

Form #OB802 (Rev. May 8, 2013)

Owned Boats or Rental Boats Insurance – Hull and Protection & Indemnity

THIS COVERAGE APPLIES TO “OWNED BOATS” ONLY IF “OWNED BOATS” INDICATED COVERED AND LIMITS SHOWN ON THE DECLARATIONS PAGE(S).

THIS COVERAGE APPLIES TO “RENTAL BOATS” ONLY IF “RENTAL BOATS” INDICATED COVERED AND LIMITS SHOWN ON THE DECLARATIONS PAGE(S).

DEFINITIONS

- 1.1 **“Bodily Injury”** means bodily injury, mental anguish, sickness or disease sustained by a person, including death resulting from any of these at any time.
- 1.2 **“Declarations Page(s)”** means the Declarations Page(s) applicable to this Policy form.
- 1.3 **“Insured”** shall mean the Named Insured on the Declaration Page(s).
- 1.4 **“Insurer”** shall mean the Underwriters identified on the Declaration Page(s).
- 1.5 **“Occurrence”** means one loss or accident, including continuous or repeated exposure to substantially the same distinct harmful conditions during the policy period, which results in bodily injury or direct physical tangible loss to the Insured Property. Conditions lasting longer than 72 hours will be deemed as more than one occurrence.
- 1.6 **“Owned Boats”** shall mean vessels owned by the Insured and used as a work boat or for the Insured’s business purposes but shall not include Rental Boats and any vessel that could be insured by a Boat Dealer’s Inventory Insurance Policy.
- 1.7 **“Policy Period”** means the Policy period set out on the Declarations Page(s), or as may be terminated earlier pursuant to the Policy.
- 1.8 **“Pollutants”** means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to fuel, diesel, oil, smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 1.9 **“Property Damage”** means:
- (a) Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the Occurrence that caused it; or
 - (b) Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the Occurrence that caused it. For the purposes of this insurance, “Electronic Data” is not tangible property. As used in this definition, “Electronic Data” means information, facts or programs stored as or on, created or used on or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
- 1.10 **“Rental Boats”** shall mean Vessels owned by the Insured and rented to the public for private pleasure use.

WARRANTIES

2.1 Strict Compliance

The Insured must strictly comply with the warranties and if any warranties are breached coverage will be automatically terminated from the time of such breach even if the violation did not cause the loss. Subsequent correction of the breach will not reinstate coverage.

2.2 Warranties for Owned Boats

It is warranted that:

- (a) The Insured or a competent officer, director, employee, or member of the Insured will always be on board and in charge of the navigation of the Vessel;
- (b) The person navigating the Vessel must also be in compliance with all government regulations and licensing requirements with respect to operating the Vessel.
- (c) Navigation of the Insured Property must occur within 40 kilometres of the Insured’s Location(s) specified on the Declaration Pages(s).
- (d) The Insured will at all times comply with Federal, Provincial, and local rules and regulations pertaining to the carrying of passengers if that occurs.
- (e) The Insured Property will be kept in a seaworthy condition whenever afloat.
- (f) The Insured Property will not be used in any illegal or criminal activity.
- (g) The Insured Property will be laid up as may be specified on the Declaration Page(s);
- (h) Any additional Warranties included on the Declaration Page(s).

2.3 Warranties for Rental Boats

It is warranted that:

- (a) The Insured shall not rent any Vessel to any individual under the age of 19 years old;
- (b) The Insured will obtain a signed rental agreement including a waiver of liability signed by each passenger and a requirement that all passengers wear life jackets while aboard the Vessel from the renters of any Vessel prior to the rental;
- (c) The Insured will obtain a properly completed Boat Rental Safety Checklist consistent with that recommended by Transport Canada from the renter and all operators of any Vessel prior to the rental;
- (d) Any person navigating the Vessel must comply with all government regulations and licensing requirements with respect to operating the Vessel.
- (e) Navigation of the Insured Property must occur within 40 kilometres of the Insured’s Location(s) specified on the Declarations Pages(s);
- (f) The Insured will at all times comply with Federal, Provincial, and local rules and regulations pertaining to the carrying of passengers when Insured Property is being navigated;
- (g) The Insured Property will be kept in a seaworthy condition whenever afloat;
- (h) The Insured Property will not be used in any illegal or criminal activity;
- (i) The Insured Property will be laid up as may be specified on the Declarations Page(s);
- (j) Any additional Warranties included on the Declarations Page(s);
- (k) Notwithstanding any other territorial limit in this Policy, Rental Boats are not permitted to navigate waters in the United States; and
- (l) Rentals of any Vessel shall be for private pleasure purposes of the renter only.

