



MARKEL

THE MARKEL BUOY POLICY

MARKEL AMERICAN INSURANCE COMPANY

A Stock Company

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THE MARKEL BUOY POLICY
READ YOUR POLICY CAREFULLY.

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INSURING AGREEMENT

In return for the premium payment and compliance with all applicable provisions of this policy and any endorsements, we agree to provide the insurance coverages as shown on the Declarations Page and Member Certificate, which are part of this policy.

By accepting this policy, you agree that your statements on the Declarations Page, Member Certificate, and any application are your agreements and representations. This policy is issued in reliance upon the truth of your representations during the application process and it includes all agreements existing between you and us or any of our representatives.

DEFINITIONS

Throughout this policy, most words and phrases that have special meanings appear in bold. Only the pronouns "we", "our", "us", "you", and "your" are defined, but do not appear in bold. This section defines some of the more general terms used in this policy. Bold terms that are not listed in this section, are defined in the sections they appear.

1. You and your mean the person(s) or organization(s) named on the Declarations Page as the 'Insured Rental Facility' or person(s) shown on the Member Certificate as the 'Insured Renter'.
2. We, our and us refer to the company, shown on the Declarations Page, which is providing this insurance.
3. **Actual cash value** means the replacement cost of the lost or damaged property less depreciation.
4. **Bodily injury** means physical injury, sickness or disease sustained by a person including death resulting from any of these.
5. **Claims expenses** means the reasonable and necessary fees and expenses authorized by us and incurred in the investigation or defense of a claim for **bodily injury, property damage, or oil pollution incident** to which this insurance applies, including, but not limited to, attorney fees, court costs, and expert and witness fees.
6. **Criminal act** means an act punishable under any federal, state, or local criminal statute, criminal ordinance, or other criminal law.
7. **Constructive total loss** means that the cost to recover and/or repair the damaged property will exceed the **actual cash value** as determined by us.
8. **Contaminant** means any petroleum product, chemical, lubricant, or solvent normally associated with the use and operation of a watercraft.
9. **Design defect** means a flaw in the structural plan of the **insured vessel's** hull or machinery, or any of its components. **Design defect** does not include wear and tear, gradual deterioration, corrosion, rust, electrolysis, osmosis, weathering, **latent defects**, or **manufacturer's defects**.
10. **First named insured** means the 'Insured Rental Facility' shown on the Declarations Page.
11. **Insured** means:
 - a. a **rental facility**; and
 - b. a **renter**.
12. **Insured vessel** means the vessel shown on the Declarations Page and shown on the Member Certificate including its spars, sails, rigging, tackle, fittings, machinery and equipment necessary for safe operation and maintenance of the vessel as equipped at the inception of the **rental period**. **Insured vessel** does not include **personal watercraft** or any vehicles which are manufactured, designed, marketed or used as amphibious vehicles.
13. **Latent defect** means a flaw in the material of the **insured vessel's** hull or machinery existing when the **insured vessel** or its components were built and not discoverable by common means of testing. **Latent defect** does not include wear and tear, gradual deterioration, corrosion, rust, electrolysis, osmosis, weathering, inherent vice, **manufacturer's defects**, or **design defects**.

14. **Loss** means direct and accidental physical loss or damage.
15. **Manufacturer's defect** means the improper, incorrect or inadequate manufacturing process of the **insured vessel's** hull or machinery or any of its components. **Manufacturer's defect** does not include wear and tear, gradual deterioration, corrosion, rust, electrolysis, osmosis, weathering, inherent vice, **latent defects**, or **design defects**.
16. **Occurrence** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, during the **rental period** which results in:
 - a. **bodily injury**; or
 - b. **property damage**.
17. **Oil pollution incident** means the sudden, accidental and unexpected emission, discharge, release, leakage, escape or spillage or a **contaminant** from an **insured vessel** in an accident that is specific in place and time within the **rental period**.
18. **Passenger** means a person who is not a **renter**, paid captain, or paid crew and who is a member of the **renter's** party.
19. **Personal watercraft** means a recreational vessel in which the operator is sitting, standing or kneeling on the vessel rather than being completely inside of it.
20. **Property damage** means physical damage to tangible property. For the purposes of this insurance, electronic data is not tangible property.
21. **Rental facility** means a person or entity that offers their **insured vessel** to another for any type of consideration and is shown on the Declarations Page as 'Insured Rental Facility'.
22. **Rental period** means the time that the **renter** is responsible for the **insured vessel** and for which the **renter** has paid their premium. The date and time of the rental period is stated on the Member Certificate.
23. **Renter** means a person(s) listed as the 'Insured Renter' on the Member Certificate.
24. **Seaworthy** means fit for the **insured vessel's** intended purpose. Seaworthy means the **insured vessel** and its equipment is well maintained and in good repair so that it cannot be damaged by ordinary weather or water conditions or the rigors of normal use. Seaworthy applies not only to the physical condition of the **insured vessel**, but to all its parts, equipment and gear.
25. **Suit** means a civil proceeding in which damages because of **bodily injury** or **property damage** to which this insurance applies are alleged. **Suit** includes, but is not limited to:
 - a. an arbitration proceeding in which such damages or covered pollution costs or expenses are claimed and to which the **insured** must submit or does submit with our consent; or
 - b. any other alternative dispute resolution proceeding in which such damages or covered **oil pollution incident** costs or expenses are claimed and to which the **insured** submits with our consent.
26. **Terrorism** means any act certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of **Terrorism**; to be a violent act or an act that is dangerous to human life, property or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States Mission; and to have been committed by a person or persons as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
27. **Windstorm** means tropical depressions, tropical storms or hurricanes as designated by the National Weather Service and/or National Hurricane Center.
28. **Wreck** means the **insured vessel** has been damaged to such an extent as to render the **insured vessel** not navigable and we determine the **insured vessel** to be a total or **constructive total loss**.

WARRANTY AND CONDITIONS

1. **Seaworthiness Warranty**
 You warrant to us that the **insured vessel** is **seaworthy** at the inception of each **rental period**. Violation of this warranty voids the insuring agreement for the applicable **rental period**.

2. If you violate any of the following conditions, coverage will be suspended until you are no longer in violation:
 - a. The **rental facility** must possess all required federal, state and local permits and licenses for operation as a **rental facility**.
 - b. The **renter** must possess any required federal, state and local permits and licenses for operation of the **insured vessel**.
 - c. The maximum number of persons aboard the **insured vessel** must not exceed the lesser of:
 - i. the limit for persons or weight by the manufacturer;
 - ii. the limit for persons or weight by the Coast Guard or other legal entity with controlling authority.
 - d. While any skipper, captain or crew is under the influence of alcohol in excess of the legal amount defined by the laws of the state where this policy was delivered.
 - e. While any skipper, captain or crew has consumed or is under the influence of marijuana in any amount, any illegal drug in any amount, or any prescription drug (other than marijuana) in excess of the amount prescribed to captain or crew by a licensed physician or where a warning exists which indicates that the substance could the impair physical or cognitive ability.
 - f. No person shall cause or contribute to the illegal intoxication of any person.

3. Policy Period/Territory

This policy applies only to an **occurrence** during the **rental period** as shown on the Member Certificate, and within the 'Navigational Limits' shown on the Member Certificate.

4. Nighttime Navigation

There is no coverage provided by this policy while the **insured vessel** is not secured to a dock during the period from one-half hour after official sunset until one-half hour before official sunrise at the physical location of the **insured vessel**, except for **insured vessels** over 33 feet, which have a United States Coast Guard certified captain in command and control of the **insured vessel**. Sunrise and sunset as determined by the National Oceanic and Atmospheric Administration (NOAA).

5. Renter usage

The **renter** may only use the **insured vessel** for pleasure.

6. Misrepresentation or Fraud

All insurance provided by this policy will be null and void for any **insured** who, at any time, including renewal(s), either intentionally conceal or misrepresent any fact, regardless of materiality, or if you misrepresent or conceal any material fact regardless of intent. Any and all changes in any fact(s) or circumstance(s) material to our acceptance of this risk arising during the term of this policy and/or any renewal(s) must be disclosed to us as soon as possible, and any failure to make such disclosure during the term of the policy will also render this policy null and void. No action or inaction by us will be deemed a waiver of this provision.

7. Notice of Cancellation - **Rental Facility**

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled.

We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we will cancel only:

- a. for nonpayment of premium due;
- b. for misrepresentation or fraud;
- c. for substantial breach of your duties under this policy;
- d. if the risk changed substantially since the policy was issued; or
- e. for failure to comply with our underwriting requirements within sixty (60) days of the term effective date.

Proof of mailing of this notice to the **first named insured** will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

8. Notice of Cancellation - **Renter**

Premiums paid by the **renter** are fully earned at policy purchase.

9. Conformity to Statute

This policy is subject to established principles and precedents of federal admiralty law of the United States of America, but where no substantive principle or precedent is applicable state law will apply. Any provision of this policy that conflicts with applicable law or regulation is hereby amended to conform to the minimum requirements of the law or regulation.

10. Policy Changes

No change or waiver may be affected in this policy except by endorsement issued by us. If a premium adjustment is necessary, we will make the adjustment as of the effective date of the change.

When we broaden coverage during the policy period, without charge, the policy will automatically provide the broadened coverage.

11. Dispute Resolution

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We will pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

If you do not notify us of your choice within ten (10) days, the mediation process will be deemed concluded without resolution, and the dispute will move to binding arbitration.

The mediation will occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location. If the parties cannot reach a complete resolution through mediation, then they further agree that any remaining dispute must be concluded by binding arbitration.

12. Legal Action Against Us

- a. No **suit** or action may be brought against us unless there has been full compliance with all terms of this policy.
- b. With respect to coverage provided under PHYSICAL DAMAGE, no **suit** or action may be brought against us unless the action is brought within 12 months after the date you first have knowledge of the **loss**.
- c. With respect to all other coverage under this policy, no **suit** or action may be brought against us until the amount of a claim against you has been determined or agreed upon.
- d. Nothing in this policy gives any person or organization the right to join us as defendants in a **suit** brought against you.

13. No Benefits to Others

No person or organization which has custody of the **insured vessel**, and is not an **insured**, will benefit from this insurance.

14. Transfer of Interest

All coverage will cease without further notice to you or to your representative(s) in the event of any sale, transfer, mortgage, pledge, change in legal interest or ownership over the:

- a. **insured vessel**;
- b. policy; or
- c. the **first named insured**.

If the **insured** is a person, in the event of your death, this policy will remain in effect until the end of the policy period for:

- a. persons covered under this policy at the time of your death;
- b. your legal representative while acting within the scope of duties of a legal representative.

15. Right of Recovery

You may have the right to recover from another party who is responsible for your **loss**. If we pay your claim under this policy, this right of recovery will belong to us up to the amount that we have paid you. If you, or anyone acting on your behalf, take any action that impairs our right to recover, we may consider this policy void and without effect as to such claim. However, signing written contracts for storage or slip rental that include a waiver of subrogation provision will not void this policy.

