

Form #MOL803 (Rev. May 8, 2013)
Marina Operators Legal Liability

It is understood and agreed that the coverage provided under this Form applies only to the Insured's operations as a Marina Operator and related activities.

THIS FORM ONLY APPLIES IF INDICATED COVERED AND LIMITS SHOWN ON THE DECLARATIONS PAGE(S).
THIS FORM IS ATTACHED TO AND MUST BE READ TOGETHER WITH THE COMMERCIAL GENERAL LIABILITY POLICY.

1 GROSS CHARGES

Gross charges shall be defined as total charges (collected or uncollected) made by the Insured as Marina Operators during the period of this insurance.

2 COVERAGE

This Form covers the legal liability of the Insured, while in the course of operating as a Marina Operator, for:

- (i) Loss of or damage to any vessel or craft which is in the care, custody or control of the Insured carrying out their duties as Marina Operators including shifting and moving within the limits of the Marina, not exceeding 300 miles from the marina or at a destination and distance approved and endorsed by the underwriter.
- (ii) Loss of or damage to cargo of or other things on or discharged from any of the vessels or crafts referred to in (i).
- (iii) Loss of or damage to machinery or equipment of any vessel or craft, whilst such machinery or equipment is removed from such vessel or craft and is in the care, custody or control of the Insured.
- (iv) Damages resulting from:
 - (a) Loss of or damage to property other than vessels or crafts and properties (ii) or (iii) above;
 - (b) Loss of life or bodily injury to persons.
- (v) Removal of wreck

This Form only applies to such liability that results from negligence of the Insured, his servants, agents or sub-contractors occurring during the policy period.

3 LIMIT OF LIABILITY

The liability of the Insurer under this Form is limited, notwithstanding the number of Insureds involved, for each loss, to the amount stated in the Declarations as each loss. Subject to the previous paragraph for each loss, the liability of the Insurer is limited to the amount stated in the Declarations as all losses, for the total of all losses during a policy period and this notwithstanding the number of Insureds involved.

If the same, related or continuous Occurrence result in Claims which occur during more than one Policy Period, it shall be deemed that all such Claims have occurred during the Policy Period of the first applicable Commercial General Liability Policy in chronological order.

The limit of liability under this Endorsement is subject to and limited by Item 2 of SECTION IV – LIMITS OF INSURANCE. Any loss paid under this Form shall reduce the General Aggregate Limit shown on the Declarations.

4 DEDUCTIBLE

The deductible amount stated in the Declarations shall be deducted from the amount of each loss covered under the terms of this Form, and the Insurer shall be liable for loss only in excess of that amount.

5 COSTS

- (i) In respect of any claim which may become the subject of indemnity hereunder, this insurance shall also cover [subject to Item 3 above]
 - (a) costs, charges and expenses which the Insured may, with the written consent of the Insurer herein, incur and
 - (b) costs awarded against the Insured.In the event of this insurance being one layer of a series of layers of insurance, the amount recoverable hereunder in respect of such costs, charges and expenses shall not exceed the proportion of such costs, charges and expenses that the damages recoverable under this insurance bear to the total amount of damages arising from such claims or proceedings.
- (ii) In cases where: -
 - (a) the parties claiming against the Insured fail in or withdraw their action, or
 - (b) the amount of any compromise or award is such that there is no claim hereon or the claim hereon is less than the amount stated on any undertaking or formal notice under the Claim Control Conditions hereof.

The lawyers having the conduct of the investigation and defense shall apportion the costs, charges and expenses incurred on an equitable basis between the parties concerned including the Insured and Insurer (if any) concerned on other layers, having due regard to the amount of the claim, the amount of any award or settlement and the amounts severally at risk by the parties concerned, taking into account also any undertaking or formal notice given by any of the interested parties as to the conduct of the defense and any settlement. In the event of any disagreement with the apportionment, the matter shall be referred to arbitration by an independent arbitrator to be agreed between the parties concerned.

