

OCEAN MARINE GENERAL ENDORSEMENT

The following clauses/warranties shall be paramount and shall override anything contained in this insurance inconsistent therewith

Page 1 of 5

This document changes your policy

Attached to and forming part of this policy

GENERAL CHANGE ENDORSEMENT

SEAWORTHINESS WARRANTY

It is warranted the scheduled vessel or vessels is/are seaworthy at the inception of this insurance.

Violation of this warranty will void this insurance from its inception

Furthermore and unless Underwriters have agreed in writing to the contrary, if a survey of the vessel or vessels is requested then such survey must be received by Underwriters or their designated representatives within 30 days of the effective date of the insurance. If any survey makes any recommendation(s) with respect to the scheduled vessel(s), then it is an expressed warranty of this insurance agreement that all such recommendations are completed prior to any loss giving rise to any claim hereunder, by skilled workman using fit and proper materials and that either:

- 1) the surveyor who carried out the survey(s) certifies in writing that all recommendations have been completed to the surveyor's satisfaction prior to any loss and/or claim hereunder, or
- 2) the workmen/repair yard that carried out the said work and/or recommendations certifies in writing that all recommendations have been completed prior to any loss and/or claim hereunder, or
- 3) the Assured or his authorized representative does the work himself, the Assured or his authorized representative shall certify in writing that all the recommendations have been completed, in accordance with generally accepted good repair practice. Any inaccurate statement made by the Assured or his representative will void this insurance from its inception.

Failure to comply with this warranty will void the insurance from inception

Warranted the vessel when underway is under the command of an experienced and qualified skipper at all times.

Warranted vessel is in compliance with all local and customary safety and operational requirements at all times.

Warranted all necessary or required licenses, permits and certificates pertaining to the use and/or operation of the Vessel are in force and effect as of the effective date of the coverages provided, and will be so during the period of this insurance, and that during all such times you will comply with all laws, rules and regulations that apply to the uses to which the Vessel is employed.

Aggregate Limit of P&I Liability-Unless stated to the contrary on the Cover Note or Declarations Page, the amount shown for Section B)-P&I is the most Underwriters will pay under this section regardless of the number of insured persons, claims made or vessels involved in any one accident, or series of accidents, arising out of the same event. The amount available under Section B)-P&I shall be reduced by any payment made under Section B)-Commercial Passenger Liability.

OCEAN MARINE GENERAL ENDORSEMENT

The following clauses/warranties shall be paramount and shall override anything contained in this insurance inconsistent therewith

Page 2 of 5

Aggregate Limit of Commercial Passenger Liability-Unless stated to the contrary on the Cover Note or Declarations Page, the amount shown for Section B)-Commercial Passenger Liability is the most Underwriters will pay under this section regardless of the number of insured persons, claims made or vessels involved in any one accident, or series of accidents, arising out of the same event and in any event is a sublimit of Section B)-P&I. If any amount is paid under Section B)-Commercial Passenger Liability the amount of insurance available for payments under Section B)-P&I shall be reduced by any amount paid under Section B)-Commercial Passenger Liability

CYCLONE, TYPHOON, HURRICANE AND/OR NAMED WINDSTORM

It is agreed that in the event of a named cyclone, typhoon, hurricane and/or windstorm warning, the Assured shall make every reasonable endeavour to remove the Vessel from the water or to a cyclone or typhoon or hurricane-proof shelter or slip or take all reasonable precautions as may be necessary to safeguard the Vessel.

NAMED WINDSTORM DEDUCTIBLE CLAUSE

It is agreed in the event of loss of or physical damage to property insured arising from or contributed to by a Named Windstorm, meaning a Tropical Depression, Tropical Storm, Hurricane and Windstorm Named by the National Weather Service or National Hurricane Service shall be subject to a 100% increase in deductible shown on the Declarations Page or Cover Note (but in all cases the Named Windstorm Deductible shall never be less than \$2,000), such deductible to apply to each and every claim for such loss of or physical damage including total loss of the property insured.

