

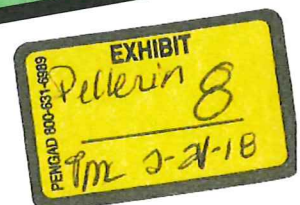


Administrative Office
880 South Pickett Street
Alexandria, VA 22304

NATHAN CARMAN
3043 FORT BRIDGMAN RD
VERNON VT 05354-9451

IMPORTANT!

**BOAT POLICY DOCUMENTS
ENCLOSED**





Administrative Office
880 South Pickett Street
Alexandria, VA 22304
Boat Insurance: 800-283-2883
Claim: 800-937-1937
Fax: 703-461-2840

12/23/2015

NATHAN CARMAN
3043 FORT BRIDGMAN RD
VERNON VT 05354-9451

Policy # 3985989-15
1974 JC 31'

Dear Policyholder,

Thank you for insuring your boat through the BoatU.S. Program. Enclosed are your Declarations page and policy booklet.

Please read through the policy and review the Declarations page and application to ensure the information is accurate. Note any additional information needed on the back of the application in the Requirements Section. Please return any required information by 01/21/2016. A return envelope is provided for your convenience.

- * Written confirmation of your actions and plans for correction of the surveyor's recommendation(s). A reply form is enclosed for your convenience.
- * The Company requires that we have a completed and signed application on file for each boat insured through our program.

If you have any questions, please call us at the toll-free number above. We look forward to being of service and welcome you aboard the BoatU.S. Program.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Pellerin".

Mike Pellerin, Vice President Underwriting

Manage your policy online at our convenient Policy Self-Service Center. Make payments, download policy documents online, anytime at www.boatus-insurance.com/selfservice.

Privacy Policy

Definitions

A "consumer" is a person who seeks or obtains products or services from us for personal, family or household needs. Only a natural person may be a consumer.

"Personal information" is information about a consumer that is not publicly available.

Information We Collect

We collect personal information from:

- People who apply for insurance from us;
- People who visit our website;
- People we insure;
- People involved in claims under our policies;
- The consumer's transactions with us, our affiliates, our agents or others;
- Consumer reporting agencies or insurance support organizations; and
- Other third parties including state motor vehicle departments.

Information we collect from an insurance-support organization may be kept by them. They may disclose it to others.

Information We Disclose

We do not disclose personal information, except as required or allowed by law. Sometimes we are allowed to disclose personal information without consent.

Examples of such disclosures include:

- To a person who performs administrative, business, professional, or insurance functions for us;
- To confirm eligibility for insurance benefits or payments;
- To detect or prevent crime or fraud;
- To insurers or agents that need it to perform an insurance function;
- To insurers or agents so we can perform an insurance function;
- To medical providers to confirm insurance coverage;
- To insurance regulators;
- To law enforcement;
- In response to subpoenas, search warrants or other court orders;
- For actuarial or research studies;
- In connection with a sale of our business;
- To an affiliate who is auditing us;
- To a peer review group looking at the services or conduct of a medical provider;

- To a public agency that may have paid health benefits for a consumer;
- To a certificate holder or policy owner who wants to know the status of an insurance transaction;
- To a person with a legal interest in a policy issued by us;
- To rate advisory organizations;
- To guaranty funds;
- To rating agencies;
- To our lawyers, accountants and auditors;
- To a group policy owner to report claims experience;
- To a group policy owner to conduct an audit; or
- As otherwise required or allowed by law.

Information Security

We authorize our workers, agents, outside vendors and others to access personal information only when they have a business reason to do so. We have physical, electronic, and procedural safeguards to protect personal information from unauthorized access.

Right to Review & Correct Personal Information

A consumer who lives in AZ, CA, CT, GA, IL, MA, ME, MT, NC, NJ, OH, OR, VA may review personal information we have gathered about the consumer. The consumer may send a letter to: Chief Privacy Officer, 3024 Harney St, Omaha, NE 68131.

The letter should include name, address, phone number, policy number and describe the records that the consumer wants to review. Upon receipt of this request, we will review our records and inform the consumer if we have the information sought and if it is reasonably locatable and retrievable. If it is, the consumer may review the information in person or request that we mail them a copy. We will disclose to the consumer who else received the information in the past two years or who would normally have received it in the past two years. We may charge the consumer a fee.

The consumer may ask us to fix mistakes in our records. If we agree, we will correct our files. Upon request, we will send revised information to a person who received information from us in the past 2 years. If we disagree, the consumer may file a short statement of dispute. The statement will be included with information we share in the future. Upon request, we will send the statement to a person who received information from us in the past 2 years.

Medical Record Rights

A consumer who lives in MT may ask for a record of medical record information we have disclosed. The consumer may send a letter to: Chief Privacy Officer, 3024 Harney St, Omaha, NE 68131.

Changes to Policy

We may change this policy at any time. We will provide advance notice of changes if required by law.

This privacy policy applies to the following companies within the National Indemnity group of insurance companies:

Columbia Insurance Company
National Fire & Marine Insurance Company
National Indemnity Company
National Indemnity Company of Mid-America
National Indemnity Company of the South
National Liability & Fire Insurance Company
Northern States Agency
Pacific Gateway Insurance Agency
Ringwalt & Liesche Co.



BoatU.S. and Your Privacy

BoatU.S. is a membership organization and as such we've never considered selling information about you to retailers, magazines, or anyone else.

BoatU.S. takes your privacy very seriously. We have safeguards in place, including monitoring our computer systems, to protect your personal information from outsiders.

We and our marketing partners do use your contact information to advise you of new products and services from BoatU.S.

We are proud to say that safeguarding privacy has always been part of the BoatU.S. commitment to providing the very best insurance program available to Members.

Direct Inquires To:

BoatU.S. - Privacy Policy Administration
880 South Pickett Street
Alexandria, VA 22304

National Liability & Fire Insurance Company
Stamford, CT
A Stock Company



National Liability & Fire Insurance Company
Stamford, CT
A Stock Company

YACHT POLICY

WELCOME ABOARD!

We are delighted you are participating in the BoatU.S. Marine Insurance program. This policy is designed by, and especially for recreational boaters like you. This policy booklet explains what you, as the policyholder, can expect the insurance company to provide in the event of an accident involving your boat. It also explains your duties and responsibilities. Please take a moment to read it.

The Declarations Page, included in this package, contains the values, limits, dates and any special endorsements that apply to your individual coverage.

TO REPORT A CLAIM, 7 DAYS A WEEK: 800.937.1937

In the Event of an Accident:

- See to the welfare of any injured people.
- Do not discuss fault or cause
- Notify the appropriate local officials
- Notify BoatU.S. Claims Immediately

FOR POLICY SERVICE AND QUESTIONS, MON – SAT.: 800.283.2883

FOR POLICY SELF-SERVICE, VISIT BOATUS.COM/INSURANCE

BoatU.S. Marine Insurance Program
Admin. Office: 880 South Pickett Street
Alexandria, VA 22304

This message does not change, modify or invalidate any of the terms or conditions of your policy.
Please read your entire policy, paying particular attention to the policy limits and exclusions.

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YACHT POLICY

INSURING AGREEMENT

"We" will provide the coverages shown on the Declarations Page, contained in this policy and any endorsements, for any covered loss that occurs during the policy period, on the condition that "you" pay the premium and comply with the policy provisions.

DEFINITIONS

In this policy certain words are defined as follows:

"Agreed value" means the value stated under Coverage A, Boat and Boating Equipment or Coverage E, Boat Trailer on the Declarations Page. The value stated under Coverage A, Boat and Boating Equipment, includes boating equipment regularly carried aboard as well as a dinghy and its outboard engine, if any.