16. Claim or **Suit** Against You

You must immediately notify us and send us every demand notice, summons or other legal papers received by you or your representative, if a claim is made or a **suit** is brought against you for liability that is covered under this policy. We have the sole right to control the defense of the **suit** and naming of the attorney to represent you.

17. General Duties Following a **Loss**

In the event of any **loss** or **occurrence** which may be covered by this Policy, you or any 'Loss Payee' making a claim must:

- a. Give us immediate notice of any accident, **loss**, damage, or expense that may be covered under this policy. The notice should state with respect to the incident:
 - i. where, when and how it occurred;
 - ii. the property concerned;

- iii. the extent of injuries or damages involved; and
- iv. names and addresses of injured or damaged parties and all witnesses.
- b. Not assume any obligation, admit any liability or incur any expense for which we may be liable without our written permission.
- c. Immediately notify the authorities of any theft, vandalism or malicious damage to your insured property, if any injury is involved, or if required by law.
- d. As often as we may reasonably require:
 - i. permit us to inspect all damages before repairs are made;
 - ii. submit and subscribe to examinations under oath by any person named by us. If more than one person is examined, we have the right to examine and receive statements separately from each person and not in the presence of the others;
 - iii. produce for examination and permit extracts and copies of all books of account, bills, invoices, other vouchers and any other tangible items related to the claimed **loss**, or certified copies thereof if the originals are lost, at such reasonable time and place as may be designated by us or our representative.
- e. We are not obligated to accept any property you abandon, nor are we obligated to pay any storage fees incurred because you abandoned any property to any other person or organization.
- f. **Protect and Recover**
 In the event of a covered **loss** to the **insured vessel**, you must protect the **insured vessel** from further **loss** and make every effort to recover it. No coverage will be provided for any damage sustained or arising as a result of your failure to attempt to protect and or recover the **insured vessel**. This is in addition to any other payments paid. In no circumstances will the coverage provided under **Protect and Recover** exceed 25% of the **actual cash value** of the **insured vessel**.

Any person presenting a claim for **bodily injury** must:

- a. submit to our requests for physical examinations by physicians of our choice. We will pay for the costs of the examinations;
- b. permit us to obtain pertinent copies of medical reports and records for any medical condition which is or is not related to the **bodily injury** for which a claim is made;
- c. provide us with a written release to obtain copies of medical reports and records for any medical condition that is or is not related to the **bodily injury** for which a claim is made.

If you do not comply with these general duties, then no coverage for the **loss** will be provided.

18. Other Insurance

This policy is excess over any other valid and collectible insurance.

19. Separation Of Insureds

Except with respect to the Limits of Insurance, the coverage afforded applies separately to each **insured** who is seeking coverage or against whom a claim or **suit** is brought.

20. Nonrenewal

If we decide not to renew your policy, we or our authorized representative will mail to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least thirty (30) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mail it.

21. Deductible

We will not pay for **loss** or damages for any **occurrence** until the amount of the **loss**, or damage exceeds the 'Deductible' shown on the Member Certificate. Our obligation to pay applies only to the amount of **loss** or damage in excess of the deductible amount shown on the Member Certificate. The deductible will apply once to all payments made under this policy as a result of any one **occurrence**,

regardless of the number of persons or organizations who sustained damages because of that **occurrence**. However, no deductible will be applicable to the medical payments coverage.

The terms of this insurance, including those with respect to our duty to defend any **suits** seeking damages and your duties following any **loss** apply irrespective of the application of the deductible amount. If we exercise our discretion to pay any claim, you are obligated to pay the applicable deductible to us or to the claimant as we direct you.

GENERAL EXCLUSIONS

No coverage is provided under this policy for **loss** or damage, liabilities incurred by any person, injury or damages or expenses of any type caused by, resulting from or arising out of:

1. Extended Radioactive Contamination
 - a. ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
 - b. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
 - c. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
 - d. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purpose. However, if while the **insured vessel** is within the policy territory, a fire arises directly or indirectly from one or more of the above causes in items a., b., and d., then any **loss** or damage arising directly from that fire will, subject to the provisions of this policy, be covered. No coverage is provided for any **loss** or damage, liabilities incurred by any person, injury or damages or expenses of any type for **loss** caused by, resulting from or arising out of nuclear reaction, nuclear radiation, or radioactive contamination arising directly or indirectly from that fire.
2. War or any warlike operation. This includes declared and undeclared wars, civil wars, revolutions or any civil unrest.
3. The lawful or unlawful capture, seizure, requisition or detainment of your **insured vessel** by a civil authority or any attempt at any of these.
4. An actual or threatened act involving a chemical, biological, bio-chemical or electromagnetic weapon, device, agent or material when used in an intentionally hostile manner.
5. Preparation for or participation in any race, speed, or stunting contest.
6. Willful or intentional misconduct or **criminal act** on the part of any **insured** or during any illegal activity on the part of any **insured**.
7. Sexual molestation, corporal punishment, physical or mental abuse or the transmission of a communicable disease (including viral or bacterial).
8. Operation of the **insured vessel** by anyone other than an **insured**.

9. The intentional or accidental discharge of an explosive material or explosive device (including any type of flare or fireworks, unless such flare is United States Coast Guard required safety equipment for the **insured vessel**).
10. Intentional or accidental discharge of a firearm, harpoon gun, speargun, bow and arrow, or any similar device that discharges a projectile.
11. Flood or storm surge.
12. Any **passenger** under the influence of alcohol in excess of the legal amount defined by the laws of the state where this policy was delivered.
13. Any **passenger** who has consumed or is under the influence of marijuana in any amount, any illegal drug in any amount, or any prescription drug (other than marijuana) in excess of the amount prescribed to the **passenger** by a licensed physician or where a warning exists which indicates that the substance could the impair physical or cognitive ability.
14. Malicious and non-malicious cyber events.
15. **Criminal acts** by any person.
16. **Windstorm**.
17. Any fine or civil or criminal penalty assessed by any civil or governmental authority.

PHYSICAL DAMAGE

1. Coverage
 - a. Hull Coverage
 - i. Coverage

We will cover **loss** caused by or resulting from the following named perils during the **rental period**:

 - 1) collision;
 - 2) lightning;
 - 3) sinking;
 - 4) fire;
 - 5) theft.
 - ii. Under Hull Coverage, we do not cover:
 - 1) dock boxes, moorings, cradles, lifts or shore stations;
 - 2) items which are covered elsewhere under this policy; or
 - 3) fuel.
 - iii. What We Pay
 - 1) We will pay for the **actual cash value** of the **insured vessel**, subject to the applicable deductible shown on the Member Certificate. Our liability for any one **occurrence** will not exceed the applicable limit shown on the Member Certificate.
 - 2) We pay for repairs that are made in accordance with the manufacturer's specifications or accepted repair practices, including spot repair.
 - 3) If the **insured vessel** was damaged before the **loss**, we will not pay to repair the prior damage. In the event of a total or **constructive total loss**, the amount we will pay will be reduced to the cost that would have been incurred had the prior damage been repaired.

2. Exclusions

We will not pay for physical loss or damage caused directly or indirectly by:

- a. wear and tear, gradual deterioration, inherent vice, marring, electrolysis, corrosion, rust, dampness of atmosphere, weathering, osmosis, blistering, mold, mildew, wet or dry rot;
- b. insects or vermin;
- c. marine life or aquatic mammals;
- d. failure to maintain the **insured vessel** (including its machinery and equipment) in good condition so that the **insured vessel** cannot be damaged by ordinary weather or water conditions or the rigors of normal use;
- e. diminution of value;
- f. **manufacturer's defect, latent defect, or design defect;** or
- g. conversion or wrongful taking of the **insured vessel** by the **renter**.

3. Loss Conditions

a. Salvage and Abandonment

If we make payment under this policy for **loss** or damage and there is salvage value, we reserve the right to take possession of the remains if we elect. At our request, you will transfer the title of the property to us or to a salvage buyer appointed by us. Any recovery or salvage on a **loss** will accrue entirely to our benefit until the sum paid by us has been made up.

We are not obligated to accept any property you abandon, nor are we obligated to pay any storage fees incurred because you abandoned any property to any other person or organization.

b. Payment of **Loss**

We will pay **losses** within 30 days after the earliest of the following:

- i. we reach agreement with **first named insured;**
- ii. final judgment is rendered in a court of law;
- iii. an appraisal award is filed with us; or
- iv. a proof of **loss** is accepted by us.

Payment will be made to the **first named insured**. If a 'Loss Payee' is also named on the Declarations Page, any **loss** will be paid to the **first named insured** and the 'Loss Payee' as interests appear.

c. Appraisal

If you dispute our evaluation of the amount of the **loss**, then the **first named insured** must submit a written request for appraisal within one year of the date of **loss**. The **first named insured** and we will then each appoint and pay for a competent and disinterested appraiser. If the two appraisers cannot agree on the amount of the **loss**, the appraisers or a judge of the local court of record will select an umpire who will decide any differences. The expense of the umpire and all other expenses of the appraisal will be shared equally by the **first named insured** and us. An award in writing by any two such persons will determine the amount of your **loss**. The **first named insured** and we will be bound by that amount.

Appraisal is not available where there is a dispute as to the existence of coverage. Nothing herein will prejudice or in any way impact our right to contest coverage and to bring **suit** in a court of competent jurisdiction.

LIABILITY AND MEDICAL PAYMENTS

1. Coverage

a. Watercraft Liability

We will cover damages for **bodily injury** or **property damage** for which an **insured** becomes legally liable through ownership, maintenance, or use of the **insured vessel** arising during the **rental period**.

b. Oil Pollution Liability

We will cover:

- i. the sums which you are legally liable to pay as a result of **property damage** or **bodily injury** arising out of an **oil pollution incident**;
- ii. the reasonable costs directly associated with the actual clean-up of an **oil pollution incident**;
- iii. the reasonable costs or expenses legally imposed upon you by those government authorities assisting or monitoring an **oil pollution incident**;
- iv. administrative charges and civil expenses levied against you by a judiciary body as a result of an **oil pollution incident**;
- v. the reasonable costs and expenses to defend you against legal action from an **oil pollution incident**.

c. Medical Payments

We will cover the reasonable charges for necessary medical, surgical, x-ray, dental, ambulance, hospital and professional nursing services and funeral service expenses incurred within one year from the date of an accident causing **bodily injury** to any person while in, upon, boarding or leaving an **insured vessel**. The injured person must submit to an examination by a physician selected by us when and as often as we reasonably require. Any payment made under this coverage is not an admission of liability by you or us.

Each person seeking payment under medical payments coverage must:

- i. provide us with written authorization to release copies to us of pertinent medical reports and records; and
- ii. submit a valid proof of loss within one year of the incurred expenses.

A yacht club, marina or other similar facility is an additional insured for **property damage** and **bodily injury** for liability arising from the ownership, use and operation of the **insured vessel**, by an **insured**. A yacht club, marina or other similar facility will not be provided a separate defense.

We will also cover the reasonable expenses incurred to raise, remove or dispose of the **wreck** of the **insured vessel**, if you are legally obligated to do so. This is not additional insurance, but is included in the limit of 'Liability And Medical Payments' coverage.