HULL INSURANCE

3.1 Property That is Covered

This Policy covers the Owned Boats and/or Rental Boats described on the Declaration Page(s) (the “**Vessel**”), and, if also described on the Declaration Page(s), any individual Vessel’s tender, dinghy, life raft, auxiliary motor and trailer (the “**Insured Property**”, which phrase also includes the Vessel). This Policy does not cover more than \$10,000 or 4%, of the value of the Vessel shown on the Declaration Pages(s), whichever is the lesser, for any loss of or damage to the specific Vessel’s tender, dinghy, life raft and auxiliary motor used with such tender or dinghy and any equipment pertaining thereto. This Policy also covers any of the furniture, tackle, or other property of any Vessel being separated and laid up on shore, but not exceeding the amount as stated in the Declarations Page(s) of this Policy and the insured value of that Vessel shall decrease in accordance with the insured value amount of the separated Insured Property

3.2 Perils Insured Against

This Policy covers all risks of direct physical loss or damage from any external cause to the Insured Property except as excluded herein.

3.3 Perils Excluded

This Policy does not cover loss or damage to the Insured Property directly or indirectly caused by or resulting from any of the following:

- (a) a lack of reasonable care in the maintenance or operation of the Insured Property or intentional misuse of it;
- (b) wear and tear, weathering and gradual deterioration, wood rot, inherent vice, insects, marine life and borers, mould, electrolysis, rust, corrosion, dampness of atmosphere, and extremes of temperature;
- (c) theft of any Insured Property, unless coincidental with the theft of an entire Vessel and there is evidence of forcible entry of the premises where the Vessel was kept, except where the Insured Property is trailered in accordance with clause 3.11;
- (d) any latent defect, faulty workmanship or the installation or use of improper or defective materials in the Insured Property unless:
 - (i) none of the Insured nor its employees or agents introduced or created the defect or condition; and
 - (ii) a reasonably thorough prior inspection by the Insured could not have discovered such a defect or condition, and
 - (iii) such defect or condition causes loss not otherwise excluded in this policy then the Insurer shall pay for the resulting damages. In no event shall there be any liability under this Policy for the cost or expense of replacing or repairing any defective or improper part.
- (e) freezing damages unless the Insured Property has been properly Winterized in accordance with industry standards.
- (f) any Occurrence that occurred 12 months or more prior to the date the occurrence was reported to the Insurer.
- (g) any loss, damage or expense to electrical apparatus, including wiring, caused by electricity other than lightning, unless fire ensues and then only for property damage arising by such ensuing fire.
- (h) loss of time or market or damage or deterioration arising from delay, whether such delay be caused by a peril insured against or otherwise.
- (i) loss of or damage to Insured Property leased or sold to others under an instalment plan, conditional sale, mortgage or similar arrangement.

3.4 Sue and Labour

In case of any occurrence it shall be lawful and necessary for the Insured, to sue, labour and travel for, in and about the defence, safeguard and recovery of the Insured Property or any part thereof, without prejudice to this Policy; the charges whereof, the Insurer will pay, but, the Insurer’s liability shall not exceed the Insured Property’s value as agreed to under the Valuation clause. No acts of the Insured or the Insurer in recovering, saving or preserving the Insured Property shall be considered as a waiver of any provisions herein or an acceptance of abandonment.

3.5 Inspection

The Insured must give the Insurer the opportunity to inspect the damages to the Insured Property before repairs are made and if the Insured fails to do so, the Insurer is discharged from paying for those losses.