"Dinghy" means a boat not to exceed 15' length overall, including an outboard motor that does not exceed 25 horsepower if so equipped. The dinghy must be primarily used as the tender to the insured boat listed on the Declarations Page.

"Family member" means any person related to you by blood, marriage, or adoption, including a ward or foster child, who resides in your household.

"Fuel spill" means the unintentional discharge, leakage or spillage of petroleum products or chemicals.

"Household" means you and any person related to you by blood, marriage, or adoption, including a ward or foster child, residing in a fixed, permanent place of abode, where the intent is to return to that place, despite periods of temporarily living elsewhere or temporary absences.

"Insured boat" and **"the boat"** refer to the boat which is named on the Declarations Page, or to a newly acquired boat.

"Insured value" means the agreed value of the insured boat or trailer, as shown on the Declarations Page.

"Named insured" means the insured(s) named on the Declarations Page.

"Newly acquired boat" is a boat which you purchase during the policy period provided you notify us in writing within 30 days of purchase of this newly acquired boat and pay any additional premium. A newly acquired boat shall be deemed the insured boat for all purposes except valuation, and shall be subject to the conditions and limitations of the policy.

"Obsolete" or **"obsolescence"** is defined as the loss of value due to changes in technology, not

physical loss or damage, which render the item no longer useful.

"Personal watercraft" means any vessel less than 13' length overall designed to be operated by a person or persons sitting, standing, or kneeling on the vessel rather than within the confines of a hull.

"Property damage" is defined as direct physical injury to, or destruction of, tangible property.

"We", **"us"**, and **"our"** refer to the Company providing this insurance.

"You", **"your"**, **"insured"**, and **"insured person"** mean any insured named on the Declarations Page, the spouse of any insured named on the Declarations Page, a family member of any insured named on the Declarations Page, any officer, director, partner or shareholder of any insured named on the Declarations Page, the spouse of any officer, director, partner or shareholder of any insured named on the Declarations Page, or any other person or organization using the insured boat with your permission and without compensation. If the Named Insured(s) on the Declarations Page is not an individual or individuals, then "you", "your", "insured", and "insured person" is defined as the legal entity named on the Declarations Page and also includes, and is limited to, those warranted operators added to the policy by written endorsements. No boating liability coverage is provided for a paid captain or paid crew member of yours or of the insured boat, or for any agent paid to operate, maintain or work on the insured boat in any capacity, or for any person, organization or agent operating a repair yard, marina, yacht club, sales or chartering agency or other marine business. However, you are covered for your legal liability arising out of any damages caused to others by a non-insured person, organization or agent.

IN THE EVENT OF A LOSS

ACTIONS TO TAKE - "SUE AND LABOR COVERAGE"

A. Immediately upon a loss, "you" must:

1. Take all necessary steps to protect "the boat" and its equipment from further loss. "We" will pay the reasonable costs "you" incur in preventing further damage ("Sue and Labor Expense") if the loss is covered under Coverage A of this policy. This Sue and Labor Coverage is in addition to those coverages noted under Coverage A. "We" do not cover "your" labor or personal expense nor any amount in excess of the "agreed value".

2. Give **"us"** immediate notification of the loss and its circumstances.

B. Following a loss "you" must:

1. Give **"us"** the opportunity to inspect the damaged boat or equipment before it is repaired or discarded.
2. Submit a statement describing the loss and any records needed to verify the loss, its amount, and **"your"** interest in any property damaged or lost.
3. Assume no obligation, admit no liability and incur no expense for which **"you"** or the Company may be liable without **"our"** written permission, other than reasonable expenses incurred to protect the property from further damage.
4. Immediately notify **"us"** about and forward to **"us"** any legal papers or notices received in connection with the loss.
5. Cooperate with **"us"** in the investigation, defense, or settlement of any loss, and agree to be examined under oath if **"we"** so request.
6. Allow examinations by physicians of **"our"** choice, when pertinent to the loss.
7. Help **"us"** to obtain copies of medical reports and records.
8. Give **"us"** a final notarized statement, which shall be called "Proof of Loss", if requested.

PAYMENT OF LOSS

After **"we"** receive all statements and supporting papers, **"we"** will promptly process **"your"** claim. Upon agreement with **"you"** of the amount to be paid, **"we"** may ask **"you"** to complete a notarized Proof of Loss.

After submission of the Proof of Loss, payment will be issued to **"you"** and any lienholder and/or repair yard. **"Your"** cooperation is needed to expedite settlement and payment. If **"you"** do not provide all requested papers within a year of the loss, the claim may be voided.

OUR RIGHT TO RECOVER

"You" may have the right to recover from another party who is responsible for **"your"** loss or loss to the **"insured boat"**. If **"we"** pay **"your"** loss under this policy, this right of recovery will belong to **"us"** up to the amount that **"we"** have paid **"you"**. If **"you"** take any action that impairs **"our"** right to recover, **"we"** can consider this policy void and without effect as to such loss. However, signing a written contract for dockage, slip rental, moorage, hauling/launching, storage, repair or maintenance of the **"insured boat"** which includes a waiver of subrogation provision shall not void this policy.

COVERAGE A – BOAT AND BOATING EQUIPMENT

WHAT IS COVERED

If an amount is shown for Coverage A on the Declarations Page, **"we"** will cover the **"insured boat"** including its hull, machinery, outboard motors, sails, spars and furniture. **"We"** also cover boating equipment regularly carried aboard which is considered normal for the safe operation and routine maintenance of **"the boat"** as well as a **"dinghy"** and its outboard engine, if any, and computer hardware and software up to a maximum limit of \$500.

Personal items (e.g. scuba and fishing gear, sporting goods, clothing, portable televisions and stereos, cameras), and fuel and consumables (food, ice, beverages) are not covered. However, personal items are covered if an amount is shown for Coverage F, Personal Effects on the Declarations Page.

TYPES OF LOSSES COVERED

"We" will pay for **"property damage"** to the **"insured boat"**, its engines and items listed in "What is Covered" from any accidental cause including theft or vandalism. **"We"** do not pay for any intangible loss, such as loss of use or value or **"obsolescence"**. All coverages are subject to the limitations and exclusions of the policy.

AGREED VALUE

"We" agree with **"you"** that the **"insured boat"** and other covered property shall be valued at the amount shown on the Declarations Page or any endorsements.

NEWLY ACQUIRED BOAT

The **"insured value"** for a **"newly acquired boat"** shall be the verifiable purchase price or \$250,000, whichever is less. Boating equipment coverage shall be limited to 10% of the boat's purchase price. These values shall remain in effect until cancellation or until **"we"** issue you a new Declarations Page or any new endorsements. **"We"** may amend the premium, change the policy terms or conditions, cancel this coverage on the **"newly acquired boat"**, or require further conditions for continued coverage.

EXCLUSIONS

This insurance does not cover:

A. any loss caused directly or indirectly by wear and tear, gradual deterioration, mechanical or electrical breakdown, overheating, ice or freezing, galvanic action, rot, mold or mildew, corrosion, weathering, marring, scratching, denting, vermin, animals or marine life; however, **"we"** will cover immediate consequential **"property damage"** resulting from any fire, explosion, sinking, demasting, collision or stranding;

B. any loss or damage caused by or resulting from blistering or delamination;

C. any cost of repair or replacement of a part which fails as a result of a defect in manufacture or construction; however, "we" will cover consequential "property damage" that results from such failure if not otherwise excluded;

D. any loss, damage, expense or cost of repair caused directly or indirectly by incomplete, improper or faulty repair except as provided by the "Repair Guarantee";

E. any liability for wages or provisions furnished to captain or crew; or

F. any loss, damage or expense caused intentionally by, with the knowledge of, or resulting from criminal wrongdoing by any "insured".