2. Exclusions

We will not pay for:

- a. **bodily injury** or any other payment or obligation to any person eligible to receive any benefits required to be provided by you. This includes, but is not limited to, any employment, unemployment, disability, worker's compensation, non-occupational disability, occupational disease law, Federal Longshoremen's and Harbor Worker's Compensation Act, or any state or federal workers' or workmen's compensation law or occupational disease law or migrant or seasonal workers law;
- b. any obligation for which any **insured** or the **insured vessel** may be liable to paid captain or paid crew as defined under the Jones Act or General Maritime Law, including seaman's remedies for negligence, unseaworthiness, or maintenance and cure;
- c. **bodily injury** to any **insured**;
- d. **property damage** caused directly or indirectly by any maintenance, repair or servicing to the **insured vessel** by any yacht club, marina or other similar facility that is an additional insured;
- e. **bodily injury** and **property damage** expected or intended from the standpoint of the **insured**;

- f. **property damage** to property owned by a family member of any **insured**;
- g. **property damage** arising out of salvage or towing operations except in emergency situations or as required by statute or regulation;
- h. **property damage** caused directly or indirectly by any maintenance, repair or servicing to the **insured vessel** by you or any additional **insured**;
- i. **property damage** to:
 - i. Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property. However, **property damage** sustained by the **rental facility**, caused by the negligence of the **renter** while operating the **insured vessel**, with the exception of the **insured vessel** will be covered;
 - ii. Property loaned to you;
 - iii. Personal property in the care, custody or control of an **insured**;
- j. **bodily injury** and **property damage** arising out of the operation of the **insured vessel** by any person other than you;
- k. **property damage** arising out of entrustment of the use of the **insured vessel** to others. Use includes operation, boarding, disembarking, and "loading or unloading". This exclusion applies even if the claims against any **insured** allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by the **renter**;
- l. an **oil pollution incident**, if any **insured** knows, or has reason to know, of the incident and fails to report it as required by law(s);
- m. liability for natural resource damage unless legal action commences within one (1) year of the incident;
- n. an **oil pollution incident** unless you provide all reasonable cooperation and assistance with containment and clean-up operations as is required by law or by someone acting under their legal authority;
- o. payments under this section will not be made to, or on behalf of, any person for **bodily injury**:
 - i. while trespassing;
 - ii. for whom liability is assumed by you under contract or agreement;
 - iii. occurring while the **insured vessel** is being used for water-skiing, aquaplaning, or any similar activity in which a person(s) or object(s) are towed, and until such operations have ended and the person(s) or object(s) engaged in such activity have been safely taken aboard the **insured vessel** or landed safely elsewhere;
- p. **bodily injury** to **passengers** occurring anywhere other than aboard the **covered vessel**;
- q. **bodily injury** to any **passenger** who is in the water, or who has a body part in the water, except when that **passenger's** presence in the water is the result of an **occurrence**.
- r. **bodily injury** or **property damage** arising out of any:
 - i. assault or battery committed or attempted by any person, regardless of reason;
 - ii. harmful or offensive contact between two or more persons;
 - iii. attempt by any person to avoid, prevent, suppress or halt any actual or threatened assault or battery; or
 - iv. actual or threatened verbal or physical confrontation or altercation committed or attempted by any person, or any attempt by any person to avoid, prevent, suppress or halt any actual or threatened verbal or physical confrontation or altercation.

This exclusion applies to **bodily injury** arising from assault and battery even when such acts are intended to protect persons or property.
- s. punitive or exemplary damages or associated interest;
- t. **bodily injury** or **property damage** caused by or resulting from any **insured** or any **passenger** snorkeling, swimming, scuba diving, skin diving, helmet diving or any similar activity, including which occurs while disembarking, or boarding the **insured vessel** for snorkeling, swimming, scuba diving, skin diving or helmet diving; **bodily injury** or **property damage** occurring while the **insured vessel** is being used for parasailing, water-skiing, aquaplaning, tubing, or any similar activity in which a person(s) or object(s) are towed, and until such operations have ended and the person(s)

or object(s) engaged in such activity have been safely taken aboard the **insured vessel** or landed safely elsewhere;

- u. **bodily injury or property damage** arising out of any **insured** or any **passenger** participation in any hydro-flight sports, including water jet packs, fly boards, hover boards or similar activities;
- v. **bodily injury or property damage** caused by any animal.

3. Limits of Insurance

- a. The 'Liability And Medical Payments' Limit shown on the Declarations Page and shown on the Member Certificate is our maximum limit of liability for all damages resulting from any one **occurrence**.

When a Per Person limit is shown, that is our maximum limit of liability for all damages sustained by any one person for any one **occurrence**. Subject to that Per Person limit, the Per Occurrence limit shown is the maximum limit of liability for all damages resulting from any one **occurrence**.

However, if the limit shown on the Declarations Page and shown on the Member Certificate is a single limit, that Per Occurrence limit shown is the maximum limit of liability for all damages resulting from any one **occurrence**.

- b. The 'Liability and Medical Payments' limit is the most we will pay per **occurrence** regardless of the number of:
 - i. **insureds**;
 - ii. Vessels shown on the Declarations Page;
 - iii. premiums shown on the Declarations Page;
 - iv. claims made or **suits** brought;
 - v. persons or organizations making claims or bringing **suits**; or
 - vi. **insured vessels** involved.
- c. The 'Liability And Medical Payments' Limit is the most we will pay for any combination sum of:
 - i. Watercraft Liability;
 - ii. Oil Pollution Liability;
 - iii. Medical Payments; however, the most we will pay for Medical Payments is a Per Occurrence sub-limit of \$25,000;
 - iv. **wreck** removal; however, the most we will pay for **wreck** removal is a sub-limit of \$10,000; and
 - v. **claims expenses**.

- 4. No one will be entitled to receive duplicate payments for the same elements of **loss** under this coverage form and any other endorsement in this form.

5. Defense

We have the right and duty to defend any **suit** to which this insurance applies. However, we may investigate and settle any claim or **suit** at our discretion.

Our duty to defend any claim or **suit** ends when the amount we pay, or tender to the Court of Jurisdiction for any pending litigation on your behalf, for damages, including any **claims expenses**, resulting from the **occurrence** equals the limit for 'Liability And Medical Payments' shown on the Member Certificate. We shall not be obligated to pay any damages or **claims expenses**, or to undertake or continue defense of any **suit** or proceeding after the applicable limit has been exhausted by payment of damage or **claims expenses**.

If a **suit** is brought against you for claims falling within the coverage provided under the policy, seeking both compensatory and punitive or exemplary damages, we will afford a defense to such action;

however, we will not have any obligation to pay for any costs, interest, or damages attributable to punitive or exemplary damages.

This insurance does not apply to any claim, **suit, loss, or occurrence:**

- a. initiated, alleged, brought by, or caused to be brought by any **insured** against any other **insured**;
- b. For negligence by any **insured** in failing to prevent the intentional act of another;
- c. For failing to preserve evidence.

This Policy is signed at the Home Office of the company by its president and secretary.

MARKEL AMERICAN INSURANCE COMPANY
Glen Allen, Virginia



Alex Martin, President



Kathleen A. Sturgeon, Secretary

Administrative Office: P.O. Box 906, Pewaukee, WI 53072-0906, 800-236-2862

If in: ALASKA

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for a conviction of crime.
- b. twenty (20) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium, including nonpayment of additional premiums, calculated in accordance with our current rating manual, justified by a physical change in the insured property or exposure units.
- c. Sixty (60) days before the cancellation takes effect if:
 - i. if the insured is convicted of a crime having as one of its necessary elements an act increasing a hazard insured against;
 - ii. discovery of fraud or material misrepresentation made by the insured or a representative of the insured in obtaining the insurance or by the insured in pursuing a claim under the policy; or
 - iii. failure or refusal of the insured to provide the information necessary to confirm exposure or necessary to determine the policy premium. (Alaska Stat. §§21.36.220).

Notice to the **first named insured** will be sent Certified Mail® and serve as sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 12. Legal Action Against Us, is deleted and replaced with the following:

- a. No **suit** or action may be brought against us unless there has been full compliance with all terms of this policy.
- b. With respect to coverage under PHYSICAL DAMAGE, no **suit** or action may be brought against us unless the action is brought within two (2) years after the date you first have knowledge of the loss.
- c. With respect to all other coverage under this policy, no **suit** or action may be brought against us until the amount of a claim against you has been determined or agreed upon.
- d. Nothing in this policy gives any person or organization the right to join us as defendants in a **suit** brought against you.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will send via Certified Mail® to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least forty-five (45) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mailed it.

All other terms, conditions and requirements of this policy apply.

If in: ALABAMA

The following is added to the policy:

DEFINITIONS

Item 23. is deleted and replaced with the following:

Renter means a person(s) listed as the 'Insured Renter' on the Member Certificate who rents or charters the **insured vessel**, through a livery as defined by section 33-5-21, Alabama Statutes, that receives a permit under Alabama law.

WARRANTIES & CONDITIONS

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We will pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

IF YOU DO NOT NOTIFY US OF YOUR CHOICE WITHIN TEN (10) DAYS, THE

MEDIATION PROCESS WILL BE DEEMED CONCLUDED WITHOUT RESOLUTION, AND THE DISPUTE WILL MOVE TO BINDING ARBITRATION.

THE MEDIATION WILL OCCUR IN THE COUNTY OF RESIDENCE OF THE POLICY APPLICANT UNLESS ANOTHER LOCATION IS MUTUALLY AGREED UPON BY BOTH PARTIES. IF THE PARTIES CANNOT AGREE TO A LOCATION, THE MEDIATOR WILL CHOOSE THE LOCATION. IF THE PARTIES CANNOT REACH A COMPLETE RESOLUTION THROUGH MEDIATION, THEN THEY FURTHER AGREE THAT ANY REMAINING DISPUTE MUST BE CONCLUDED BY BINDING ARBITRATION.

THE COST OF ALL ARBITRATION PROCEEDINGS SHALL BE BORNE BY US, WITH THE EXCEPTION OF COST OF REPRESENTATION OF YOU. SHOULD THE ARBITRATOR FIND THAT THE DISPUTE IS WITHOUT SUBSTANTIAL JUSTIFICATION, THEN THE ARBITRATOR SHALL HAVE THE AUTHORITY TO ORDER THAT THE COST OF THE ARBITRATION PROCEEDINGS BE BORNE BY YOU.

All other terms, conditions and requirements of this policy apply.

If in: ARKANSAS

The following is added to the policy:

NOTICE

We are providing notice that per AR Code § 23-88-106 that we may deduct **expense depreciation**. If **expense depreciation** is applied to a loss for damaged property, we shall provide a written explanation as to how the **expense depreciation** was calculated.

DEFINITIONS

Item 3. **Actual cash value** is deleted and replaced with the following:

3. **Actual cash value** means the replacement cost of the lost or damaged property less **expense depreciation** or depreciation.

The following definition is added to the **DEFINITIONS** section of the policy.