3.6 Repairs

It is the Insured’s responsibility to authorize repairs to the Insured Property. The Insured must first obtain repair estimates to provide to the Insurer. Repairs are to be made according to customary repair practices and according to repair procedures recommended by the manufacturer. The Insurer will only reimburse the reasonable cost of repairs.

3.7 Patch Repair Clause

Notwithstanding any provision to the contrary within this Policy, if the Insured Property is made of plywood, metal, plastic, vinyl, rubber, fibreglass or other material of a similar nature, in the event of damage covered by this Policy, the Insurer shall only be liable for repairs:

- (a) made by applying suitable patches to the damaged area in accordance with good repair practices, or
 - (b) in an amount not exceeding the cost of making repairs in accordance with any specific and recommended repair specifications of the manufacturers of the property;
- whichever is the lesser.

It is also agreed that the Insurer shall not be liable for the cost or expense of painting or impregnating colour beyond the immediate damaged area or areas. These principles shall also govern in determining whether or not the Insured Property is a constructive total loss

3.8 Constructive Total Loss

No claim for constructive total loss shall be recoverable hereunder unless the expense of recovering and repairing the Insured Property shall exceed the value as agreed to under the Valuation clause and in no case shall the Insurer be liable for unrepaired damage in addition to a subsequent total loss sustained during the period covered by this Policy.

3.9 Valuation

The Insurer shall not be liable under this Policy for more than:

- (a) the Insured’s cost (including freight, and other expenses) on the loss of or damage to any new Insured Property as supported by the Insured’s records which must be disclosed to the Insurer;
- (b) the actual cash value of any used or second-hand Insured Property; or
- (c) the Insured’s liability for any Insured Property consigned to the Insured for sale, but not exceeding its actual cash value; up to, but not exceeding, the Limits shown on the Declarations Page(s).

3.10 Unrepaired Damage

If the damage to the Insured Property is not repaired, then the Insurer will pay the lesser of:

- (a) the Limits shown on the Declarations Page(s) or
- (b) the actual cash value of the damaged parts. That value will not exceed what it would cost to repair the damaged Insured Property with material of like kind and quality.

This Policy will not pay for unrepaired damage in addition to a payment for a subsequent total loss of the Insured Property.

3.11 Trailering

Permission is granted for the Vessel to be trailered within Canada.

Warranted no coverage under this Policy for theft of the Insured Property while the Vessel is on a trailer and the trailer is detached from the towing vehicle unless the following measures are taken:

- (a) the trailer and Insured Property are stored in a locked compound and/or
- (b) the trailer or Vessel is chained and locked to an immoveable object and/or
- (c) other means of security, only if approved by the Insurer in writing in advance.

PROTECTION & INDEMNITY INSURANCE

Add coverage for vessels used or operated by or on behalf of the insured (which are not owned by the Insured)

4.1 Insuring Agreement

The Insurers will reimburse the Insured if the Insured becomes legally liable for, and shall pay, damages arising from the ownership or use of the Insured Property for:

- (a) Bodily Injury or death;
- (b) loss or damage to any other ship or boat or goods, merchandise, freight or other things or interests whatsoever, on board such other ship or boat, caused proximately or otherwise by a Vessel;
- (c) loss or damage to any harbour, dock (graving or otherwise), slipway, way, gridiron, pontoon, pier, quay, jetty, stage, buoy, cable or other fixed or movable thing whatsoever or to any goods or property in or on the same, howsoever caused by a Vessel, provided always that such property is not owned by the Insured; or
- (d) any attempted or actual raising, removal or destruction of the wreck of Insured Property thereon, or any neglect or failure to raise, remove or destroy the same).