The provisions of this Named Windstorm Deductible Clause are paramount and shall override any provisions contained in this insurance to the contrary.

MECHANICAL BREAKDOWN

No coverage whatsoever is provided by this insurance for mechanical and/or machinery breakdown, catch cargo and/or gear.

DELIBERATE GROUNDING/BEACHING EXCLUSION CLAUSE

It is agreed this policy will not pay for any physical loss or damage directly or indirectly caused by the vessel or her tenders or dinghies, jet skis and the like being deliberately grounded or beached and furthermore it is agreed this policy will not pay for any physical loss or damage directly or indirectly caused to the vessel's tenders or dinghies, jet skis and the like being deliberately grounded or beached.

NON-DISCLOSURE OR MISREPRESENTATION

This contract is null and void in the event of non-disclosure or misrepresentation of a fact or circumstances material to our acceptance of this insurance. No action or inaction on the part of Underwriters shall be deemed a waiver of this provision.

TRANSFER OF INTEREST

Unless Underwriters agree in writing if the subject property is sold, transferred, mortgaged or pledged policy coverage will cease.

DEDUCTIBLE INCLUDES FEES AND EXPENSES

Deductibles are applicable to all losses and shall include adjuster's fees and other incurred costs.

OCEAN MARINE GENERAL ENDORSEMENT

The following clauses/warranties shall be paramount and shall override anything contained in this insurance inconsistent therewith

Page 3 of 5

PERSONAL EFFECTS

If an amount is shown on the Cover Note or Declarations Page coverage is extended only to the effects owned by the Assured and the Assured's immediate family and only while the property is aboard the vessel or being loaded onto or from the vessel. This insurance does not cover cameras, currency, jewellery, furs, china, silver, valuable papers, documents, antiques, collectibles or computer hardware (including laptop computers whether used in whole or part for navigation) and computer software and credit cards, travellers cheques, watches, fine arts, fishing gear or tackle which is permanently affixed to the scheduled vessel, unless the scheduled vessel insured hereunder shall become an actual or constructive total loss, due to a peril insured against.

Personal Effects are covered for the actual cash/cost value of the effects at the time of the loss or amount shown on the Cover Note or Declarations Page, whichever is the lower sum (less the deductible). In any one incident or accident, Underwriters shall not be responsible for Personal effects beyond the amount shown on the Cover Note or declarations page regardless of the number of persons involved or claims made in the accident or incident and Underwriters maximum liability for any one item, pair or set is \$500.

No Personal Effects coverage is provided for loss or damage caused by wear and tear, gradual deterioration, mechanical or electrical failure or disturbance, corrosion or inherent vice, dampness or dryness of atmosphere, temperature changes or mysterious disappearance.

Theft losses shall only be recoverable in accordance with the conditions detailed in THEFT RESTRICTION, THEFT OF DINGHIES OR TENDERS, THEFT OF TRAILERS and WARRANTY REGARDING THEFT OF A TRAILER.

We will not cover losses due to:

- a) breakage of articles of a brittle nature unless caused by the scheduled vessel being stranded, sunk, burnt, on fire, or in collision or by stress of weather, burglars or thieves.
- b) loss of water-skis or diving equipment, unless as a result of fire, or theft, or a total loss of the scheduled vessel. Theft must be accompanied by visible signs of forcible entry or exit and/or removal made by tools, explosives, electricity or chemicals.

PERSONAL EXPENSES

No coverage is provided for any personal expenses whatsoever including but not limited to, cost of the Assured's labour, lodging, hotel or accommodation costs, automobile rental or automobile expenses, meals, communication costs, airfare.

LOSS OR DELAY

No coverage is provided for loss caused by delay and/or loss of use or enjoyment of the vessel or vessels or equipment.

TOWED DINGHIES OR TENDERS

No coverage is provided to tenders/dinghies and the like whilst being towed by the parent vessel.

THEFT RESTRICTION

Whilst the scheduled vessel is afloat theft coverage shall exclude theft or mysterious disappearance of its equipment or personal property unless occurring in conjunction with theft of the entire scheduled vessel or unless there are visible signs of forcible entry or exit and/or removal made by tools, explosives, electricity or chemicals.