Expense Depreciation means depreciation, including but not limited to the cost of goods, materials, labor, and services necessary to replace, repair, or rebuild damaged property.

The following definition is added to comply with Arkansas Insurance Department Bulletin No. 4-82:
Punitive damages may be imposed to punish a wrongdoer and to deter others from similar conduct.

WARRANTIES & CONDITIONS

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

All other terms, conditions and requirements of this policy apply.

If in: ARIZONA

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 6. Misrepresentation or Fraud, is deleted and replaced with the following:

All insurance provided by this policy shall be null and void for any **insured** who, at any time, including renewal(s), either intentionally conceal or misrepresent any fact, regardless of materiality, or if you misrepresent or conceal any material fact if:

- a. they were material to us accepting the risk or issuing the policy;
- b. they were material to the hazard assumed by us;
- c. we would not have issued a policy in as large an amount; or
- d. we would not have provided coverage with respect to the hazard resulting in a loss.

Any and all changes in any fact(s) or circumstance(s) material to our acceptance of this risk arising during the term of this policy and/or any renewal(s) must be disclosed to us as soon as possible, and any failure to make such disclosure during the term of the policy shall also render this policy null and void. No action or inaction by us shall be deemed a waiver of this provision.

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by

advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we will cancel only:

- a. for nonpayment of premium due;
- b. for misrepresentation or fraud;
- c. for substantial breach of your duties under this policy;
- d. if the risk changed substantially since the policy was issued; or
- e. for failure to comply with our underwriting requirements within sixty (60) days of the term effective date.

Notice to the **first named insured** will be sent Certified Mail® and will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will mail to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed via Certified Mail® to the **first named insured** at least thirty (30) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mail it.

All other terms, conditions and requirements of this policy apply.

If in: COLORADO

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. forty-five (45) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we will cancel only:

- a. ten (10) days before the cancellation takes effect if:

- i. for the cancellation is for nonpayment of premium due.
- b. forty-five (45) days before the cancellation takes effect;
 - i. for a false statement knowingly made by the insured on the application for insurance;
 - ii. a substantial change in exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless you have notified us of the change and we accept such change;

Notice to the **first named insured** will be sent First-Class® mail will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will send via First-Class® mail to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least forty-five (45) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mailed it.

All other terms, conditions and requirements of this policy apply.

If in: CONNECTICUT

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium.
- b. Sixty (60) days before the cancellation takes effect if:
 - i. the insured is convicted of a crime arising out of acts that increase the hazard insured against;
 - ii. fraud or material misrepresentation in obtaining the policy or in making a claim;
 - iii. any willful or reckless act or omission by the insured that increases the hazard;
 - iv. any physical changes in the property that increases the hazard;

- v. the commissioner rules that continuation of the policy would place the insurer in violation of the law;
- vi. a material increase in the hazard insured against; or
- vii. we suffer a substantial loss of reinsurance on any of these lines. (Conn. Gen. Stat. §38a-324).

Notice to the **first named insured** will be sent Registered Mail®. The Registered Mail® will serve as sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will send Registered Mail® to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least sixty (60) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mailed it.

All other terms, conditions and requirements of this policy apply.

If in: DISTRICT OF COLUMBIA

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

All other terms, conditions and requirements of this policy apply.

If in: DELAWARE

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

If you do not notify us of your choice within ten (10) days, the mediation process will be deemed concluded without resolution, and the dispute will move to non-binding arbitration.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location. If the parties cannot reach a complete resolution through mediation, then they further agree that any remaining dispute shall be concluded by non-binding arbitration.

All other terms, conditions and requirements of this policy apply.

If in: FLORIDA

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental Facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. twenty (20) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium.
- b. forty-five (45) days before the cancellation takes effect we will cancel only:
 - i. for nonpayment of premium due;
 - ii. for misrepresentation or fraud;
 - iii. for substantial breach of your duties under this policy;
 - iv. if the risk changed substantially since the policy was issued; or
 - v. for failure to comply with our underwriting requirements within sixty (60) days of the term effective date.

Proof of mailing of this notice to the **first named insured** will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will mail to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least forty-five (45) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mailed it.

All other terms, conditions and requirements of this policy apply.

If in: **GEORGIA**

The following is added to the policy:

DEFINITIONS

Item 3. Is deleted and replaced with the following:

Actual Cash Value means the replacement cost of the lost or damaged property less depreciation. Replacement cost does not include any compensation for the actual or perceived reduction in the market value of any property or the increased costs incurred to comply with the enforcement of any ordinance or law.

WARRANTIES & CONDITIONS

Paragraph 6. Misrepresentations or Fraud, is deleted and replaced with the following:

All insurance provided by this policy shall be null and void for any insured who, at any time, including renewal(s), either intentionally conceal or misrepresent any fact, regardless of materiality, or if you misrepresent or conceal any material fact:

- a. if it is fraudulent;
- b. if material either to the acceptance of the risk or to the hazard assumed by us; or
- c. if we in good faith would either not have issued the policy or contract or would not have issued a policy or contract in as large an amount or at the premium rate as applied for or would not have provided coverage with respect to the hazard resulting in the loss if the true facts had been known to us as required either by the application for the policy.

Any and all changes in any fact(s) or circumstance(s) material to our acceptance of this risk arising during the term of this policy and/or any renewal(s) must be disclosed to us as soon as possible, and any failure to make such disclosure during the term of the policy shall also render this policy null and void. No action or inaction by us shall be deemed a waiver of this provision.

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

All other terms, conditions and requirements of this policy apply.

If in: HAWAII

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 6. Misrepresentation or Fraud, is deleted and replaced with the following:

All insurance provided by this policy shall be null and void if you, at any time, including renewal(s), either intentionally conceal or misrepresent any fact, regardless of materiality, or if you misrepresent or conceal any material fact that materially affects either the acceptance of this risk or the hazard assumed by us. Any and all changes in any fact(s) or circumstance(s) material to our acceptance of this risk arising during the term of this policy and/or any renewal(s) must be disclosed to us as soon as possible, and any failure to make such disclosure during the term of the policy shall also render this policy null and void. No action or inaction by us shall be deemed a waiver of this provision.

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

All other terms, conditions and requirements of this policy apply.

If in: IOWA

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental Facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium.
- b. thirty (30) days before the cancellation takes effect if:
 - i. for misrepresentation or fraud in obtaining the policy, in pursuing a claim, or in renewing the policy;
 - ii. acts or omissions that substantially increase or change the risk insured;
 - iii. a determination by the commissioner of insurance that the continuation of the policy coverage would:
 - a. Place us in violation of Iowa law or the laws of any other state; or
 - b. Threaten our solvency;
 - iv. you breach any policy terms or conditions; or
 - v. loss of reinsurance (with the commissioner's approval). (Iowa Code §515.127).

Proof of mailing of this notice to the **first named insured** will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will mail to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least forty-five (45) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mail it.

All other terms, conditions and requirements of this policy apply.

If in: IDAHO

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 12. Legal Action Against Us, is deleted and replaced with the following:

- a. No **suit** or action may be brought against us unless there has been full compliance with all terms of this policy.
- b. With respect to coverage under PHYSICAL DAMAGE, no **suit** or action may be brought against us unless the action is brought within three (3) years after the date you first have knowledge of the loss.
- c. With respect to all other coverage under this policy, no **suit** or action may be brought against us until the amount of a claim against you has been determined or agreed upon.
- d. Nothing in this policy gives any person or organization the right to join us as defendants in a **suit** brought against you.

All other terms, conditions and requirements of this policy apply.

If in: ILLINOIS

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 6. Misrepresentation or Fraud, is deleted and replaced with the following:

All insurance provided by this policy shall be null and void for any **insured** who, at any time, including renewal(s), either intentionally conceal or misrepresent any fact, regardless of materiality, or if you misrepresent or conceal any material fact if:

- a. they were made with actual intent to deceive; or
- b. they would have materially affected either our decision to provide this insurance or the hazard we assumed.

The policy is also void if you or any other insured, at any time, commit fraud or intentionally conceal or misrepresent a material fact concerning:

- a. this coverage form;
- b. the covered property;
- c. your interest in the covered property; or
- d. a claim under this coverage form.

Any and all changes in any fact(s) or circumstance(s) material to our acceptance of this risk arising during the term of this policy and/or any renewal(s) must be disclosed to us as soon as possible, and any failure to make such disclosure during the term of the policy shall also render this policy null and void. No action or inaction by us shall be deemed a waiver of this provision.

The following is added to 11. Dispute Resolution:

Binding arbitration is not available if the dispute involves a bad faith claim.

Paragraph 12. Legal Action Against Us, is deleted and replaced with the following:

- a. No **suit** or action may be brought against us unless there has been full compliance with all terms of this policy.
- b. With respect to coverage under PHYSICAL DAMAGE, no **suit** or action may be brought against us unless the action is brought within two (2) years after the date you first have knowledge of the **loss**. Any period of time for filing suit against us will be extended by the number of days between the date the proof of loss was filed and the date the claim was denied in whole or in part.
- c. With respect to all other coverage under this policy, no **suit** or action may be brought against us until the amount of a claim against you has been determined or agreed upon.
- d. Nothing in this policy gives any person or organization the right to join us as defendants in a **suit** brought against you.

All other terms, conditions and requirements of this policy apply.

If in: INDIANA

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium.
- b. Twenty (20) days before the cancellation takes effect if:
 - i. the cancellation is for fraud or misrepresentation.
- c. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for ninety (90) days, or if this is a renewal policy, we may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium.
- b. twenty (20) days before the cancellation takes effect if:
 - i. the cancellation is for fraud or misrepresentation.
- c. forty-five (45) days before the cancellation takes effect if:
 - i. there is a substantial change in the risk;
 - ii. reinsurance on the risk is cancelled;
 - iii. you do not comply with the insurer's safety recommendations. (Ind. Code Ann. §27-1-31-2).

Proof of mailing of this notice to the **first named insured** will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will mail to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least forty-five (45) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mailed it.

All other terms, conditions and requirements of this policy apply.

If in: KANSAS

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we will cancel only:

- a. for nonpayment of premium due;
- b. for misrepresentation or fraud;
- c. for substantial breach of your duties under this policy;
- d. if the risk changed substantially since the policy was issued; or
- e. for failure to comply with our underwriting requirements within sixty (60) days of the term effective date.

Proof of mailing by Certified Mail® of this notice to the **first named insured** will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties

agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

Paragraph 12. Legal Action Against Us, is deleted and replaced with the following:

- a. No **suit** or action may be brought against us unless there has been full compliance with all terms of this policy.
- b. With respect to coverage under PHYSICAL DAMAGE, no **suit** or action may be brought against us unless the action is brought within twelve (12) months after the date you first have knowledge of the loss. If a law in the State of Kansas renders this time period invalid, the **suit** must be brought in accordance with the time period allowed by Kansas Statute.
- c. With respect to all other coverage under this policy, no **suit** or action may be brought against us until the amount of a claim against you has been determined or agreed upon.
- d. Nothing in this policy gives any person or organization the right to join us as defendants in a **suit** brought against you.

