

Form # GRC-3 – Rev. April 14, 2014

Guaranteed Replacement Cost Enhancement

In consideration of the additional premium levied and collected, the following coverage enhancement is hereby extended:

In the event of a total loss, or where a constructive total loss has been declared by us, we agree to indemnify you for the cost to replace the insured vessel with a new vessel of the same make and model, regardless of policy limit(s) shown on the Declarations page(s), subject to the following conditions:

- i) the *Insured Vessel* is not older than 3 years of age from the purchase date; and
- ii) the *Insured Vessel* was purchased and delivered to you in the same year as the model year; and
- iii) you are the original owner of the *Insured Vessel*; and
- iv) the *Insured Vessel* has been replaced by you with a new vessel of same make, model, and equipment within 15 days of *our* offer of settlement.

The amount paid will be limited to the limit of insurance shown on the Declarations page(s) if:

- An acceptable replacement is available and you have not accepted our final settlement in writing within 15 days of offer; or
- The same make and model is no longer available; or
- You choose to replace the vessel with a different make or model; or
- You have chosen not acquire another vessel.

If the *Insured Vessel* is older than 3 years of age from the purchase date, refer to the Basis of Claim Payment section of the Policy Agreement for applicable policy language.

Age, as used in this endorsement, is calculated by subtracting the model year from the calendar year at the time of loss, and adding one (1) to the result.

All other terms and conditions of the Policy Agreement, attached Endorsements, Warranties and Clauses remain unchanged.