6 EXCLUSIONS

Notwithstanding anything contained herein to the contrary, this Form shall not cover any liability: -

- i. for property
 - (a) owned by used by or leased to the Insured;
 - (b) in the care, custody or control of the Insured (other than property referred to in Item.2 (i), (ii) or (iii) above;
- ii. being collision liability, towers liability or liability arising out of the navigation of any vessel or craft owned or operated by the Insured or any affiliated or subsidiary concern or party; however nothing in this clause shall be deemed to exclude coverage of any vessel or craft in the care, custody or control, for moorage and storage purposes only, of the Insured or any affiliated or subsidiary concern or party but not owned by them or any of them, against collision liability, towers liability or liability arising out of the navigation of such vessel or craft whilst shifting and moving within the marina and its immediate vicinity, where such liability results from negligence of the Insured his servants, agents, sub-contractors or any affiliated or subsidiary concern or party;
- iii. in respect of or arising in connection with an oil tank vessel or craft, or any vessel or craft previously engaged in carrying explosive or inflammable liquids or gases or arising in connection with work on or near any fuel tank or pipeline of an oil burning vessel or craft unless the rules, regulations and requirements of the port or governmental authorities at the place where the work is being carried out have been complied with. Should a gas

free certificate not be required by the port or governmental authorities then such a certificate must be obtained from a chemist approved by Lloyd's Agent prior to the commencement of work;

- iv. in respect of or arising in connection with any new vessel or craft being built by the Insured;
- v. for payments under penalty clauses, detention, demurrage, loss of time, loss of freight, loss of charter, loss of market or any other consequential loss whatsoever in respect of property referred to in Item 2 (i), (ii) and (iii) above;
- vi. for any claim arising directly or indirectly under Worker's Compensation or Employer's Liability Acts or any other Statutory or Common Law Liability in respect of loss of life or, bodily injury to or illness of any workman or other person employed in any capacity whatsoever by the Assured, his agents or sub-contractors when such loss of life, bodily injury or illness arises out of or in the course of the employment of such workman or other person;
- vii. arising from the existence, maintenance, or use of:-
 - (a) any licensed truck, automobile or other mechanically propelled vehicle;
 - (b) any unlicensed truck, automobile or other mechanically propelled vehicle outside the premises or yard of the Insured;
- viii. which is or but for the existence of this insurance would be covered under any other indemnity or insurance insuring to the benefit of the Assured, except for any excess of the amount which would be recoverable under such other indemnity or insurance had this insurance not been effected, but only to the extent that the excess amount is covered by this insurance;
- ix. arising from any strike, lock-out, labor disturbance, riot, civil commotion or act of any person taking part in any such occurrence, or from any act of any person acting maliciously
- x. a) Notwithstanding any provision to the contrary within this Policy or any Form or endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
 - 1. war, invasion, act of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
 - 2. any act of terrorism.

For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This exclusion also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to 1 and/or 2 above.

If the Insurer allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of providing the contrary shall be upon the Insured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

b) This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith

In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter 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 purposes any chemical, biological, bio-chemical, or electromagnetic weapon.

- xi. any liability assumed by the Insured beyond that imposed by law; provided, however, that if by agreement, or otherwise, the Insured's legal liability is lessened then Insurer hereon shall receive the benefit of such lessened liability.

7 GENERAL CONDITIONS

7.1 CLAIM CONTROL

Insurer shall at any time be entitled (but not obliged) to control or take over the conduct of the investigation, defense and settlement of any claim suit or proceeding against the Insured which is or is likely to be the subject of indemnity under this Form.

In the event of this insurance being one layer of a series of layers of insurance and more than one layer being likely to be involved in a particular occurrence, the Insured shall endeavor to obtain the agreement of the insurers of each affected layer as to the manner in which such control or taking over shall be effected and the costs, charges and expenses incurred borne.

If Insurer hereon consider that a claim made against the Insured should not be contested then Insurer hereon shall be entitled at any time to give an undertaking to the Insured to indemnify him for a sum equivalent to the limit of liability stipulated in Item 3 above or such lesser sum as would have been payable under this insurance had the claim been settled at the time. Thereupon Insurer hereon shall relinquish any control and conduct of the investigation or defense of the claim and shall thereafter have no further liability in respect of the claim for costs, charges or expenses incurred subsequent to the giving of the undertaking. Where, however, the claim hereon is thereafter settled for a sum less than the amount referred to above, costs, charges and expenses shall be apportioned in accordance with Item 5 (ii) above.

In the event of this insurance being one layer of a series of layers of insurance, then if Insurer hereon wish to exercise their rights under this condition and at such time the insurers of another layer or layers reject the settlement then possible, Insurer hereon shall be entitled to give formal notice to the Assured that they consider the claim should be settled at that time. Thereafter Insurer hereon shall have no liability for any costs, charges or expenses incurred subsequent to the giving of such notice. Where however the claims hereon is thereafter settled for a sum less than the amount at which it was capable of being settled at the date when such notice was given, costs, charges and expenses shall be apportioned in accordance with Item 5.(ii) above.

EXCEPT AS OTHERWISE PROVIDED IN THIS FORM, ALL TERMS, PROVISIONS AND CONDITIONS OF THE POLICY SHALL HAVE FULL FORCE AND EFFECT.