All other terms, conditions and requirements of this policy apply.

If in: KENTUCKY

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. fourteen (14) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. fourteen (14) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium.
- b. Seventy-five (75) days before the cancellation takes effect:
 - i. for misrepresentation or fraud in obtaining the policy, in pursuing a claim, or in continuing the policy;
 - ii. for willful or reckless acts or omissions that increase any hazard insured against;
 - iii. for a change in the risk that substantially increases any hazard insured against after insurance coverage has been issued or renewed;
 - iv. for a violation of any local fire, health, safety, building or construction regulation or ordinance that substantially increases any hazard insured against;
 - v. we are unable to obtain reinsurance on the risk;
 - vi. the insurance commissioner determines that the continuation of the policy would place the insurer in violation of the Kentucky insurance laws or regulations. (KRS §304.20-330).

Proof of mailing of this notice to the **first named insured** will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will mail to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least seventy-five (75) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mailed it. Proof of mailing of this notice to the **first named insured** will be sufficient proof that notice of nonrenewal was given.

All other terms, conditions and requirements of this policy apply.

If in: LOUISIANA

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 6. Misrepresentation or Fraud, is deleted and replaced with the following:

All insurance provided by this policy shall be null and void for any **insured** who, at any time, including renewal(s), either intentionally conceal or misrepresent any fact or circumstance, regardless of materiality, or if you misrepresent or conceal any material fact or circumstance, engaged in fraudulent conduct, or made false statements with the intent to deceive any of which relates to:

- a. a loss;
- b. the policy; or
- c. the application for this policy.

Any and all changes in any fact(s) or circumstance(s) material to our acceptance of this risk arising during the term of this policy and/or any renewal(s) must be disclosed to us as soon as possible, and any failure to make such disclosure during the term of the policy shall also render this policy null and void. No action or inaction by us shall be deemed a waiver of this provision.

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we will cancel or if this is a renewal policy, we may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. fourteen (14) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium.
- b. sixty (60) days before the cancellation takes effect if:
 - i. for misrepresentation or fraud on the application, in continuing the policy, or in presenting a claim under the policy;

- ii. for acts or omissions by the **named insured** that change or increase any hazard insured against;
- iii. if the risk changed increasing risk of loss after insurance coverage has been issued or renewed, including an increase in exposure due to regulation, legislation, or court decision;
- iv. if the insurance commissioner determines that the continuation of the policy would place the insurer in violation of the state's insurance laws;
- v. if the insured violates or breaches any policy terms or conditions; or
- vi. any other reasons that are approved by the commissioner.

Proof of mailing of this notice to the **first named insured** will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

All other terms, conditions and requirements of this policy apply.

If in: MASSACHUSETTS

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we will cancel only:

- a. for nonpayment of premium due;
- b. for misrepresentation or fraud;
- c. for substantial breach of your duties under this policy;
- d. if the risk changed substantially since the policy was issued; or
- e. for failure to comply with our underwriting requirements within sixty (60) days of the term effective date.

Notice to the **first named insured** will be sent Certified Mail® and will be sufficient proof that notice of cancellation was given. The Certified Mail® receipt from the USPS will show the name and address of the **first named insured**. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 12. Legal Action Against Us, is deleted and replaced with the following:

- a. No **suit** or action may be brought against us unless there has been full compliance with all terms of this policy.
- b. With respect to coverage under PHYSICAL DAMAGE, no **suit** or action may be brought against us unless the action is brought within twenty-four (24) months after the date you first have knowledge of the **loss**.
- c. With respect to all other coverage under this policy, no **suit** or action may be brought against us until the amount of a claim against you has been determined or agreed upon.
- d. Nothing in this policy gives any person or organization the right to join us as defendants in a **suit** brought against you.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will mail to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** by Certified Mail® at least thirty (30) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mailed it.

All other terms, conditions and requirements of this policy apply.

If in: MARYLAND

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled.

We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for forty-five (45) days, or if this is a renewal policy, we may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium.
- b. forty-five (45) days before the cancellation takes effect:
 - i. material misrepresentation or fraud in connection with the application, policy, or presentation of a claim;
 - ii. a matter or issue that constitutes a threat to public safety;
 - iii. a change in the condition of the risk that increases the hazard insured against;

Notice to the **first named insured** will be sent First-Class Mail® with a Certificate of Mailing with an electronic mail tracking system used by the United States Postal Service to the **first named insured's** last known address. The Certificate of Mailing will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail

return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

Paragraph 12. Legal Action Against Us, is deleted and replaced with the following:

- a. No suit or action may be brought against us unless there has been full compliance with all terms of this policy.
- b. With respect to coverage provided under **PHYSICAL DAMAGE**, no suit or action may be brought against us unless the action is brought within three (3) years after the date you first have knowledge of the loss.
- c. With respect to all other coverage under this policy, no suit or action may be brought against us until the amount of a claim against you has been determined or agreed upon.
- d. Nothing in this policy gives any person or organization the right to join us as defendants in a suit brought against you.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will mail First-Class Mail® with a Certificate of Mailing with an electronic mail tracking system used by the United States Postal Service to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least forty-five (45) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mail it.

All other terms, conditions and requirements of this policy apply.

If in: MAINE

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we will cancel only:

- a. for nonpayment of premium due;
- b. for misrepresentation or fraud;
- c. for substantial breach of your duties under this policy;
- d. if the risk changed substantially since the policy was issued; or
- e. for failure to comply with our underwriting requirements within sixty (60) days of the term effective date.

Notice to the **first named insured** will be sent Certified Mail®. The Certified Mail® will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will send Certified Mail® to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least thirty (30) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mailed it.

All other terms, conditions and requirements of this policy apply.

If in: MICHIGAN

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy at any time, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled.

We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we will cancel only:

- a. for nonpayment of premium due;
- b. for misrepresentation or fraud;
- c. for substantial breach of your duties;
- d. if the risk changed substantially since the policy was issued; or
- e. for failure to comply with our underwriting requirements within sixty (60) days of the term effective date.

Proof of mailing of this notice to the **first named insured** will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 17. General Duties Following a **Loss**, a., is deleted and replaced with the following:

- a. Give us notification as soon as practicable of any accident, loss, damage, or expense that may be covered under this policy. The notice should state with respect to the incident:
 - i. where, when and how it occurred;
 - ii. the property concerned;
 - iii. the extent of injuries or damages involved; and
 - iv. names and addresses of injured or damaged parties and all witnesses.

All other terms, conditions and requirements of this policy apply.

If in: MINNESOTA

The following is added to the policy:

WARRANTIES & CONDITIONS

The following is paragraph is added:

Bankruptcy

The bankruptcy, insolvency, or dissolution of the insured shall not relieve the insurer of any of its obligations under this policy, and in case an execution against the insured on a final judgment is returned unsatisfied, then such judgment creditor shall have a right of action on this policy against the company to the same extent that the insured would have, had the insured paid the final judgment.

All other terms, conditions and requirements of this policy apply.

If in: MISSOURI

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within

three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

Paragraph 12. Legal Action Against Us, is deleted and replaced with the following:

- a. No suit or action may be brought against us unless there has been full compliance with all terms of this policy.
- b. With respect to coverage under **PHYSICAL DAMAGE**, no suit or action may be brought against us unless the action is brought within five (5) years after the date you first have knowledge of the loss.
- c. With respect to all other coverage under this policy, no suit or action may be brought against us until the amount of a claim against you has been determined or agreed upon.
- d. Nothing in this policy gives any person or organization the right to join us as defendants in a suit brought against you.

All other terms, conditions and requirements of this policy apply.

If in: MISSISSIPPI

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 12. Legal Action Against Us, is deleted and replaced with the following:

- a. No **suit** or action may be brought against us unless there has been full compliance with all terms of this policy.
- b. With respect to coverage under PHYSICAL DAMAGE, no **suit** or action may be brought against us unless the action is brought within three (3) years after the date you first have knowledge of the **loss**.
- c. With respect to all other coverage under this policy, no **suit** or action may be brought against us until the amount of a claim against you has been determined or agreed upon.
- d. Nothing in this policy gives any person or organization the right to join us as defendants in a **suit** brought against you.

All other terms, conditions and requirements of this policy apply.

If in: MONTANA

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 6. Misrepresentation or Fraud, is deleted and replaced with the following:

All insurance provided by this policy shall be null and void if you, at any time, including renewal(s), either intentionally conceal or misrepresent any fact, regardless of materiality, or if you misrepresent or conceal any material fact if:

- a. we would not have issued the policy;
- b. we would not have issued the policy with as large amount of coverage;
- c. we would not have issued the policy at the same premium amount; or
- d. we would not have provided coverage with respect to the hazard resulting in a loss.

Any and all changes in any fact(s) or circumstance(s) material to our acceptance of this risk arising during the term of this policy and/or any renewal(s) must be disclosed to us as soon as possible, and any failure to make such disclosure during the term of the policy shall also render this policy null and void. No action or inaction by us shall be deemed a waiver of this provision.

Paragraph 7. Notice of Cancellation – **Rental Facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium.
- b. thirty (30) days before the cancellation takes effect if:
 - i. for material misrepresentation;
 - ii. for substantial change in the risk assumed; except to the extent that we should reasonably foreseen the change or contemplated the risk in writing the policy;
 - iii. for substantial breaches of any of the contractual duties, conditions, or warranties;
 - iv. if the commissioner determines that continuation of the policy would place us in violation of the Montana Insurance Code;
 - v. if we become financially impaired; or
 - vi. for any other reason approved by the commissioner. (MCA 33-15-1103).

Proof of mailing of this notice to the **first named insured** will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

The following is added to 11. Dispute Resolution:

Binding arbitration is not available if the dispute involves a bad faith claim.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will mail to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least forty-five (45) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mail it.

The following paragraph is added:

22. Conformity with Montana statutes

The provisions of this policy conform to the minimum requirements of Montana law and control over any conflicting statutes of any state in which the insured resides on or after the effective date of this policy.

All other terms, conditions and requirements of this policy apply.

If in: NORTH DAKOTA

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental Facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than ninety (90) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for ninety (90) days, or if this is a renewal policy, we may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium.
- b. thirty (30) days before the cancellation takes effect if:
 - i. for misrepresentation or fraud;
 - ii. for substantial breach of your duties under this policy;
 - iii. if the risk changed substantially since the policy was issued; or
 - iv. for failure to comply with our underwriting requirements within ninety (90) days of the term effective date.

Notice to the **first named insured** will be sent Certified Mail® and serve as sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

All other terms, conditions and requirements of this policy apply.

If in: NEBRASKA

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 6. Misrepresentation or Fraud, is deleted and replaced with the following:

All insurance provided by this policy shall be null and void for any insured who, at any time, including renewal(s), either intentionally conceal or misrepresent any fact, regardless of materiality, or if you misrepresent or conceal any material fact if it deceived us to our injury. Any and all changes in any fact(s) or circumstance(s) material to our acceptance of this risk arising during the term of this policy and/or any renewal(s) must be disclosed to us as soon as possible, and any failure to make such disclosure during the term of the policy if it deceived us to our injury shall also render this policy null and void. The breach of a warranty or condition in this policy shall not avoid the policy nor avail us to avoid liability, unless such breach exists at the time of loss and contributes to the loss, anything in the policy to the contrary notwithstanding. No action or inaction by us shall be deemed a waiver of this provision.

