

MARINE LEGAL LIABILITY

MARINA OPERATOR'S LEGAL LIABILITY

1. In consideration of the payment of premium and subject to the limits of liability, exclusions, conditions and other terms of this policy, this Company agrees to pay on behalf of the Insured, all sums which the Insured shall become legally liable to pay for loss of or damage to watercraft, their motors and other property on board belonging to others, while in the care, custody or control of the insured at the premises scheduled in Clause #2 for any of the operations marked below.

- A. Repair, alterations, maintenance or miscellaneous servicing;
 B. Storage;
 C. Mooring at slips, spaces or buoys rented by the Insured;
 D. Hauling out or launching;
 E. Fueling

2. This Company shall be liable in respect of covered operations only at the following premises, including adjacent moorings and while being shifted or moved by land or water within twenty-five miles of such premises in connection with covered operations:

As listed on the Declarations Page

3. This Company shall be liable only for the excess over and above the amount shown as the Deductible in the Declarations of claims, including legal expenses, under all operations covered by this policy arising out of any one loss, accident or occurrence. The maximum liability arising out of any one loss, accident or occurrence at any scheduled premises shall not exceed the amount of limit shown in the Declarations, including legal expenses.
4. The insured, by the acceptance of this policy, warrants and agrees to keep a complete and accurate record of all gross charges for operations covered by this policy, which record shall be open to examination by representatives of this Company at all times during business hours, and further agrees to make an annual report thereof (collected and uncollected charges) to this Company within thirty (30) days after the expiration of this policy. The earned premium hereunder to be computed thereon at the following rate on Gross Charges: The rate shown in the Declarations.
5. This policy is issued in consideration of a Deposit Premium as shown in the Declarations and the earned premium, as computed in Clause #4 shall be applied against the Deposit Premium. Earned premium in excess of the Deposit Premium to be immediately due and payable to this Company. Any unearned premium, being the amount by which the Deposit Premium exceeds the earned premium, shall be refunded.

It is, however, hereby agreed that except in the event of cancellation of this policy by this Company, the minimum premium hereunder shall be the amount shown in the Declarations.

6. Notwithstanding the foregoing, it is hereby expressly understood and agreed that this policy does not cover against nor shall any liability attach hereunder for:

- (a) Death or personal injury;
- (b) Liability assumed under contract or otherwise in extension of the liability imposed upon the Insured by law;
- (c) Loss due to infidelity or any act of a dishonest character on the part of the Insured or their subcontractors or employees;
- (d) Loss of or damage to property held for sale;
- (e) Loss of or damage to property owned or leased by the Insured;
- (f) Loss, damage or expense which may be recoverable under any other insurance inuring to the benefit of the Insured except as to any excess over and above the amount recoverable thereunder;
- (g) Damage to covered property, which occurred while in the care, custody or control of the Insured, unless discovered by the owner within sixty days of delivery of the property to the owner;
- (h) Costs or expenses to make good faulty workmanship, material or design caused or provided by the Insured;
- (i) Loss, damage or expense directly caused by any electrically operated motor and/or device when utilized on board any vessel in connection with gas freeing operations, including stripping, blowing and similar activities;
- (j) Loss, damage or expense directly caused by corrosion, rust, dampness of atmosphere, freezing or extremes of temperature;
- (k) Loss, damage or expense caused by or resulting from:
 - (1) hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack;
 - (a) by any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces; or
 - (b) by military, naval or air forces; or
 - (c) by any agent of any such government, power, authority or forces;
 - (2) any weapon of war employing atomic fission or radioactive force whether in time of peace or war,
 - (3) insurrection rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence, seizure or destruction under quarantine or customs regulations, confiscation by order of any government or public authority;
- (l) Nuclear incident, reaction, radiation or any radioactive contamination, whether controlled or uncontrolled, and whether the loss, damage, liability or expense be proximately or remotely caused thereby, or be in whole or in part caused by, contributed to, or aggravated by the risks and liabilities insured under this Policy, and whether based on the insured's negligence or otherwise.

7. This Company agrees to indemnify the Insured to the extent of this policy's proportion of legal costs or fees or expenses of counsel occasioned by the defense of any claim against the Insured for any liability or alleged liability of the Insured covered by this policy, provided that such costs, fees or expenses are incurred with the prior written consent of this Company. The Company shall have the option of naming attorneys to represent the Insured in the defense of any claim insured hereunder made against the Insured, and this Company may exercise exclusive direction and control of the said defense. The Insured shall cooperate with this Company and shall not assume any obligation, admit any liability, or incur any expense for which this Company may be liable, without prior written approval.
8. It is further stipulated and is a consideration for this insurance that in the event of any occurrence which may result in loss, damage and/or expense, for which this Company is or may become liable under this insurance, notice thereof shall be given to this Company as soon as practicable, and further, that any and every process, pleading and paper of any kind relating to such occurrence shall be forwarded promptly to this Company.
9. In respect of any accident or occurrence likely to give rise to a claim under this insurance, the Insured is obligated to and shall take such steps to protect its (and this Company's) interests as would reasonably be taken in absence of this or similar insurance.
10. It is expressly understood and agreed that no liability shall attach under this insurance until the liability of the insured has been determined by final judgment against the insured or by agreement between the Insured and the Claimant with the written consent of this Company. In the event the Insured shall fail or refuse to settle any claim, as authorized by this Company, the liability of this Company to the Insured shall be limited to the amount for which settlement could have been made.
11. Whenever required by this Company, the Insured shall aid in securing information, evidence, obtaining of witnesses, and cooperate with this Company in all matters which this Company may deem necessary in the defense of any claim or suit or appeal from any judgment in respect of any occurrence as hereinbefore provided.
12. In the event of any accident, loss, damage or injury for which claim may be made under this policy, the Insured agrees to subrogate to this Company all rights which the Insured may have against any other person or entity with respect to said accident, loss or occurrence.
13. This policy may be cancelled by either party on giving the other thirty (30) days notice in writing, except for ten (10) days notice in the event of non-payment of premium. Earned premium to be adjusted in accordance with Clause #5 based on gross charges earned by the Insured up to the effective date of cancellation.

MARINA OPERATOR'S PROTECTION AND INDEMNITY COVERAGE

1. With respect to non-owned watercraft which are being operated by the Insured or his employees in connection with covered operations, this policy is extended to cover such sums as the Insured shall become legally liable to pay on account of:
 - (a) Loss of life of, or bodily injury to any person;
 - (b) Loss of, or damage to, or expense in connection with any fixed or moveable object or property of whatsoever nature;
 - (c) Costs or expenses of, or incidental to, the removal of the wreck of a watercraft when such removal is compulsory by law;
 - (d) Costs and expenses, incurred with this Company's approval, of investigating and/or defending any claim or suit against the Insured arising out of a liability or an alleged liability of the Insured covered above.

2. Notwithstanding the foregoing, this Company will not pay for:
 - (a) Any loss of, damage to or expense in connection with any property owned or leased by the Insured;
 - (b) Any claim arising with respect to any employee of the Insured;
 - (c) Any liability assumed by the Insured beyond that imposed by law.