4.2 Additional Insureds

At the discretion of the Insured, Protection & Indemnity Insurance coverage may be extended to:

- (a) any partner, executive officer or director thereof while acting within the scope of his or her employment as such or on the behalf of the Insured;
- (b) any employee of the Insured while acting within the scope of his or her employment as such, subject to the following additional exclusions:
The insurance afforded to any such employee does not apply:
 - (i) to claims arising out of bodily injury, sickness or disease including death at any time resulting therefrom, sustained by (a) another employee of the Insured arising out of or in the course of his employment, or (b) the Insured or, if the Insured is a partnership or joint venture, any partner or member thereof, or (c) any person who at the time of the injury is entitled to benefits under any Workers' Compensation legislation;
 - (ii) to claims for damage to or destruction of or loss of use of property owned, occupied or used by, rented to, or in the care, custody or control of (a) another employee of the Insured or (b) the Insured, or (c) if the Insured is a partnership or joint venture, any partner or member thereof;
- (c) any party to whom, within the scope of the Insured's operations, the Insured is obligated by virtue of a contract or agreement to provide insurance such as afforded by this Policy Section and to which the Insurer has consented;
- (d) any person, firm, corporation, or other legal entity who, with the prior permission of the Insured, may be operating a watercraft in the care, custody, or control of the Insured.

In order to receive the benefit of coverage, any additional Insureds must comply with this Policy, including its Warranties, as if they were the Insured.

4.3 Payment for Losses

Regardless of the number of additional insured persons the most the Insurer will pay for any damages arising out of any one occurrence caused by the same event is the Limit indicated on the Declarations Page(s).

4.4 Costs

If the liability of the Insured shall be contested in any suit or action with the consent of the Insurer, the Insurer will also pay such ensuing costs as the Insured may incur with the consent in writing of the Insurer. The Insurer has the right to select the attorneys and to settle any claim or suit. The duty to defend ends when the Limits on the Declarations Page(s) are exhausted.

4.5 Exclusions

Notwithstanding the foregoing, the Insurer will not pay for:

- (a) Loss of life or personal injury to employees of the Insured;
- (b) Loss, damage or claim arising out of or having relation to water skiing, aquaplaning, or any sport in which objects or persons, or both, are towed;
- (c) Loss, damage or expense to any property owned by the Insured except when the owned property is a boat being used solely for Demonstration purposes;
- (d) Loss, damage or claim with respect to boats while ashore;
- (e) Liability assumed by the Insured beyond that imposed by law; or assumed under contract or agreement;
- (f) Any obligation for which the Insured may be held liable under any Workmen's Compensation Law or under the U.S. Federal Longshoremen's and Harbour Worker's Compensation Act;
- (g) Liability that would be covered by the terms of a standard Commercial General Liability Policy;
- (h) Loss or damage to any property in the care, custody or control of the Insured;
- (i) For any fine or penalty levied against the Insured by any national, state, provincial, or local government.
- (j) For any claims whatsoever arising from the navigation of Rental Boat in the United States.

4.6 Excluded Uses

This Policy does not cover any liability arising out of the ownership, use or operation by or on behalf of any Insured of any watercraft while being used in any racing or speed contest or Poker run or in any stunting activity or in practice or preparation for any such contest or activity.

4.7 Pollution

Loss, damage, cost, liability or expense that the Insured, as owner of the vessel(s), shall have become liable to pay and shall pay in consequence of the accidental, actual or potential discharge, spillage or leakage of oil, fuel, cargo, petroleum products, chemicals or other substances of any kind or description; Provided, however, that this Policy shall not insure any liability resulting directly or indirectly or arising out of or having relation to:

- (a) Any loss damage, cost, liability or expense paid or incurred in consequence of any such actual or potential discharge, spillage or leakage unless proximately caused by fault on the part of the Insured.
- (b) Punitive or exemplary damages.

4.9 Assumption of Liability

This Policy does not cover any liability assumed by the Insured under contract or otherwise if such liability is greater than or different from the liability imposed upon the Insured by law in the absence of such contract.

MEDICAL PAYMENTS INSURANCE

5.1 Medical Payments

The Insurer agrees to pay to or for each person, except as hereinafter excluded, who sustains Bodily Injury caused by accident while in or upon, boarding or alighting from any Vessel insured hereunder, the reasonable expense of necessary medical, surgical, ambulance, hospital and professional nursing services, and, in the event of death resulting from such injury, the reasonable funeral expense, provided all are incurred within one (1) year from the date of an accident. Legal responsibility for the accident will not be admitted by the making of any such payments.