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. sixty (60) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium.
- b. sixty (60) days before the cancellation takes effect if:
 - i. for nonpayment of premium due;
 - ii. for misrepresentation made in obtaining the policy;
 - iii. for submission of fraudulent claim;
 - iv. when the insured has violated the terms and conditions of the policy
 - v. for substantial change in risk
 - vi. if there has been certification to the director of insurance of loss of reinsurance by the insurer which provided coverage to us for all or a substantial part of the underlying risk insured; or

vii. if the director of insurance determines that the continuation of the policy could violate Nebraska's Insurance laws. (R.R.S. Neb. §44-522).

Proof of mailing by Certified Mail® of this notice to the **first named insured** will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will send Certified Mail® to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least sixty (60) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mail it.

All other terms, conditions and requirements of this policy apply.

If in: NEW HAMPSHIRE

The following is added to the policy:

PHYSICAL DAMAGE

Paragraph 3. b. Payment of **Loss**, is deleted and replaced by the following:

We will pay **losses** within five (5) days after the earliest of the following:

- i. we reach agreement with **first named insured**;
- ii. final judgment is rendered in a court of law;
- iii. an appraisal award is filed with us; or
- iv. a proof of **loss** is accepted by us.

Payment will be made to the **first named insured**. If a Loss Payee is also named on the Declarations Page, any **loss** will be paid to the **first named insured** and the 'Loss Payee' as interests appear.

All other terms, conditions and requirements of this policy apply.

If in: NEW JERSEY

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we will cancel only:

- a. for nonpayment of premium due;
- b. for misrepresentation or fraud;
- c. for substantial breach of your duties under this policy;
- d. if the risk changed substantially since the policy was issued; or
- e. for failure to comply with our underwriting requirements within sixty (60) days of the term effective date.

Notice to the **first named insured** will be sent Certified Mail® and will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will send via Certified Mail® to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal.

The written notice will be mailed to the **first named insured** at least thirty (30) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mailed it.

All other terms, conditions and requirements of this policy apply.

If in: NEW YORK

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 6. Misrepresentation or Fraud, is deleted and replaced with the following:

All insurance provided by this policy shall be null and void if you, at any time, including renewal(s), either intentionally conceal or misrepresent any fact, regardless of materiality, or if you misrepresent or conceal any material fact that would have led us to refuse the policy. Any and all changes in any fact(s) or circumstance(s) material to our acceptance of this risk arising during the term of this policy and/or any renewal(s) must be disclosed to us as soon as possible, and any failure to make such disclosure during the term of the policy shall also render this policy null and void. No action or inaction by us shall be deemed a waiver of this provision.

All other terms, conditions and requirements of this policy apply.

If in: OKLAHOMA

The following is added to the policy.

WARRANTIES & CONDITIONS

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own

attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

All other terms, conditions and requirements of this policy apply.

If in: PENNSYLVANIA

The following is added to the policy:

WARRANTIES & CONDITIONS

The following is added to 11. Dispute Resolution:

Binding arbitration is not available if the dispute involves a bad faith claim.

All other terms, conditions and requirements of this policy apply.

If in: SOUTH CAROLINA

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation– **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the first named insured at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than one hundred twenty (120) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for one hundred twenty (120) days, or if this is a renewal policy, we will cancel only:

- a. for nonpayment of premium due;
- b. for material misrepresentation on the application that, if known, would have caused the us not to issue the policy;
- c. for substantial breach of contractual duties, conditions, or warranties;
- d. if the risk changed substantially since the policy was issued, except to the extent the insurer should

- have foreseen the change or contemplated the risk in writing the policy;
- e. if the insurer loses its reinsurance for the risk or continuation of the policy would jeopardize the insurer's solvency or place it in violation of the law; or
 - f. for failure to comply with our underwriting requirements within one hundred twenty (120) days of the term effective date.

Prior to cancellation for reasons permitted in item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.

Any notice of cancellation will state the precise reason for cancellation.

Proof of mailing of this notice to the **first named insured** will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total loss or a **constructive total loss**.

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will mail to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least sixty (60) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mailed it.

All other terms, conditions and requirements of this policy apply.

If in: SOUTH DAKOTA

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. twenty (20) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. twenty (20) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium.
- b. thirty (30) days before the cancellation takes effect:
 - i. for misrepresentation or fraud in obtaining the policy, continuing the policy, or in pursuit of a claim;
 - ii. for acts or omissions of the named insured which increase any hazard insured against;
 - iii. for substantial increase in any hazard insured against;
 - iv. for violation of any local fire, health, safety, building, or construction regulation or ordinance with respect to any covered property or its occupancy that substantially increases any hazard insured against;
 - v. for a determination by the director of the Division of Insurance that the continuation of the policy coverage would jeopardize a company's solvency or place the insurer in violation of South Dakota law;
 - vi. for violation or breach by the insured of any policy terms or conditions;
 - vii. for any other reasons that are approved by the director of the Division of Insurance. (S.D. Codified Laws §58-33-61); or
 - viii. for failure to comply with our underwriting requirements within sixty (60) days of the term effective date.

Proof of mailing of this notice to the **first named insured** will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will mail to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least sixty (60) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mailed it.

All other terms, conditions and requirements of this policy apply.

If in: TEXAS

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 6. Misrepresentation or Fraud, is deleted and replaced with the following:

With respect to all insureds under this policy, and to the extent permitted by Texas Insurance Code sections 705.003 and 705.004 all insurance provided by this policy shall be null and void if you, at any time, including renewal(s), either intentionally conceal or misrepresent any fact, regardless of materiality, or if you misrepresent or conceal any material fact regardless of intent. Any and all changes in any fact(s) or circumstance(s) material to our acceptance of this risk arising during the term of this policy and/or any renewal(s) must be disclosed to us as soon as possible, and any failure to make such disclosure during the term of the policy shall also render this policy null and void. No action or inaction by us shall be deemed a waiver of this provision.

Paragraph 12. Legal Action Against Us, is deleted and replaced with the following:

- a. No **suit** or action may be brought against us unless there has been full compliance with all terms of this policy.
- b. With respect to coverage provided under PHYSICAL DAMAGE, no **suit** or action may be brought against us unless the action is brought within two (2) years and one (1) day after the date you first have knowledge of the loss.
- c. With respect to all other coverage under this policy, no **suit** or action may be brought against us until the amount of a claim against you has been determined or agreed upon.
- d. Nothing in this policy gives any person or organization the right to join us as defendants in a **suit** brought against you.

The following is added to Paragraph 17. General Duties Following a **Loss**:

We are not obligated to cover any loss incurred by you under this policy if the failure to comply with the duties above is prejudicial to us.

All other terms, conditions and requirements of this policy apply.

If in: UTAH

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

Paragraph 12. Legal Action Against Us, is deleted and replaced with the following:

- a. No suit or action may be brought against us unless there has been full compliance with all terms of this policy.
- b. With respect to coverage under **PHYSICAL DAMAGE**, no suit or action may be brought against us unless the action is brought within three (3) years after the date you first have knowledge of the loss.
- c. With respect to all other coverage under this policy, no suit or action may be brought against us until the amount of a claim against you has been determined or agreed upon.
- d. Nothing in this policy gives any person or organization the right to join us as defendants in a suit brought against you.

Paragraph 17. a. General Duties Following a **Loss**, is deleted and replaced with the following:

- a. Give us notice within 60 days unless you show that it was not reasonably possible to do so, of any accident, loss, damage, or expense that may be covered under this policy. The notice should state with respect to the incident:

All other terms, conditions and requirements of this policy apply.

If in: VIRGINIA

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. fifteen (15) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. forty-five (45) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we will cancel only:

- a. for nonpayment of premium due;
- b. for misrepresentation or fraud;
- c. for substantial breach of your duties under this policy;
- d. if the risk changed substantially since the policy was issued; or
- e. for failure to comply with our underwriting requirements within sixty (60) days of the term effective date.

Notice to the **first named insured** will be sent Certified Mail®. The Certified Mail® will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total loss or a **constructive total loss**.

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between

us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will mail via Certified Mail® to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least forty-five (45) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mailed it.

All other terms, conditions and requirements of this policy apply.

If in: VERMONT

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 7. Notice of Cancellation – **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we will cancel only:

- a. for nonpayment of premium due;
- b. for misrepresentation or fraud;
- c. for substantial breach of your duties under this policy;
- d. if the risk changed substantially since the policy was issued; or
- e. for failure to comply with our underwriting requirements within sixty (60) days of the term effective date.

Proof of mailing by Certified Mail® of this notice to the **first named insured** will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**.

Paragraph 12. Legal Action Against Us, is deleted and replaced with the following:

- a. No **suit** or action may be brought against us unless there has been full compliance with all terms of this policy.
- b. With respect to coverage under **PHYSICAL DAMAGE**, no **suit** or action may be brought against us unless the action is brought within twelve (12) months after the date you first have knowledge of the **loss**. If a law in the State of Vermont renders this time period invalid, the suit must be brought in accordance with the time period allowed by the Vermont statute.
- c. With respect to all other coverage under this policy, no **suit** or action may be brought against us until the amount of a claim against you has been determined or agreed upon.
- d. Nothing in this policy gives any person or organization the right to join us as defendants in a **suit** brought against you.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will send Certified Mail® to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least forty-five (45) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mail it.

PHYSICAL DAMAGE

Paragraph 3.b. Payment of **Loss**, is deleted and replaced by the following:

We will pay **losses** within ten (10) days after the earliest of the following:

- i. we reach agreement with **first named insured**;
- ii. final judgment is rendered in a court of law;
- iii. an appraisal award is filed with us; or
- iv. a proof of **loss** is accepted by us.

Payment will be made to the **first named insured**. If a Loss Payee is also named on the Declarations Page, any **loss** will be paid to the **first named insured** and the 'Loss Payee' as interests appear.

All other terms, conditions and requirements of this policy apply.

If in: WASHINGTON

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 6. Misrepresentation or Fraud, is deleted and replaced with the following:

All insurance provided by this policy shall be null and void if you, at any time, including renewal(s), either intentionally conceal or misrepresent any fact, regardless of materiality, or if you misrepresent or conceal any material fact made with the intent to deceive. Any and all changes in any fact(s) or circumstance(s) material to our acceptance of this risk arising during the term of this policy and/or any renewal(s) must be disclosed to us as soon as possible, and any failure to make such disclosure during the term of the policy shall also render this policy null and void. No action or inaction by us shall be deemed a waiver of this provision.