AMOUNT PAID TO YOU IN EVENT OF LOSS

In the event of:

A. Total or Constructive Total Loss

"We" will pay "you" the "agreed value" as defined by this policy if the "insured boat" is lost absolutely, or if the reasonable cost of repair exceeds the "agreed value". "We" reserve the right to declare "the boat" a constructive total loss and pay "you" the "agreed value" if in our judgment costs of salvage and/or repair exceeds such value. "We" are not obligated to accept or pay for "the boat" or any boating equipment which "you" abandon. If "we" pay "you" the "insured value", "we" have the right to the "insured" property. If "we" exercise "our" right to acquire the "insured" property, "you" must provide all documents needed to transfer title to "us". "You" agree to allow "us" to withhold an amount not to exceed 10% of the "insured value" until "we" have received these documents. However, if the "insured boat" is lost absolutely, or if the reasonable cost of repair exceeds the "agreed value" and "we" declare "the boat" a constructive total loss and if the total or constructive total loss of "the boat" occurs within the first 30 consecutive months immediately after "you" have purchased "the boat" new (no prior owner or user and no more than 12 months since the manufacture date) and "the boat" was not purchased subject to any promotional agreement with the dealer or manufacturer, then if "you" so choose "we" will pay to replace that boat with the same model, or if such model is not available, then to the extent possible, the same make, class, size and type including comparable equipment to the "insured boat". In either case, such replacement will be new. The most "we" will pay for replacement, if it exceeds the "agreed value" as shown on the Declarations Page, will be the lesser of 120% of that "agreed value" or \$150,000. If "you" do not choose this replacement boat coverage that is subject to the above eligibility requirements, then "we" will pay

"you" the "agreed value" as defined by this policy.

B. Repairs for Partial Loss

"We" will pay the reasonable cost of repairs with depreciation applied to the repair or replacement of the following items: inflatable dinghies, paint and finishes, protective covers, fabric or sails. Depreciation shall also apply to outdrive units, outboard motors and gel coat beginning with the sixth year from the year of manufacture, and to internal machinery beginning with the eleventh year from the year of manufacture. In the event of damage to plywood, plastic, fiberglass, metal, cement, or other molded material, "we" are obligated to pay only the reasonable cost of repairing the damaged area, in accordance with quality marine repair practice. "We" have the option to make or reimburse "you" for repairs or replacements, or to pay "you" directly based on an agreed estimate of loss. Repairs and replacements will be made with like kind and quality.

C. Unrepaired Damage

"We" do not cover any previously unrepaired damage.

D. Repair Guarantee

In the event of repairs for any covered loss or damage, if "you" have such work performed at a facility recommended by "us" and in accordance with the method of repair approved by "us", "you" will be covered for any additional repairs due to faulty workmanship for as long as "you" own "the boat" and insure it with "us". No deductible will apply to these additional repair costs. The maximum that "we" will pay for all repairs arising out of the faulty repair is the "Agreed Value" shown on the Declarations Page. This coverage is limited to the types of losses covered under the policy. "We" reserve the right to select the facility to perform any additional repairs.

E. Appraisal and Dispute

If "you" have met the requirements and conditions of the policy, and if the amount of a covered loss is still in dispute, "you" or "we" may demand an appraisal of such loss. Each will choose and pay a competent appraiser. The appraisers will pick a third person to settle any differences. Each will share the cost of the third appraiser equally. Each appraiser will separately state the amount of loss. The amount "we" will pay will be the award agreed to in writing by two of these appraisers less the applicable deductible.

DEDUCTIBLE

The applicable deductible amount shown on the Declarations Page will be subtracted from each loss. It will not apply in the event of a total or constructive total loss. However, in the event of any loss caused directly or indirectly by a storm named by the National Oceanic & Atmospheric Administration (NOAA), and if "your" boat is located in Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Texas, the Bahamas,

Caribbean, or Mexico at the time of the loss, the deductible subtracted from each loss, whether partial or total loss, will be the deductible amount shown on the Declarations Page, \$1,000, or 5% of the amount shown for Coverage A on the Declarations Page, whichever is greatest.

The 5% deductible stated above shall reduce to 3% if, at the time of loss, **"your"** boat is completely on land and firmly lashed to in ground anchors, footings or similar in ground structures and the canvas and/or sails are removed from the exterior of **"the boat"**.

SALVAGE CHARGES

In the event of a salvage of **"the boat"**, coverage for salvage charges is limited to an amount not to exceed the **"agreed value"**.

COVERAGE A1 – INVESTIGATIVE SERVICES FOR BOAT AND MACHINERY

COVERAGE PROVIDED

In the event **"the boat"** suffers direct physical damage as a result of a possible defect caused by manufacture or construction, **"we"** will provide investigative services outlining the probable cause of the loss, the recommended method of repair and the

reasonable cost of those repairs. This coverage is supplemental to Coverage A and applies only if an amount is shown for Coverage A, Boat and Boating Equipment on the Declarations Page.

TYPE OF SERVICES

Services may include inspection of the damage by a marine surveyor or other professional with a written report of findings and/or laboratory analysis. The Company retains the right to select and assign the appropriate professional for such services.

COVERAGE LIMIT

The limit of Investigative Services (value of services provided) is 5% of the **"agreed value"** of **"your"** boat, as stated on **"your"** policy Declarations Page under Coverage A. **"Our"** obligation to investigate ends when this Coverage A1 limit is exhausted or when the investigation reveals a cause of damage other than manufacturer's defect. This 5% limit is the most **"we"** will pay for investigation of believed defects involving **"the boat"** regardless of the number of requests or any series of requests involving **"the boat"**. Defects and warranty problems must be discovered and reported to **"us"** within the policy period stated on the Declarations Page.

DEDUCTIBLE

There is no deductible applied to this Investigative Services coverage.

EXCLUSIONS

Investigative Services does not apply to:

- A. boats and/or machinery over 10 years of age;
- B. personal effects and boating equipment including electronics; or,
- C. further investigation upon determination that **"your"** loss or damage was caused directly or indirectly by any excluded loss or damage under Coverage A above; or a failure to exercise due diligence in care and maintenance of **"the boat"** and/or in accordance with the manufacturer's specifications.

COVERAGE A2 - COMMERCIAL TOWING AND ASSISTANCE

"We" will pay for the expenses incurred for commercial towing and assistance of the **"insured boat"** or trailer from a breakdown at sea or on the road, when the commercial towing and assistance is dispatched or pre authorized by the BoatU.S. 24 hour Dispatch Services. **"We"** will pay this expense directly to the provider or reimburse **"you"** at our option. Covered expenses are limited to the following services provided by a commercial vendor, on land or water:

- A. towing of the **"insured boat"** or trailer to the nearest safe location;
- B. the cost of delivering gas, oil, tire(s) or repair part(s) and labor at site of disablement when available, but excluding the cost of any gas, oil, tire(s) or repair part(s).

This coverage does not apply when the **"insured boat"** is docked, moored or located in a safe harbor or the trailer (with or without the **"insured boat"**) is in a parking space. The maximum amount of coverage for any one incident or series of incidents arising out of the same breakdown is the amount shown on the Declarations Page, Coverage A2. The most **"we"** will pay in any one policy year is two times the coverage limit shown on the Declarations Page. No deductibles will apply to this coverage.