5.2 Limit of Liability

Notwithstanding the foregoing the Insurer shall not be liable hereunder for any expense or combined expenses incurred by a person or persons in excess of the Limits stated in the Declarations Page(s) of this Policy as a result of any one accident or series of accidents arising out of the same event.

5.3 Exclusions

The coverage afforded by this Medical Payments Insurance section shall not apply:

- (a) to liability assumed by the Insured under any contract or agreement;
- (b) to Bodily Injury to or death of:
 - (1) any person to or from whom benefits are payable under any Workers' Compensation legislation because of such injury or death, or
 - (2) any employee of the Insured while engaged in the employment, other than domestic, of the Insured, or while engaged in the operation, maintenance, or the repair of any Insured Property, or
 - (3) the Insured
- (c) any Bodily Injuries to the extent by which benefits are payable under any Provincial or Federal medical scheme.

5.4 Medical and Other Reports and Examination

Within forty five (45) days of the accident, the injured person or someone on his behalf shall furnish all reasonable obtainable information pertaining to the accident and injury, and any treatment, and execute authorization to enable the Insurers to obtain medical reports and copies of records at such time. The injured person shall submit to physical examination by physicians selected by the Insurers when and as often as the Insurer may reasonably require. Failure to comply with any of the above conditions shall terminate the injured person's right to reimbursement under this Policy.

5.5 PROOF AND PAYMENT OF CLAIM

As soon as practicable after completion of the services or after the rendering of services which in cost equal or exceed the limit of liability for medical payments or after the expiration of one year from the date of the accident, whichever is the first, the injured person or someone on his behalf shall give to the Insurer written proof of claim under oath, stating the name and address of each person or organization which has rendered services, the itemized charges thereof and the amounts paid thereon. Upon the Insurer's request, the injured person or someone on his behalf shall cause to be given to the Insurer by each such person and organization written proof of claim under oath, stating the nature and extent and dates of rendition of such services, the itemized charges and the payments received thereon.

GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS POLICY

6.1 Occurrence Policy

This Policy applies only to Occurrences which occur during the Policy term set out on the Declarations Page(s) or as may be terminated earlier.

6.2 Deductibles

The Insurer is liable for the amount by which the loss or damage caused by any of the perils insured against exceeds the amount of the deductible specified on the Declarations Page(s) in any one occurrence up to the Limit specified on the Declarations Page(s). The deductible will not be applied if there is a total loss of the Vessel.]

6.3 No Assignment

Assignment of this Policy shall not be valid without the prior written consent of the Insurer.

6.4 Transfer of Interest

This Policy terminates automatically if the Insured Property is sold or transferred. "Transferred" includes any assignment or pledge as a security for debt or transfer of the responsibility for management, maintenance or operation of the Insured Property.

6.5 Premiums

If any Insured Property is a total loss or a constructive total loss or in the event of an unrepaired damage claim, all premiums shall be earned by the Insurer and non-refundable.

6.6 Notice of Accident

It is agreed by the Insured that in the event of any Occurrence likely to give rise to a claim hereunder, immediate notice thereof shall be given to the Insurer, and that permanent repairs shall not be commenced without the consent of the Insurer.

6.7 Notify the Authorities

Prompt notice to the Police, Coast Guard or suitable authority must be given in case of a theft, fire, collision or injury.

6.8 Litigation Control

The Insurer shall have the option of naming the attorneys who shall represent the Insured in the prosecution of defence of any litigation or negotiations between the Insured and third parties concerning any claim covered by this Policy, and shall have the direction of such litigation or negotiations. If the Insured shall fail or refuse to settle any claim as authorized by the Insurer, the liability of the Insurer shall be limited to the amount for which settlement could have been made. The Insured shall, at the option of the Insurer, permit the Insurer to conduct, with an attorney of the Insurer's selection, at the Insurer's cost and expense and under its exclusive control, a proceeding in the Insured's name to limit the Insured's liability to the extent, and in the manner provided by the present and any future statutes relative to the limitation of a ship owner's liability.