Paragraph 7. Notice of Cancellation - **Rental facility**, is deleted and replaced with the following:

The **first named insured** may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want the policy to be cancelled. We may cancel this policy by delivering or mailing notice of cancellation to the **first named insured** at the last address shown in our records at least:

- a. ten (10) days before the cancellation takes effect if:
 - i. the cancellation is for nonpayment of premium; or
 - ii. this policy has been in effect for less than sixty (60) days and is not a renewal policy.
- b. thirty (30) days before the cancellation takes effect in all other cases.

After this policy has been in effect for sixty (60) days, or if this is a renewal policy, we will cancel only:

- a. for nonpayment of premium due;
- b. for misrepresentation or fraud;
- c. for substantial breach of your duties under this policy;
- d. if the risk changed substantially since the policy was issued; or
- e. for failure to comply with our underwriting requirements within sixty (60) days of the term effective date.

Proof of mailing of this notice to the **first named insured** will be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice will become the end of the policy period.

This policy will terminate without any written notice when we pay for a total or a **constructive total loss**. Unearned premium will be returned on a pro-rata basis.

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties

agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will mail to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least sixty (60) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mailed it.

All other terms, conditions and requirements of this policy apply.

If in: WISCONSIN

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 6. Misrepresentation or Fraud, is deleted and replaced with the following:

All insurance provided by this policy shall be null and void if you, at any time, including renewal(s), either intentionally conceal or misrepresent any fact, regardless of materiality, or if you misrepresent or conceal any material fact if:

- a. we relied on it and it is either material or is made with intent to deceive; or
- b. the fact misrepresented or falsely warranted contributes to the loss.

In addition, not failure of condition prior to the loss and no breach of a promissory warranty affects our obligations under this policy unless it exists at the time of loss and either:

- a. increases the risk at the time of the loss; or
- b. contributes to the loss.

Any and all changes in any fact(s) or circumstance(s) material to our acceptance of this risk arising during the term of this policy and/or any renewal(s) must be disclosed to us as soon as possible, and any failure

to make such disclosure during the term of the policy shall also render this policy null and void. No action or inaction by us shall be deemed a waiver of this provision.

The following is added to Paragraph 15. Right of Recovery:

We shall be entitled to a recovery under this provision only after the person to or for whom payment was made has been fully compensated for damages.

All other terms, conditions and requirements of this policy apply.

If in: WYOMING

The following is added to the policy:

WARRANTIES & CONDITIONS

Paragraph 11. Dispute Resolution, is deleted and replaced with the following:

The following terms are the exclusive process for resolving any dispute between us and you, and/or between us and any and all persons making a claim of any kind under this policy of insurance, including but not limited to any additional insured, arising from, through or by this policy:

If the dispute is based on a disagreement between you, or any additional insured, omnibus insured, other person making a claim under the policy and us as to the value of your claim under this policy, the parties agree to first attempt to settle the dispute by mediation. You must make a request for mediation within three (3) years from the date of **loss**, and you must comply with all other provisions in this policy. The mediation will take place pursuant to the state Rules for Certified & Court-Appointed Mediators, if applicable.

We shall pay the reasonable costs of the mediation, including the Mediator's fee. You or any additional insured, omnibus insured, other person making a claim under the policy have the right to be represented by an attorney of your or their choosing to attend the mediation. You or any additional insured, omnibus insured, other person making a claim under the policy, will be responsible for paying for your or their own attorney (in the event that you or they retain an attorney).

If the parties cannot agree on a Mediator, either party may notify the other in writing via certified mail return receipt requested or via hand delivery with signature receipt required of this failure and then you will choose a mediator certified pursuant to state Statutes, if applicable, within ten (10) days of such notice.

The mediation shall occur at any agreed location. If the parties cannot agree to a location, the mediator will choose the location.

Paragraph 12. Legal Action Against Us, is deleted and replaced with the following:

- a. No suit or action may be brought against us unless there has been full compliance with all terms of this policy.
- b. With respect to coverage under **PHYSICAL DAMAGE**, no suit or action may be brought against us unless the action is brought within four (4) years after the date you first have knowledge of the loss and shall be brought in the county where the cause of action arose or in the county where the policyholder instituting the action resides.

- c. With respect to all other coverage under this policy, no suit or action may be brought against us until the amount of a claim against you has been determined or agreed upon.
- d. Nothing in this policy gives any person or organization the right to join us as defendants in a suit brought against you.

Paragraph 20. Nonrenewal, is deleted and replaced with the following:

If we decide not to renew your policy, we or our authorized representative will mail to the **first named insured**, at the address shown on the Declarations Page, written notice of nonrenewal. The written notice will be mailed to the **first named insured** at least forty-five (45) days before the end of the policy term. A copy of the notice will also be sent to any 'Loss Payee' as shown on the Declarations Page or any schedule. If we decide not to renew your policy, our mailing of notice to the address of the **first named insured** shown on the Declarations Page will constitute proof of notice as of the date we mail it.

All other terms, conditions and requirements of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TRADE OR ECONOMIC SANCTIONS

The following is added to this policy:

Trade Or Economic Sanctions

This insurance does not provide any coverage, and we (the Company) shall not make payment of any claim or provide any benefit hereunder, to the extent that the provision of such coverage, payment of such claim or provision of such benefit would expose us (the Company) to a violation of any applicable trade or economic sanctions, laws or regulations, including but not limited to, those administered and enforced by the United States Treasury Department's Office of Foreign Assets Control (OFAC).

All other terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TERRORISM EXCLUSION – CERTIFIED ACTS

This insurance does not apply to loss, injury, damage, claim or suit, arising directly or indirectly as a result of an “act of terrorism”, which is defined in the Terrorism Risk Insurance Act of 2002, as amended by the Terrorism Risk Insurance Program Reauthorization Act of 2019 (collectively, “TRIA”) as follows:

Act of Terrorism.

1. Certification. – The term “act of terrorism” means any act that is certified by the Secretary [of the Treasury], in concurrence with the Secretary of State, and the Attorney General of the United States:
 - a. To be an act of terrorism;
 - b. To be a violent act or an act that is dangerous to
 - (1) Human life;
 - (2) Property; or
 - (3) Infrastructure;
 - c. To have resulted in damage within the United States, or outside of the United States in the case of:
 - (1) An air carrier or vessel [described in TRIA]; or
 - (2) The premises of a United States mission; and
 - d. To have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
2. Limitation. No act shall be certified by the Secretary as an act of terrorism if
 - a. The act is committed as part of the course of a war declared by the Congress, except that this clause shall not apply with respect to any coverage for workers’ compensation; or
 - b. Property and casualty insurance losses resulting from the act, in the aggregate, do not exceed \$5,000,000.
3. Determination Final. – Any certification of, or determination not to certify, an act as an act of terrorism under this paragraph shall be final, and shall not be subject to judicial review.
4. Nondelegation. – The Secretary may not delegate or designate to any other officer, employee, or person, any determination under this paragraph of whether, during the effective period of the Program, an act of terrorism has occurred.

All other terms and conditions of the policy are the same.



MARKEL AMERICAN INSURANCE COMPANY

PRIVACY NOTICE

U. S. Consumer Privacy Notice

Rev. 1/1/2020

FACTS	WHAT DOES MARKEL GROUP OF COMPANIES REFERENCED BELOW (INDIVIDUALLY OR COLLECTIVELY REFERRED TO AS "WE", "US", OR "OUR") DO WITH YOUR PERSONAL INFORMATION?
Why?	In the course of Our business relationship with you, We collect information about you that is necessary to provide you with Our products and services. We treat this information as confidential and recognize the importance of protecting it. Federal and state law gives you the right to limit some but not all sharing of your personal information. Federal and state law also requires Us to tell you how We collect, share, and protect your personal information. Please read this notice carefully to understand what We do.
What?	<p>The types of personal information We collect and share depend on the product or service you have with Us. This information can include:</p> <ul style="list-style-type: none"> • your name, mailing and email address(es), telephone number, date of birth, gender, marital or family status, identification numbers issued by government bodies or agencies (i.e.: Social Security number or FEIN, driver's license or other license number), employment, education, occupation, or assets and income from applications and other forms from you, your employer and others; • your policy coverage, claims, premiums, and payment history from your dealings with Us, Our Affiliates, or others; • your financial history from other insurance companies, financial organizations, or consumer reporting agencies, including but not limited to payment card numbers, bank account or other financial account numbers and account details, credit history and credit scores, assets and income and other financial information, or your medical history and records. <p>Personal information does not include:</p> <ul style="list-style-type: none"> • publicly-available information from government records; • de-identified or aggregated consumer information. <p>When you are no longer Our customer, We continue to share your information as described in this Notice as required by law.</p>
How?	All insurance companies need to share customers' personal information to run their everyday business. In the section below, We list the reasons financial companies can share their customers' personal information; the reasons We choose to share; and whether you can limit this sharing. We restrict access to your personal information to those individuals, such as Our employees and agents, who provide you with insurance products and services. We may disclose your personal information to Our Affiliates and Nonaffiliates (1) to process your transaction with Us, for instance, to determine eligibility for coverage, to process claims, or to prevent fraud, or (2) with your written authorization, or (3) otherwise as permitted by law. We do not disclose any of your personal information, as Our customer or former customer, except as described in this Notice.

Reasons We can share your personal information	Do We share?	Can you limit this sharing?
For Our everyday business purposes and as required by law – such as to process your transactions, maintain your account(s), respond to court orders and legal/regulatory investigations, to prevent fraud, or report to credit bureaus	Yes	No
For Our marketing purposes – to offer Our products and services to you	Yes	No
For Joint Marketing with other financial companies	Yes	No
For Our Affiliates' everyday business purposes – information about your transactions and experiences	Yes	No
For Our Affiliates' everyday business purposes – information about your creditworthiness	No	We don't share
For Our Affiliates to market you	No	We don't share
For Nonaffiliates to market you	No	We don't share
Questions? Call (888) 560-4671 or email privacy@markel.com		

Who We are	
Who is providing this Notice?	A list of Our companies is located at the end of this Notice.

What We do	
How do We protect your personal information?	We maintain reasonable physical, electronic, and procedural safeguards to protect your personal information and to comply with applicable regulatory standards. For more information, visit www.markel.com/privacy-policy .
How do We collect your personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none"> • complete an application or other form for insurance • perform transactions with Us, Our Affiliates, or others • file an insurance claim or provide account information • use your credit or debit card We also collect your personal information from others, such as consumer reporting agencies that provide Us with information such as credit information, driving records, and claim histories.
Why can't you limit all sharing of your personal information?	Federal law gives you the right to limit only <ul style="list-style-type: none"> • sharing for Affiliates' everyday business purposes – information about your creditworthiness • Affiliates from using your information to market to you • sharing for Nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing. See the Other Important Information section of this Notice for more on your rights under state law.

Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • Our Affiliates include member companies of Markel Group.
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • Nonaffiliates that We can share with can include financial services companies such as insurance agencies or brokers, claims adjusters, reinsurers, and auditors, state insurance officials, law enforcement, and others as permitted by law.
Joint Marketing	<p>A formal agreement between Nonaffiliated companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • Our Joint Marketing providers can include entities providing a service or product that could allow Us to provide a broader selection of insurance products to you.