COVERAGE B – BOATING LIABILITY (PROTECTION AND INDEMNITY)

COVERAGE PROVIDED

If an amount is shown for Coverage B on the Declarations Page, **"we"** will pay damages and any costs assessed against **"you"** up to that amount for any claim or suit covered under this policy for bodily injury or **"property damage"** for which any **"insured"** becomes legally liable through ownership, maintenance or use of the **"insured boat"**. **"We"** will settle or defend, as **"we"** consider appropriate, any claim or suit covered under this policy which asks for these damages. **"We"** will pay for an attorney **"we"**

select to defend "you", and the cost of "your" defense is in addition to the limit of liability as stated on the Declarations Page. "We" will also pay the cost of bonds to release property that is being used to secure "your" legal obligation in any suit "we" defend. The amount of the bond shall not exceed the amount shown for Coverage A or Coverage B on the Declarations Page, whichever is less. Once "we" have paid the limit of liability for any covered damages, including removal of wreck, "our" obligation to pay any damages, or to provide "you" with a defense, ends.

OPERATING OTHER BOATS

"We" will provide this boating liability coverage to the "named insured" and any "family member", subject to the other provisions of this policy, while operating another boat with the permission of its owner. However, "we" do not cover loss or damage to the

other boat or its boating equipment. If there is any other available insurance, "we" will provide coverage only as excess over such insurance. The liability coverage under this section will not apply if the other boat is:

- A. a "personal watercraft";
- B. rented, chartered, or used for any commercial purpose; or
- C. furnished for the regular use of, or owned wholly or in part by a "named insured" or a "family member".

REMOVAL OF WRECK

"We" will pay for the removal or disposal of the wreck of the "insured boat" if "you" are legally obligated to do so even if such attempts to remove the wreck fail.

EXCLUSIONS

"We" do not provide liability coverage for:

- A. bodily injury to a "family member" or damage to property owned by a "family member";
- B. bodily injury to a "named insured" or damage to property owned by a "named insured";
- C. liability which has been assumed by an "insured" under a contract or agreement, or any breach of contract; however, "we" will cover an insured's legal liability for bodily injury or "property damage" assumed under a written boat storage or slip rental contract or agreement for the "insured boat", subject to the limitations outlined in Coverage B, Boating Liability, Limit of Liability;
- D. bodily injury or "property damage" arising out of the transportation of "the boat" or trailer on land;
- E. bodily injury or "property damage" arising out of an insured or other person parasailing or kite skiing from an "insured boat";

F. bodily injury or "property damage" caused by or resulting from an intentional act of an insured;

G. any claim for punitive damages; or any fine, penalty or costs of defense arising out of a criminal or civil violation of law or assessment by a governmental authority;

H. injuries for which benefits are required to be provided by the "insured" or which are available to the injured person under any state or federal compensation law or act regardless of its source; or,

I. cost of the containment, clean-up or resulting bodily injury or "property damage" or assessments related to the discharge, leakage or spillage of petroleum products, chemicals, bacteria, viruses, mold or other substances of any kind or nature.

LIMIT OF LIABILITY

The amount shown for Coverage B, Boating Liability on the Declarations Page is the most "we" will pay regardless of the number of "insured" or injured persons, claims made, or boats involved in any accident, or series of accidents arising out of the same event. Coverage for contractual liability assumed under a written boat storage or slip rental contract or agreement for "property damage" caused directly or indirectly by any storm named by the National Oceanic & Atmospheric Administration

(NOAA), including but not limited to, damage resulting from wind, flood and tidal surges associated with the named storm, is limited to a maximum of \$10,000 per incident or combination of incidents arising out of the named storm.

COVERAGE B1 - FUEL AND OTHER SPILL LIABILITY

COVERAGE PROVIDED

If an amount is shown for Coverage B1 on the Declarations Page, "we" will pay up to that amount for the containment, clean-up, "property damage" and assessments resulting from a "fuel spill" from the "insured boat" for which any "insured person" becomes legally liable through the ownership, maintenance or use of the "insured boat". "We" will settle or defend, as "we" consider appropriate, any claim or suit which asks for these covered expenses and/or damages. "We" will also pay for an attorney "we" select to defend "you". Once "we" have paid the limit of liability for containment, clean-up, resulting "property damage" and/or assessments related to a "fuel spill", "our" obligation to pay any damages, or to provide "you" with a defense, ends. This additional coverage will not apply if an "insured" fails or refuses:

- A. to report the incident giving rise to liability as required by law when the "insured" knows or has reason to know of the incident; or

B. to provide all reasonable cooperation and assistance requested by a responsible official in connection with containment and clean-up activities.

EXCLUSIONS

"We" do not provide any coverage under this section for:

A. liability which has been assumed by an "insured" under any contract or agreement;

B. liability arising out of the transportation of "the boat" or trailer on land;

C. liability caused by or resulting from an intentional act or willful misconduct of an "insured"; any claim for punitive damages; or, any fine, penalty or costs of defense arising out of a criminal or civil violation of law;

D. liability arising out of the discharge, emission, spillage or leakage of any radioactive material or substance of any kind; or,

E. liability for bodily injury.

LIMIT OF LIABILITY

The amount shown for Coverage B1, Fuel and Other Spill Liability on the Declarations Page is the most "we" will pay regardless of the number of insureds, claims made, or boats involved in any one accident, or series of accidents arising out

of the same event.

COVERAGE C - LONGSHORE AND HARBOR WORKERS' COMPENSATION

COVERAGE PROVIDED

If an amount is shown for Coverage B, "we" will pay damages up to that limit for any liability and costs of defending such liability which "you", as owner of the "insured boat", incur during the term of this policy, under the Federal Longshore and Harbor Workers' Compensation Act.

COVERAGE D - MEDICAL PAYMENTS

COVERAGE PROVIDED

If an amount is shown for Coverage D on the Declarations Page, "we" will pay the necessary medical and funeral expenses resulting from a bodily injury to "you" or others from an accident which occurs while in, upon, boarding, or leaving the "insured boat" as well as injury to an "insured" or guest water skiing from the "insured boat". These expenses must be incurred within one year from the date of the accident. If there are any other available medical benefits to the injured person, this coverage will be excess over such other insurance.

EXCLUSIONS

"We" do not provide Medical Payments coverage for:

A. responsibility assumed by an "insured" under any contract or agreement;

B. anyone who is injured while "the boat" is being transported on land;

C. injury to a trespasser on "the boat";

D. anyone while the "insured boat" is engaged in parasailing or kite skiing;

E. an insured's employees or a paid captain or crew; or,

F. injuries for which benefits are required to be provided by the "insured" or which are available to the injured person under any state or federal compensation law or act regardless of its source.

LIMIT OF LIABILITY

The amount shown for Coverage D, Medical Payments on the Declarations Page is per person for each person injured in the same event regardless of the number of persons involved or claims made.

SUPPLEMENTAL FAMILY MEMBER MEDICAL COVERAGE LIMIT OF LIABILITY

In addition to the amount shown for Coverage D, Medical Payments on the Declarations Page, an additional \$25,000 per person shall apply for any covered Coverage D claim made by any "family member".

