

## BOAT AND MOTOR FLOATER BM1

If the Declaration Page indicates BM1, we insure:

1. the boat(s) described in the Declaration Page including its permanently attached equipment (except outboard motors) as well as oars, anchors, seat cushions, auxiliary fuel tanks, tarpaulins and fire extinguishers all pertaining to the above boat(s);
2. the motor(s) described in the Declaration Page including fuel containers and electric starting equipment or controls supplied as integral equipment by the manufacturer;
3. the boat trailers(s) described in the Declaration Page;
4. boat and motor accessories described in the Declaration Page and not included in (1) or (2) above.

### Insured Perils

If the Declaration Page indicates the **LIMITED FORM** is chosen, you are insured against loss or damage to the insured property directly caused by the following perils;

1. Fire, lightning or explosion;
2. Theft of the entire boat and/or motor including, if stolen therewith, property described as equipment in the Schedule of Property Insured;
3. Collision while afloat with any other vessel or object but, excluding loss or damage directly or indirectly caused by windstorm or flood, unless the boat is occupied at the time of loss or damage. Contact with the river, lake or sea bed shall not be considered to be a collision;
4. Impact by any vehicle or aircraft or object falling therefrom;
5. The collision, derailment or overturn of any land conveyance on which the insured property is being transported.

If the Declaration Page indicates the **ALL RISK FORM** is chosen, you are insured against all risks of direct physical loss or damage from any external cause.

*Both the LIMITED and ALL RISKS forms are subject to the exclusions, terms and conditions set out below.*

### Loss or Damage Not Insured

*We do not insure:*

1. any property illegally acquired, imported, kept, stored or transported;
2. any property lawfully seized or confiscated unless the property is destroyed to prevent the spread of fire;
3. loss or damage to electrical apparatus caused by electricity other than lightning. If fire ensues, we will pay for the damage caused by the fire;
4. any property used outside the territorial limits described.

*We do not insure loss or damage caused by or resulting from:*

5. wear and tear, gradual deterioration (including damage by marine life), mechanical defects or breakdown, scratching, denting, chipping, electrolysis, rust, corrosion, dampness or dryness of atmosphere or weathering;

6. birds, vermin, rodents or insects;
7. any work done on the property. If fire or explosion ensues, we will pay for the damage caused by fire or explosion;
8. ice, freezing or extremes of temperature;
9. dishonesty of persons to whom the insured property is entrusted, except carriers for hire;
10. any intentional or criminal act or failure to act by:
  - a) any person insured under this form, or;
  - b) any other person at the direction of any person insured under this form;
11. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
12. any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive materials;
13. the inability of the operator to maintain proper control of the watercraft while under the influence of intoxicating substances;
14. We do not insure any property while it is:
  - a) rented or leased to others;
  - b) used to carry passengers for compensation, or;
  - c) being operated in any race or speed contest.

We will pay up to the full cost of repairing or replacing your boating equipment (whichever is less), but not more than the lesser of the Amount of Insurance shown on the Declaration Page or the actual cash value of the equipment. We have the right to replace any lost or damaged item with one of equal quality and value in case of loss or destruction.

**Actual Cash Value:** The actual cash value will take into account such things as the cost of replacement less any depreciation and in determining depreciation we will consider the condition immediately before the damage, the resale value and the normal life expectancy.

**Deductible:** We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Declaration Page in any one occurrence.

**Newly acquired equipment:** If you acquire any additional watercraft, outboard motors, trailers or miscellaneous equipment while this coverage is in effect, we will automatically insure it provided you tell us within 30 days of acquisition. We'll adjust your premium on a pro-rata basis from the date of the acquisition. Under this extension, we won't pay more than \$5,000 for the loss or damage of any boating equipment you acquire.

Any loss or damage shall not reduce the amounts of insurance provided by this coverage. If, following the payment of a claim, you acquire any articles to replace those which were lost or damaged, you must tell us within 30 days of acquisition.

**Territorial Limits:** The insurance covers only within the limits of Canada and Continental United States unless otherwise endorsed hereon.

**Minimum Retained Premium:** The premium charged is deemed to be the minimum retained premium. All statutory and additional conditions of the policy apply to this coverage.