflect the new company officers after the acquisition.
- State Amendatory (AR 1 Motorboat Policy Amendatory (11/1/05)) – Logo change only
- State Amendatory (AR 2 Yacht Policy Amendatory (11/1/05)) – Logo change only
- Motorboat Declarations Page (AR-MB-100-2 (01/05)) - We also removed the counter signature as well.
- Yacht Declarations Page (AR-YT-100-2 (01/05)) - We also removed the counter signature as well.

<b>22. Filing Fees</b> (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
---

**Check #:** n/a  
**Amount:** 50.00

using EFT through SERFF for the \$50.00 filing fee

**Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.**

Effective March 1, 2007

**\*\*\*Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

## FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)  
 (Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	<b>20080401-01</b>			
<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> (Company tracking number of rate/rule filing, if applicable)	n/a			
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement or Withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Yacht Policy	YT2005 (01/05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Motorboat Policy	MB2005 (01/05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Motorboat Policy Amendatory	AR 1 Motorboat Policy Amendatory	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Yacht Policy Amendatory	AR 2 Yacht Policy Amendatory	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	Motorboat Declarations page	AR-MB-100-2 (01/05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Yacht Declarations page	AR-YT-100-2 (01/05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		



FIRST MARINE  
INSURANCE COMPANY

June 27, 2008

ARKANSAS INSURANCE DEPARTMENT  
PROPERTY & CASUALTY DIVISION  
1200 W 3RD ST  
LITTLE ROCK AR 72201-1904

Attention: Property & Casualty Section

RE: First Marine Insurance Company: NAIC# 127-42722  
Watercraft Program  
Form Filing  
Company File Number: 20080401-01

In accordance with the filing requirements of your state, we are submitting informational revisions to the captioned program for approval.

First Marine Insurance Company would like to submit for informational purposes only an update to our policy forms, state amendatory, and declaration pages. As we recently acquired First Marine Insurance Company we removed the prior company's logo from all policy forms, amendatory and declaration pages. The other changes that were made to these forms are outline below.

- **Yacht Policy (YT99 (01/99))** – We also updated the officer signatures to reflect the new company officers after the acquisition.
- **Motorboat Policy (MB99 (01/99))** – We also updated the officer signatures to reflect the new company officers after the acquisition.
- **State Amendatory (AR 1 Motorboat Policy Amendatory (11/1/05))** – Logo change only
- **State Amendatory (AR 2 Yacht Policy Amendatory (11/1/05))** – Logo change only
- **Motorboat Declarations Page (AR-MB-100-2 (01/05))** - We also removed the counter signature as well.
- **Yacht Declarations Page (AR-YT-100-2 (01/05))** - We also removed the counter signature as well.

We request an effective date upon approval of the filing.

To the best of our knowledge and belief, this filing is in compliance with the statutes and regulations of your state.

Thank you for your consideration of this filing. If you have any questions, please contact the undersigned at the telephone number or e-mail address shown.

Mellisa Holder-Anderson  
Compliance Analyst  
American Modern Insurance Group, Inc.  
Phone: 1-800-759-9008, ext. 5835  
E-mail: mholder@amig.com

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