COVERAGE E - BOAT TRAILER

COVERAGE PROVIDED

If an amount is shown for Coverage E on the Declarations Page, "we" will pay for all "property damage" to the trailer from any accidental cause. "We" do not pay for any intangible loss, such as loss of value or use. In the event of a total or constructive

total loss, "we" will pay the "agreed value" shown on the Declarations Page. The deductible will not apply in the event of a total or constructive total loss. If "we" pay "you" the "agreed value", "we" have a right to the salvage. In the event of a partial loss, "we" will pay the reasonable cost of repairs in accordance with quality trailer repair practice less the deductible shown on the Declarations Page. "We" have the option to make, or reimburse "you" for, repairs or replacements, or to pay "you" directly based on an agreed estimate of loss. Replacements will be made with like kind and quality. This coverage is excess over any other available insurance for the trailer. In addition, "we" will cover any "property damage" to a newly acquired boat trailer, less the deductible, provided that "you" notify "us" within 30 days of purchase of this newly acquired boat trailer and pay any additional premium. "We" may amend the premium, change the policy terms or conditions, cancel this coverage on the newly acquired boat trailer, or require further

conditions for continued coverage. The value of a newly acquired boat trailer shall be the verifiable purchase price.

EXCLUSIONS

"We" will not pay for any loss caused directly or indirectly by: wear and tear, gradual deterioration, mechanical or electrical breakdown, overheating regardless of cause, corrosion, manufacturer's defect, faulty repair, rust, weathering, vermin, animals, marring, scratching or denting.

COVERAGE F – PERSONAL EFFECTS

COVERAGE PROVIDED

If an amount is shown for Coverage F on the Declarations Page, "we" will pay for all "property damage" to "your" personal effects from any accidental cause. "We" do not pay for any intangible loss, such as loss of value or use. This coverage only applies to property owned by the "insured" named on the Declarations Page and any "family member", and only while the property is aboard "the boat" or being loaded or unloaded from "the boat". "We" will pay the actual cash value of the property at the time of the loss or the amount shown on the Declarations Page, whichever is lower, less the deductible. 'Actual cash value' means the value of the covered property at the time of loss or damage. In any one incident or accident, "we" will not be liable for personal effects beyond the amount shown on the Declarations Page regardless of the number of persons involved or claims made in the accident.

EXCLUSIONS

"We" do not provide Personal Effects coverage for loss or damage caused directly or indirectly by: wear and tear, gradual deterioration, mechanical or electrical failure or disturbance, corrosion, dampness, temperature changes, "obsolescence", vermin, animals, or mysterious disappearance. This insurance does not cover currency, jewelry, furs, china, silver, valuable papers, documents, consumables, antiques, collectibles, "personal watercraft" or other boats.

COVERAGE G – UNINSURED BOATER

COVERAGE PROVIDED

If an amount is shown for Coverage G on the Declarations Page, "we" will pay the damages which, because of bodily injury "you" received aboard the "insured boat", "you" are legally entitled to recover from the uninsured owner or operator of another

boat that collides with the "insured boat". 'Uninsured boater' and "uninsured owner or operator" means an owner or operator of a boat other than "the boat" named on the Declarations Page who is legally responsible for the collision, and:

A. to whom no liability policy applies; or

B. who cannot be identified (such as a hit-and-run operator).

If "we" and an "insured" do not agree whether that person is legally entitled to recover damages under Coverage G, or as to the amount of damages, either party may make written demand for arbitration. Each party will select and pay for a competent arbitrator. The arbitrators will select a third person to settle any differences. If they cannot agree on the selection of a third arbitrator within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Arbitration will take place in the county where the "insured" lives, unless both parties agree otherwise. Local rules of law regarding procedure and evidence will apply. A written agreement by two of the arbitrators will be binding as to whether the "insured" is legally entitled to recover damages under this coverage and the amount of these damages. Each party will pay the expenses it incurs and share the expenses of the third arbitrator equally.

EXCLUSIONS

"We" do not provide Uninsured Boater coverage:

A. for claims settled without our written consent;

B. if the uninsured boat is owned or operated by a governmental agency or employee;

C. for boats owned by or furnished for regular use by "you", any "family member", or any person insured by this policy;

D. for anyone using the "insured boat" without permission;

E. when "the boat" named in this policy is being chartered; or

F. where no evidence of physical contact exists between the "insured boat" and an unidentified boat, or where no evidence of physical contact exists between the "insured boat" and an uninsured boat.

This coverage will not apply directly or indirectly to the benefit of any insurer under any state or federal compensation law or act.

PAYMENT REDUCTIONS

Payment under this coverage shall be reduced by:

A. all sums paid by or on behalf of those legally responsible;

B. all sums paid by any state or federal compensation law or act; or,

C. all sums paid under the Boating Liability or Medical Payments coverages of this policy.

Payment under this coverage to or for an "insured" person will reduce the amount that person is entitled to recover from the Boating Liability or Medical Payments coverages of this policy.

LIMIT OF LIABILITY

The amount shown for Coverage G, Uninsured Boater on the Declarations Page is the most **"we"** will pay under Coverage G, regardless of the number of **"insured"** persons, claims made, or boats involved in any one accident, or series of accidents arising out of the same event.

GENERAL CONDITIONS

CANCELLATION

"You" may cancel this policy at any time by returning it to **"us"** or by providing **"us"** with advance written notification of the cancellation date. Subject to the requirements of state law, **"we"** may cancel this policy by notifying **"you"** in writing before the date the cancellation is to take place. **"We"** will give 10 days notice if **"we"** cancel for nonpayment of premium. This cancellation notice will be mailed to **"you"** at the address shown on the Declarations Page, and proof of such mailing shall be sufficient proof of notification. Cancellation may be effective prior to the return of premium, if any. The return premium will be calculated on a pro-rata basis. In the event of a total or constructive total loss, and resulting cancellation, no notice need be sent and the full annual premium will be due.

HURRICANE PREPARATION

If a Hurricane Watch or Warning is issued for your area by the National Oceanic & Atmospheric Administration (NOAA), **"we"** will pay 50% of the cost up to a maximum of \$1,000 for having your boat moved by a professional, or for a professional

haulout, or for the professional execution of a hurricane plan. In addition to professional moving or a professional haulout, covered expenses include, but are not limited to, haulout, blocking, lashing to in ground anchors, powerwashing and relaunch.

WHERE COVERED

Coverage is provided:

- A. while **"the boat"** is afloat within the navigational area shown on the Declarations Page; and
- B. while **"the boat"** or its equipment is ashore or being transported by land conveyance in the United States or Canada.

PRIVATE PLEASURE LIMITATION

There is no coverage during any period of chartering, leasing, or commercial use or exhibition unless **"you"** have prior written permission from **"us"**. **"You"** are not covered if **"the boat"** is used for illegal activities.

OTHER INSURANCE

If there is any other available insurance that would apply in the absence of this policy, this insurance shall apply as excess over the other insurance, but the combined amount shall not exceed the limits of this policy for any loss under Coverage A, Boat and Boating Equipment or Coverage E, Boat Trailer.

TRANSFER OF INTEREST

Coverage provided by **"us"** will terminate automatically if you sell or assign **"the boat"** or trailer, or any interest in the policy, without **"our"** prior written consent; or, if **"the boat"** is legally removed from **"your"** custody.

NO BENEFIT TO BAILEE

No person or organization having custody of the property insured and being compensated for services shall benefit from this insurance.

FRAUD AND CONCEALMENT

There is no coverage from the beginning of this policy if **"you"** or **"your"** agent has omitted, concealed, misrepresented, sworn falsely, or attempted fraud in reference to any matter relating to this insurance before or after any loss.