Other Important Information
<p>For Residents of AZ, CT, GA, IL, ME, MA, MN, MT, NV, NJ, NC, OH, OR, and VA: Under state law, under certain circumstances you have the right to access and request correction, amendment or deletion of personal information that We have collected from or about you. To do so, contact your agent, visit www.markel.com/privacy-policy, call (888) 560-4671, or write to Markel Corporation Privacy Office, 4521 Highwoods Parkway, Glen Allen, VA 23060. We may charge a reasonable fee to cover the costs of providing this information. We will let you know what actions We take. If you do not agree with Our actions, you may send Us a statement.</p>
<p>For Residents of CA: You have the right to review, make corrections, or delete your recorded personal information contained in Our files. To do so, contact your agent, visit www.markel.com/privacy-policy, call (888) 560-4671, or write to Markel Corporation Privacy Office, 4521 Highwoods Parkway, Glen Allen, VA 23060. We do not and will not sell your personal information. For the categories of personal information We have collected from consumers within the last 12 months, please visit: www.markel.com/privacy-policy.</p>
<p>For Residents of MA and ME: You may ask, in writing, for specific reason, for an adverse underwriting decision.</p>
<p>Markel Group of Companies Providing This Notice: City National Insurance Company, Essentia Insurance Company, Evanston Insurance Company, FirstComp Insurance Company, Independent Specialty Insurance Company, National Specialty Insurance Company, Markel Bermuda Limited, Markel American Insurance Company, Markel Global Reinsurance Company, Markel Insurance Company, Markel International Insurance Company Limited, Markel Service, Incorporated, Markel West, Inc. (d/b/a in CA as Markel West Insurance Services), Pinnacle National Insurance Company, State National Insurance Company, Inc., Superior Specialty Insurance Company, SureTec Agency Services, Inc. (d/b/a in CA as SureTec Agency Insurance Services), SureTec Indemnity Company, SureTec Insurance Company, United Specialty Insurance Company, Inc.</p>

TOWING SERVICES AND SERVICE POLICY

This Agreement is applicable throughout the United States, Bahamas, Canada, and reimbursement worldwide. Boat Fix, Inc. (“Boat Fix”) call centers are maintained by Boat Fix twenty-four (24) hours a day, seven (7) days a week, including holidays, and within the safe parameters of Boat Fix’s abilities.

ARTICLE I - DEFINITIONS

1.1 “**Agreement**” means this Agreement between Buoy and the Customer for Towing Services.

1.2 “**Covered Vessel**” means a registered or documented vessel that is used for traveling on water in which the Customer has purchased Towing Services coverage for.

1.3 “**Customer**” means a person who has rented a Covered Vessel, and has purchased Towing Services for the Covered Vessel.

1.4 “**Customer Information**” means information regarding any Customer, including, without limitation, names, addresses, telephone numbers, insurance coverage, insurance policy expiration dates and times, and the description or location of Covered Vessels or other covered property.

1.5 “**Disablement**” means any non-emergency failure of a Covered Vessel’s ability to navigate, including, but not limited to mechanical or electrical breakdown, battery failure, insufficient supply of fuel, oil, water, or other fluid, lock-out, soft grounding and line entanglement.

1.6 “**Marine Assistance**” means the dispatch of a third party Marine Service Provider, who shall be responsible to provide non-emergency services only, to assist the Covered Vessel to reach the nearest safe port by the Covered Vessel’s own power or by tow, which shall be rendered only as a result of Disablement. Marine Assistance does not include salvage, medical or life-saving efforts, firefighting, pollution control or remediation, or towage or other services to be rendered in an environmentally sensitive area or situation in which any form of protected marine life may be threatened by such Marine Assistance.

1.7 “**Marine Salvage**” means any service rendered to a Covered Vessel in “peril” as defined by the general maritime law, including but not limited to vessels: grounded (except Soft Groundings), stranded, flooding, taking on water, on fire, sinking, or otherwise in danger of being lost or severely damaged as a result of its peril. Whether Watercraft Assistance rises to the level of Marine Salvage shall be determined in the sole discretion of the Marine Service Provider.

1.8 “**Policy**” means an insurance policy issued by Buoy that provides Marine Assistance coverage.

1.9 “**Reimbursement**” means repayment for the Customer’s direct payment to the Marine Service Provider for Marine Assistance.

1.10 “**Restricted Use Dock**” means a dock from which the Customer must move immediately, including, but not limited to, fuel docks, restaurant docks, and docks without overnight facilities.

1.11 “**Services**” means the Marine Assistance and Uncovered Dispatch performed by Boat Fix under this Agreement and Reimbursement performed by Buoy under this Agreement.

1.12 “**Marine Services Provider**” means any independent third-party marine towing and salvage contractor person or entity, other than Boat Fix, dispatched by Boat Fix to provide Marine Assistance.

1.13 “**Soft Grounding**” means the Covered Vessel’s hull is touching the sea bottom but is in a stable, safe condition; it is not in dangerous surf or a dangerous surf line; is surrounded by water on all sides; can be rocked; can be refloated upon initial arrival or at the next high tide, in fifteen (15) minutes or less, by one (1) vessel from a Marine Service Provider; and is not in an environmentally sensitive area in which rendering un-grounding assistance may cause harm to marine life or vegetation. Whether a Covered Vessel is in a Soft Grounding situation shall be determined in the sole discretion of the Marine Service Provider.

1.14 “**Successful Mechanical Hotline Service**” means assisting the Covered Vessel to get underway under its own propulsion without requiring the services of a Marine Services Provider or otherwise where the Customer can cure the Covered Vessel’s Disablement without the services of a Marine Services Provider.

1.15 “**Towing Service**” means Successful Mechanical Hotline Service, Marine Assistance for Covered Vessels, and Uncovered Dispatch.

1.16 “**Towing Service Area**” means the area in which each Marine Service Provider will provide Services. Each Marine Service Provider has a minimum 25 mile offshore service area. In Northern California and the Pacific Northwest, Marine Service Providers have a minimum 30 mile offshore service area. In Southern California, Marine Service Providers have a minimum 40 mile offshore service area.

1.17 **“Uncovered Dispatch”** means an offer by Boat Fix to the caller or Customer to dispatch a Marine Service Provider where Marine Assistance coverage is unavailable or in question and the Customer or caller pays the Marine Service Provider directly.

ARTICLE II - ASSISTANCE INCLUDED

2.1 **Marine Assistance Privileges Included.** Marine Assistance privileges include Reimbursement of the cost to tow the Covered Vessel from any dock or mooring to the Customer’s port of choice not to exceed a total towing distance of 25 miles. Marine Assistance includes Reimbursement up to 50% of the cost to tow the Covered Vessel from an unrestricted use dock or mooring, i.e. home docks or marinas, for the purpose of repairs. Watercraft Assistance applies to any recreational boat owned, borrowed or chartered by the Customer and includes 24 hour towing dispatch service. Marine Assistance privileges also include:

- a. Reimbursement for towing the Customer’s disabled Covered Vessel from the point of breakdown at sea to port of choice;
- b. At sea battery jump starts;
- c. Delivery of fuel, engine fluids and basic engine parts to avoid a tow, subject to availability;
- d. Soft Ungrounding assistance;
- e. Towing the disabled Covered Vessel immediately after breakdown from a Restricted Use Dock to the Customer’s home dock or repair facility.

2.2 **Marine Assistance Availability.** Marine Assistance privileges are available for non-emergency Services only. Marine Assistance is provided for when the Covered Vessel experiences Disablement and is towed within the Towing Service Area.

2.3 **Successful Mechanical Hotline.** When the Customer can cure the Covered Vessel’s Disablement without the services of a Marine Services Provider, in a safe and reasonable manner, using the expertise of Boat Fix’s mechanical hotline, the Customer shall cure the Covered Vessel’s Disablement.

ARTICLE III - RESTRICTIONS

3.1 **Per Incident Restriction.** Marine Assistance applies per incident. An incident is an event or series of events arising from the same breakdown. The Customer is responsible to pay for expenses incurred in excess of Towing Service active at the time of breakdown or Soft Grounding.

3.2 **Marine Service Provider Unavailable.** For non-emergency Marine Assistance when a Marine Service Provider is not available, Customer must contact Boat Fix prior to accepting Marine Assistance from a Marine Service Provider. Upon authorization, Customer is eligible for Marine Assistance up to \$125 per hour from breakdown location to the nearest repair facility and Soft Ungrounding up to \$10 per foot of Covered Vessel length, up to \$2,500. If a Marine Service Provider is unavailable, Boat Fix will contact a government agency. To receive reimbursement consideration, an invoice must be sent to Buoy within ninety (90) days of the incident.

3.3 **Emergency Situation.** In an emergency situation, the Customer must contact the Coast Guard or a government agency immediately. This Marine Assistance Agreement is not a promise of rescue and is restricted to paid Services which can be provided with equipment immediately available to the Marine Service Provider. Marine Assistance will be provided during normal boating season and within the safe parameters of the Marine Service Provider's capabilities, but will not be rendered when the disabled vessel cannot be safely or reasonably reached or secured and/or properly serviced without damage or danger to either vessel or persons. This Marine Assistance Agreement is not an insurance policy and does not provide for liability or damages arising out of injury to persons, boats or property and may not be transferred or assigned to another party.

3.4 **Personal Injury.** Buoy and/or Boat Fix shall not be liable to a Customer for any personal injury, death, loss, or damage when attempting to cure the Covered Vessel's Disablement pursuant to Section 2.3 of this Agreement.

ARTICLE IV - EXCLUSIONS

4.1 **Exclusions to Marine Assistance.** This Marine Assistance Agreement becomes effective at the start of the paid rental period upon the beginning of the rental, and DOES NOT APPLY TO:

- a. pre-existing conditions, including but not restricted to, towing after disabled vessel is pushed away from dock or mooring;
- b. battery jump starts, dive service, and fuel delivery at a dock;
- c. towing from a repair or storage facility, for seasonal haul out or routine maintenance, or for storm preparation;
- d. Marine Salvage, including but not restricted to hard groundings, or assistance requiring more than one vessel, pumps, divers, airbags or other special equipment;
- e. the cost of fuel or supplies, including, but not limited to, engine fluids and basic engine parts to avoid a tow;
- f. charges for escort, navigation assistance, search for lost vessels, retrieving anchors or other equipment;
- g. charges to repair, haul, launch, commission, decommission, moor, dock or other marina charges;

- h. U.S. or Foreign Customs Fees;
- i. when Customer is a guest or paid captain on any Covered Vessel;
- j. any Covered Vessel used for commercial purposes;
- k. paid services being paid for by another company.

4.2 **Care and Diligence Required.** The Customer is required to use care and diligence in the operation and maintenance of the Covered Vessel. Buoy may, at its sole discretion, withdraw an individual Customer's Marine Assistance coverage for abuses, including excessive use.

ARTICLE V - CUSTOMER INFORMATION

5.1 **Customer Information.** By purchasing Towing Services pursuant to this Agreement, the Customer agrees that Buoy, Boat Fix, and their affiliates are authorized to use Customer Information to determine the status of the Customer's Towing Services status.