Whilst the scheduled vessel is ashore or on land theft coverage is restricted to theft of the entire scheduled vessel or its equipment in whole or in part from a locked garage or locked storage building or from such other storage place and subject to such other storage conditions, as we have prior approved in writing but excluding mysterious disappearance of its equipment or personal property unless occurring in conjunction with theft of the entire scheduled vessel or unless there are visible signs of forcible entry or exit and/or removal made by tools, explosives, electricity or chemicals.

OCEAN MARINE GENERAL ENDORSEMENT

The following clauses/warranties shall be paramount and shall override anything contained in this insurance inconsistent therewith

Page 4 of 5

Whilst the scheduled vessel or its tender(s) or dinghy(ies) is stored on a trailer coverage is restricted to theft of the entire scheduled vessel including its equipment from a locked garage or locked storage building or locked fenced enclosure. If secured to a vehicle it must be secured with a trailer ball lock. It is understood and agreed that this insuring agreement does not cover loss or damage caused by theft or attempt thereof of the scheduled vessel, its tender(s) or dinghy(ies) whilst stored on a trailer unless occasioned by person(s) making forced entry into the locked fenced enclosure, garage or building and by destruction of the ball lock. Theft must be accompanied by visible signs of forcible entry or exit and/or removal made by tools, explosives, electricity or chemicals

THEFT OF DINGHIES OR TENDERS

No coverage is provided for the theft of a dinghy or dinghies, tender or tenders and/or any outboard motor(s) unless stolen together with the insured scheduled vessel from a storage place approved by Underwriters for theft coverage or unless there are visible signs of forcible entry or exit and/or removal made by tools, explosives, electricity or chemicals.

THEFT OF TRAILERS

No coverage is provided for the theft of a trailer from a storage place unless approved by Underwriters for theft coverage or unless there are visible signs of forcible entry or exit and/or removal made by tools, explosives, electricity or chemicals.

WARRANTY REGARDING THEFT OF A TRAILER

It is warranted any insured trailer or trailers shall be secured against theft by a trailer tongue lock or approved locked wheel clamp and such trailer shall be at all times when unattended secured in an enclosed locked building or garage, or a completely fenced-in yard, paddock or corral.

DUTY TO DEFEND NOT COVERED

Where there is no coverage under this policy, there is no duty to defend.

Y2K

This policy is amended to exclude loss or damage caused in whole or in part by electronic date recognition failure.

PRE-DISPUTE ARBITRATION CLAUSE

- A) Assured(s) by accepting this Policy agree(s) that the following disclosures are part and parcel of the Pre-dispute Arbitration Clause and are conditions precedent to the issuance of any policy:
1. The parties are hereby waiving their right to seek remedies in Court, including a jury trial.
 2. Pre-arbitration discovery is generally more limited than and different from Court proceedings.
 3. The arbitrator's award is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited.
 4. Arbitration is final and binding on all parties.
- B) Assured agrees to submit any and all controversies arising under this cover note to arbitration. This includes if that person is entitled to recover at all and if so how much in damages;
1. When party makes a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third arbitrator.

OCEAN MARINE GENERAL ENDORSEMENT

The following clauses/warranties shall be paramount and shall override anything contained in this insurance inconsistent therewith

Page 5 of 5

2. Each party will pay the expenses it incurs; and bear the expenses of the third arbitrator equally.
3. No person will bring a putative or certified class action to arbitration.
4. Both parties to agree as to the location of the arbitration, agreement not to be withheld unreasonably. If the parties fail to agree, then arbitration will take place in Road Town, Tortola, BVI and a decision agreed to by two of the arbitrators will be binding.
5. This arbitration and any coverage or damages will be interpreted in accordance with English Maritime Laws and Customs.

SEVERAL LIABILITY NOTICE

Where more than one insurer or underwriter is subscribing to this policy, the subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions.

The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.