LEGAL ACTION AGAINST US

No legal action may be brought against **"us"** unless there has been full compliance with all terms of this policy. With respect to any claim or loss to **"insured"** property, the action must begin within two years of the date of loss or damage. With respect to

any other claim or loss, no legal action may be brought against **"us"** until **"we"** agree in writing that the **"insured"** has an obligation to pay a specified amount, or until the amount of that obligation has been finally determined by judgment after trial. No one has a right under this policy to bring **"us"** into any action to determine the liability of an **"insured"**. If any time limitations of this policy are prohibited or invalid under applicable law, then legal action against **"us"** must begin within the shortest limitation of time permitted by such law.

RACING EXCLUSION

"We" will not provide any coverage for powerboats while engaged in any speed race or test. "We" do cover predicted log cruises or similar competitions and sailboat racing.

ECONOMIC AND TRADE SANCTIONS

Whenever coverage provided by this policy would be in violation of any U.S. economic trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), such coverage shall be null and void. Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance or any claim that would be in violation of U.S. economic or trade sanctions as described above shall also be null and void.

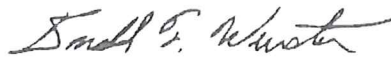
WAR, SEIZURE, NUCLEAR EXCLUSION

"We" will not pay for any loss or damage resulting from:

- A. radioactive contamination or nuclear reaction;
- B. war (declared or undeclared), civil war, insurrection, rebellion, revolution, or any consequence of these; or
- C. capture, seizure, arrest or detainment of "the boat" by any governmental power or authority, whether lawful or unlawful. In the absence of unlawful activities, however; "we" will pay for any physical damages to "the boat" or its equipment caused by United States governmental authorities.



Secretary



President

National Liability & Fire Insurance Company

Issued through



BoatU.S. YACHT POLICY

880 S. Pickett Street
Alexandria, VA 22304
1-800-283-2883

DECLARATIONS PAGE

05557939
NATHAN CARMAN
3043 FORT BRIDGMAN RD
VERNON VT 05354-9451

Policy No. 3985989-15 NEW

Policy Period: From 12/22/2015 to 12/22/2016 beginning and ending at 12:01 A.M. at the address of the Insured on this page. OPR
Company: NATIONAL LIABILITY & FIRE INSURANCE COMPANY

Upon the Yacht 1974 JC 31 CRUISER MSZMT502J303
YEAR MANUFACTURER LENGTH TYPE IDENTIFICATION NUMBER

COVERAGE IS PROVIDED ONLY WHERE AN AMOUNT OF INSURANCE IS SHOWN.			
COVERAGES		AMOUNT OF INSURANCE/LIMITS	PREMIUM
A	Boat and Boating Equipment	Amount of Insurance and Agreed Value \$ 66,200	Incl
A1	Investigative Services	Limit Each Boat \$ 5% of Coverage A	Incl
A2	Commercial Towing & Assistance	Each Incident, maximum 2 incidents per year \$ 250	Incl
B	Boating Liability "Protection & Indemnity"	Liability Limit Each Accident, Bodily Injury & Property Damage \$ 300,000	Incl
B1	Fuel and Other Spill Liability	Limit Each Accident \$ 854,400	Incl
C	Longshore and Harbor Workers' Compensation	Limit of Liability \$ Statutory	Incl
D	Medical Payments	Limit Per Person Each Accident Supplemental Family Member - Limit Per Person, Each Accident \$ 10,000 \$ 25,000	Incl
E	Boat Trailer	Amount of Insurance and Agreed Value \$ None	N/A
F	Personal Effects	Amount of Insurance \$ 2,500	Incl
G	Uninsured Boater	Limit Each Accident \$ 300,000	Incl
FORMS AND ENDORSEMENTS made a part of this Policy at time of issue:		Total Premium	\$ 1,734.44
E948 A101 A105 VT96		No-Loss Credit	\$ 173.44
		Net Annual Premium	\$ 1,561.00

DEDUCTIBLES: \$1324 Applicable to Boat and Boating Equipment.
\$50 Applicable to Boat Trailer, Coverage E only
\$50 Applicable to Personal Effects, Coverage F only

CRUISING LIMITS: While afloat, warranted the insured Yacht shall be confined to the waters indicated below:
(There is no coverage outside of this area without the Company's written permission.)
Atlantic coastal and inland waters tributary thereto of the U.S. and Canada between St. John, New Brunswick and Jacksonville, Florida, inclusive.

Loss, if any, payable to Named Insured and the Loss Payee printed below, as their interests may appear.

Print date 12/22/2015

Agent Kimberly
INSURED COPY

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<N10009>

Issued through



ENDORSEMENT PAGE NUMBER 1

PREMIER ENDORSEMENT

(for boats under \$100k and greater than 10 yrs old)

In consideration of the premium charged, the Yacht Policy is amended as follows:

MEDICAL PAYMENTS: Coverage D - Medical Payments, is increased to: \$10,000

PERSONAL EFFECTS: Coverage F - Personal Effects, is increased to: \$2,500 or the amount on the Declaration page, whichever is greater.

ELECTRONICS DEDUCTIBLE: The deductible applicable to the insured boats navigational electronics ONLY is reduced to \$100.00, or the deductible listed on the Declarations page, whichever is less.

ICE & FREEZING: In consideration of the insured's warranty that the insured boat, its engine(s) and systems will be winterized in accordance with the manufacturer's specifications and the customs of the area, Exclusion A of **Coverage A - Boat & Boating Equipment** with respect to ice and freezing only, is hereby deleted. When the insured boat is laid up afloat a de-icing or bubbler system will be used unless the boat is laid up in waters that do not normally freeze.

E948 (REV 4/13)

THAN CARMAN
POLICY # 3985989-15

This endorsement forms a part of the Policy to which attached, effective from its date of issue unless otherwise stated. Nothing contained shall vary, alter or extend any provision or condition of the Policy other than as above stated.

Issued through



Diminishing Deductible - Yacht Policy

With the exception of any applicable Named Storm deductible, the Deductible applicable to **Coverage A - Boat and Boating Equipment** is subject to the following amendments:

If during any policy period you do not have a loss on the insured boat for which we have paid under **Coverage A - Boat and Boating Equipment**, then:

1. Any **Coverage A** deductible shall be reduced for the following policy period by 25% of the original deductible; and
2. No **Coverage A** deductible will apply to the fifth consecutive policy period and thereafter if you do not have any paid losses during the four previous consecutive policy periods.

If the deductible is amended at any point, then all previous reductions will be applied to the new deductible. Losses not related to physical damage including but not limited to towing, hurricane haulouts or liability do not affect the deductible reduction.

If you have a paid loss under **Coverage A - Boat and Boating Equipment**, the deductible shown on the Declarations page, as amended by the diminished deductible, will be applied to the loss (except in the case of a Named Storm loss) and the deductible will be restored as listed on the Declarations page of your first policy period with us, without regard to any diminishment, for the subsequent policy period.

However, if the deductible was amended after the initial Declarations page was issued, then the amended deductible will apply at renewal. Thereafter the deductible may again be reduced if the above conditions are satisfied.

References to "original deductible", "first policy period" and "initial Declarations Page" relate to the policy period when this diminishing deductible feature was implemented.

A101 Policy Amendment - Yacht (Rev. 04/13)

This amendment forms a part of the Policy to which attached, effective from its date of issue unless otherwise stated. Nothing contained within this amendment shall vary, alter or extend any provision or condition of the Policy other than as above stated.

Issued through



POLICY AMENDMENT

Coverage B – Boating Liability (Protection & Indemnity)

Extension for Pet Liability

and

Coverage D – Medical Payments

Extension for Pet Medical Payments

In consideration of premium charged, this Policy Amendment extends additional coverages as follows:

Coverage B - Boating Liability (Protection & Indemnity)

Additional Liability Coverage

If an amount is shown for Coverage B – Boating Liability (Protection & Indemnity) on the Declarations Page, we will pay damages and any costs assessed against you up to that amount for any claim or suit for bodily injury occurs while in, upon, boarding, or leaving the insured boat for which any insured becomes legally liable due to ownership of a pet (defined as a domestic dog or cat owned by the named insured or a family member),

Coverage D – Medical Payments

Additional Pet Medical Coverage Provided

If an amount is shown for Coverage D - Medical Payments on the Declarations Page, we will pay the necessary and reasonable veterinary expenses because of an injury to a pet (defined as a domestic dog or cat owned by the named insured or a family member) due to the insured boat being involved in a covered loss (including, but not limited to, fire, explosion, sinking, demisting, collision or stranding) under Coverage A - Boat and Boating Equipment. These expenses must be incurred within one year from the date of the accident. If there are any other available insurance or pre-paid benefits that cover such veterinary expenses to the injured pet, this coverage will be excess over such other insurance.

Exclusions

We do not provide Pet Medical Payments coverage for:

- A. responsibility assumed by an insured under any contract or agreement;
- B. a pet that is injured while the boat is being transported on land;
- C. a pet that is not owned by you or your family member, or who is a stray;
- D. a pre-existing injury to the pet.

Limit of Liability- Pet Medical Payments

The limit of liability for Pet Medical Payments is \$1,000 per pet, for each pet injured in the same event regardless of the number of pets involved or claims made.

A105 Policy Amendment (Rev. 04/13)

This amendment forms a part of the Policy to which attached, effective from its date of Issue unless otherwise stated.
Nothing contained within this amendment shall vary, alter or extend any provision or condition of the Policy other than as above stated.

Issued through



VERMONT ENDORSEMENT TO THE YACHT POLICY

Under Definitions:

The section titled "Family member" is deleted in its entirety and replaced with the following:

"Family member" means any person related to you by blood, marriage, civil union, or adoption, including a ward or foster child, who resides in your household.

The section titled "You", "your", "insured", and "insured person", is deleted in its entirety and replaced with the following:

"You", "your", "insured", and "insured person" mean any insured named on the Declarations Page, the spouse or partner through civil union of any insured named on the Declarations Page, a family member of any insured named on the Declarations Page, any officer, director, partner or shareholder of any insured named on the Declarations Page, the spouse or a civil union partner of any officer, director, partner or shareholder of any insured named on the Declarations Page, or any other person or organizations using the insured boat with your permission and without compensation. If the Named Insured(s) on the Declarations Page is not an individual or individuals, then "you", "your", "insured" and "insured person" is defined as the legal entity named on the Declarations Page and also includes, and is limited to, those named operators added to the policy by written endorsements. No boating liability coverage is provided for a paid captain or paid crew member of yours or of the insured boat, or for any agent paid to operate, maintain or work on the insured boat in any capacity, for any person, organization or agent operating a repair yard, marina, yacht club, sales or chartering agency or other marine business. However, you are covered for your legal liability arising out of any damages caused to others by a non-insured person, organization or agent.

Under In The Event of A Loss:

Section A. "Immediately upon a loss, you must:" is replaced with "Immediately, or as soon as practicable, you must:"

Under **Section A, 2.** is amended to read:

2. Give us immediate, or as soon as practicable, notification of the loss and its circumstances.

Under **Section B, 4.** is amended to read:

4. Immediately, or as soon as practicable, notify us about and forward us any legal papers or notices received in connection with the loss.

Under **Section B.7,** is amended to read:

7. Help us to obtain copies of relevant medical reports and records.

Payment of Loss, is amended to read:

After we receive all statements and supporting papers, we will promptly process your claim. Upon agreement with you of the amount to be paid, we may ask you to complete a notarized Proof of Loss.

After submission of the Proof of Loss, payment will be issued to you and any lienholder and/or repair yard within 10 working days. Your cooperation is needed to expedite settlement and payment. If you do not provide all requested papers within a year of the loss, the claim may be voided.

This endorsement forms a part of the Policy to which attached, effective from its date of issue unless otherwise stated.
Nothing contained within this endorsement shall vary, alter or extend any provision or condition of the Policy other than as above stated.



VERMONT ENDORSEMENT TO THE YACHT POLICY

Under Coverage B – Boating Liability (Protection & Indemnity):

Coverage Provided is amended to include:

Bankruptcy or insolvency of the insured shall not relieve us of any of our obligations hereunder. If any person or legal representative of the person shall obtain final judgment against the insured because of any such injuries, and execution thereon is returned unsatisfied by reason of bankruptcy, insolvency or any other cause, or if such judgment is not satisfied within 30 days after it is rendered, then such person or legal representatives of the person may proceed against us to recover the amount of such judgment, either at law or in equity, but not exceeding the limit of this policy applicable thereto.

Exclusion I is deleted.

Under Coverage B1 – Fuel & Other Spill Liability:

Exclusion D is deleted.

Under Coverage G, Uninsured Boater,

Coverage Provided, is amended to provide as follows:

If an amount is shown for Coverage G on the Declarations Page, we will pay the damages which, because of the bodily injury you received aboard the insured boat, you are legally entitled to recover from the uninsured owner or operator of another boat that collides with the insured boat. "Uninsured boater" or "uninsured owner or operator" mean an owner or operator of a boat other than the boat named on the Declarations Page who is legally responsible for the collision, and:

A. to whom no liability policy applies; or,

B. who cannot be identified (such as a hit-and-run operator).

If we and an insured do not agree whether that person is legally entitled to recover damages under Coverage G, or as to the amount of damages, either party may mutually agree to arbitration.

Each party will select and pay for a competent arbitrator. The arbitrators will select a third person to settle any differences. If they cannot agree on the selection of a third arbitrator within 30 day, either may request that selection be made by a judge of a court having jurisdiction.

Arbitration will take place in the county where the insured lives, unless both parties agree otherwise. Local rules of law regarding procedure and evidence will apply.

A written agreement by two of the arbitrators will determine whether the insured is legally entitled to recover damages under this coverage and the amount of these damages, but will not be binding on either the insured person or us unless agreed upon at the onset of the arbitration process.

Each party will pay the expenses it incurs and share the expenses of the third arbitrator equally.

Exclusion F is deleted.

This endorsement forms a part of the Policy to which attached, effective from its date of issue unless otherwise stated.
Nothing contained within this endorsement shall vary, alter or extend any provision or condition of the Policy other than as above stated.

Issued through



VERMONT ENDORSEMENT TO THE YACHT POLICY

Under General Conditions:

Cancellation is deleted in its entirety and is amended to read:

Cancellation and Nonrenewal

Cancellation

You may cancel this policy at any time by returning it to us or by providing us with advance written notification of the cancellation date. Subject to the requirements of state law, we may cancel this policy by notifying you in writing before the date the cancellation is to take place.

We will give at least 15 days notice if we cancel for nonpayment of premium. We will give at least 45 days notice if we cancel for any other reason.

We may cancel for one or more of the following reasons:

1. Nonpayment of premium;
2. Material misrepresentation or fraud by you with respect to any material fact affecting this policy or in the submission of any claim under this policy;
3. You violated any of the terms or conditions under this policy;
4. The risk originally accepted has measurably increased;
5. Any other reason specified by law.

This cancellation notice will state the reason for cancellation and will be mailed to you at the address shown on the Declarations Page. Proof of such mailing shall be sufficient proof of notification if cancellation is due to nonpayment of premium. Any other notice of cancellation will be by certified mail.

Cancellation may be effective prior to the return of premium, if any. The return premium will be calculated on a pro-rata basis. In the event of a total or constructive total loss, and resulting cancellation, the full annual premium will be due.

Nonrenewal

If we do not offer to renew or continue this policy, we will mail notice of nonrenewal, stating the specific reason for nonrenewal to you at the address shown on the Declarations Page, and such mailing shall be by certified mail. Notice will be mailed at least 45 days before the end of the policy period.

Other Insurance, is amended to read:

If other valid insurance covers the same loss, we will pay only our share of the loss. Our share is the part(s) that the limit of coverage in this policy bears to the total of all applicable limits of coverages available.

Fraud And Concealment is amended to read:

If you or your agent has omitted, concealed, misrepresented, sworn falsely, or attempted fraud in reference to any matter relating to this insurance before or after any loss coverage may be denied and the policy cancelled.

This endorsement forms a part of the Policy to which attached, effective from its date of issue unless otherwise stated.
Nothing contained within this endorsement shall vary, alter or extend any provision or condition of the Policy other than as above stated.

VT96 Rev 06/14 3 of 4

Issued through



VERMONT ENDORSEMENT TO THE YACHT POLICY

Legal Action Against Us is amended to read:

No legal action may be brought against us unless there has been full compliance with all terms of this policy. However, your right to bring legal action against us is not conditioned upon your compliance with the provisions of the Appraisal Condition. With respect to any claim or loss to insured property, the action must begin within the time allowed by law. With respect to any other claim or loss, no legal action may be brought against us until we agree in writing that the insured has an obligation to pay a specified amount, or until the amount of that obligation has been finally determined by judgment after trial. No one has a right under this policy to bring us into any action to determine the liability of an insured. If any time limitations of this policy are prohibited or invalid under applicable law, then legal action against us must begin with the shortest limitation of time permitted by such law.

Racing Exclusion is amended to read;

We will not provide any coverage for powerboats while engaged in any pre-arranged or organized speed race or test. We do cover predicted log cruises or similar competitions and sailboat racing.

This endorsement forms a part of the Policy to which attached, effective from its date of issue unless otherwise stated.
Nothing contained within this endorsement shall vary, alter or extend any provision or condition of the Policy other than as above stated.



Administrative Offices:
880 South Pickett Street
Alexandria, VA 22304
Phone: 800 283 2883
Fax: 703 461 2840
Email: insphotos@Boatus.com

RECOMMENDATIONS REPLY FORM

Insured's Name _____ Policy #: _____

Address: _____ City: _____ State: _____ Zip: _____

Boat Name: _____ Model Year: _____ Length: _____

Surveyor Recommendations:

1. All items already taken care of:

2. Items noted already taken care of (please list by recommendation number):

Remaining items will be completed by: _____

3. I do not agree with the surveyor's recommendations

Item #

Due to:

Your Signature: _____ Date: _____

IMPORTANT NOTICE:

YOU MUST CORRECT WRONG INFORMATION, COMPLETE ANY INFORMATION OMITTED, SIGN AND DATE THE BACK OF THIS FORM AND RETURN IT PROMPTLY. FAILURE TO CORRECT, COMPLETE OR SIGN THIS APPLICATION RENDERS THE POLICY VOIDABLE FROM INCEPTION.

****MARINE SURVEY REQUIRED - SEE "SPECIAL CONDITIONS" ON REVERSE****

WHO

Member No. _____ Titled/Registered Owner Nathan Carman
Res. Address 3043 Fort Bridgman Rd
City Vernon State VT Zip 05354-9451 Home Tele. (802)258-7186
Work Tele. _____ Ext. _____ Fax _____ Cell _____ SSN _____
Email ncarman10@outlook.com Year Of Birth *****1994
Occupation _____ DL# _____ State VT
Years Experience As Owner 1 As Operator 6
List all automobile and/or boating violations, accidents or license suspensions in past 3 years. IF NONE, CHECK HERE ☐
2015 Speeding ; 2015 Speeding ;

List all claims or losses to this or other boats or from liability in the past 3 years. IF NONE, CHECK HERE ☒

Boating Education: USPS ☐ USCGA ☐ Other ☒ Active Member: USPS ☐ USCGA ☐ Coxswain ☐
All Regular Operator's Names Birth Date Relation Experience Driver's Lic No./State Violations

WHAT

Boat Year 1973 Builder Jc Model 31 Length 31 Beam 11
Boat Name _____ HIN# _____ DOC# _____ REG# _____
Hull Type: Cruiser ☒ Runabout ☐ Trawler ☐ Pontoon ☐ Bass ☐
Houseboat ☐ PWC ☐ Sail ☐ Aux. Sail ☐ Multihull ☐ Other ☐
Power Type Inboard Hull Material Fiberglass
Engine Year 1997 # of Engines 1 HP Total 300
PWC-Total CC's _____ Speed 24 Gas ☐ Diesel ☒
Boat Purchase Price \$ 55,000 Boat Purchase Date 12/15/2015 Trailer Year _____ Trailer Price \$ Not Incl
Was this boat ever damaged? No ☒ Yes ☐ If Yes, explain _____
Is this boat currently for sale? No ☐ Yes ☐
Prior Company UNKNOWN Prior Premium \$ _____ Ever cancelled or refused? No ☒ Yes ☐

SIGNATURE REQUIRED ON REVERSE SIDE

WHERE

Private Pleasure Use Only? Yes ☒ No ☐ If No, type of charter or business _____
Is Boat used for Racing? Yes ☐ No ☒ If Yes, approximate % of racing _____ Types of races _____
Cruising Area U.S. Atlantic Coastal Waters excluding Florida Waters
Location of Boat Point Judith Marina Address 360 Gooseberry Rd
City Wakefield State RI ZIP 02879-5946 Phone (401)789-7189

HOW

If financed, list lender name and complete mailing address. **REQUIRED BY YOUR BANK.**

Lender Name _____ Account No. _____
Address _____
City _____ State _____ Zip + 4 _____

SPECIAL CONDITIONS, REQUIREMENTS AND COVERAGES**3985989**

For faster service send any required documents by email to insphotos@boat.us, or by fax (excluding photos) to 703-461-2840. Include your name and application number on the subject line.

- * Membership in BoatU.S. is required.
- * An acceptable condition & valuation survey is required before coverage is effective. Coverage may change upon review of the report. Please go to <http://www.boat.us/insurance/survey.asp> for a directory of Marine Surveyors. Written confirmation of the action you plan to take in regard to the surveyor's recommendations (if applicable) will also be required as a condition of coverage.
- * Your quotation reflects the maximum amount of liability coverage available.
- * The hull identification number is required.
- * This is the minimum deductible available.
- * BoatU.S. is delighted to provide a special discount for completing the boating courses indicated on your application. Your quotation reflects this credit.
- * A package of valuable extras for one low price including \$10,000 per incident Medical Limits, \$2,500 in Personal Effects Coverage, a lowered Electronics Deductible (to \$100), and Ice and Freezing coverage is included.

MY SIGNATURE VERIFIES THE INFORMATION TO BE TRUE AND CORRECT. THIS APPLICATION DOES NOT BIND ME TO ACCEPT INSURANCE, NOR DOES IT MEAN BOATU.S. GUARANTEES ME INSURANCE COVERAGE. IF I ACCEPT AN OFFER OF INSURANCE, I AUTHORIZE ANY CREDIT REPORTING AGENCY OR STATE DMV THAT HAS KNOWLEDGE OF ME TO PROVIDE IT TO BOATU.S. TO BE USED FOR INSURANCE PURPOSES ONLY.

SIGNATURE: _____ DATE: _____