6.9 Subrogation

The Insurer shall be subrogated to all the rights which the Insured may have against any other persons or entity, in respect of any claim or payment made under this Policy, the extent of such payment, and the Insured shall, upon request of the Insurers, execute all documents necessary to secure

such rights to the Insurers and provide all reasonable assistance to the Insurer in order that it may pursue its rights of subrogation. Any recoveries shall be split pro rata, net of expenses to achieve the recovery, between the Insurer and the Insured based on their respective losses incurred.

6.10 Assistance of Insured

Whenever required by the Insurer, the Insured shall aid in securing information, evidence, obtaining of witnesses, and cooperate with the Insurer (except in a pecuniary way) in all matters which the Insurers may deem necessary in the investigation or defence of any claim or suit or appeal from any judgment in respect of any occurrence as hereinbefore provided.

6.11 Compromise by Insured

The Insurer shall not be liable for any loss or damage which, without the express consent of the Insurer, shall be the subject of a settlement or compromise by the Insured with others who may be liable therefore.

6.12 Other Insurance

Where any specific insurance exists, in the name of the Insured or in which the Insured may have an interest, on property which this insurance covers or for which the Insured may be legally liable, or which may cover the liabilities of the Insured, the insurance hereunder shall be considered as excess insurance and shall not apply or contribute to the payment of any loss until the amount collectible from all such specific insurance shall have been exhausted and then shall be liable, subject to the terms and conditions of this Policy, only for the excess of the amount collectible from such other insurance.

6.13 Suit

No suit, or action or proceeding for the recovery of any claim under this Policy shall be sustainable in any court of law or equity unless the same be commenced within twelve (12) months next after discovery by the Insured of the occurrence which gives rise to the claim. Only the Insured named on the Declarations Page(s) may bring suit against the Insurer.

6.14 Conformity to Statutes

Any provision in this Policy that conflicts with any mandatorily applicable Provincial or Federal statute is hereby amended to conform to the minimum requirements of that statute.

6.15 Severability

If any provision of this Policy is found to be unenforceable or invalid for any reason, such determination shall not affect any other provision and such other provisions shall remain in full force and effect.

6.16 Canadian Law and Usage

This Policy is subject to Canadian Law as to liability for and settlement of any and all claims and any disputes arising from this Policy are subject to the exclusive jurisdiction of Canadian courts.

6.17 Territorial Limits

Subject to any restriction set out in this Policy, this Policy covers Vessels:

- (a) whilst ashore anywhere in Canada or the continental United States of America (excluding Alaska);
- (b) whilst in due course of transportation (including while carried aboard ferries, freighters or similar water carriers) between points and/or places in Canada and/or the continental United States of America (excluding Alaska); and
- (c) whilst waterborne (other than as included in (b) above):
 - (i) In the Province of Ontario:
The Great Lakes, its tributaries, inland lakes and the interior waters of Ontario, including Georgian Bay and the St. Lawrence River but now below Quebec City, and the waters of the States of Minnesota, Wisconsin, Michigan, Vermont and New York but excluding New York Harbour and the Hudson River below the Tappan Zee Bridge.
 - (ii) In the Province of Quebec and Eastern Canada:
Canadian inland navigable waterways (excluding the Fraser River east of the mouth of the Sumas River) and coastal waters of Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick and Quebec, south of the 52 latitude. Also, all United States navigable inland and coastal waterways east of 95 longitude and north of 40 north latitude (excluding New York Harbour and the Hudson River below the Tappan Zee Bridge). Coastal waters being within 100 miles of mainland.
 - (iii) In the Province of British Columbia and Western Canada:
 - 1) The coastal waters of British Columbia and North-West Washington, not outside of lines drawn between the following points or places: Cape Flattery and Owen point: Cape Sutil and Mexicana Point Cape James and Allison Harbour. Not to navigate on the coastal waters and inlets of the west coast of Vancouver Island between Owen Point and Cape Sutil. Not to navigate on the Fraser River, east of the mouth of Sumas River.
 - 2) The coastal waters of British Columbia, Puget Sound and adjacent waters, and the Straits of Juan de Fuca, with permission also to navigate in the Portland Canal but warranted not to navigate: (1) outside a line drawn between Cape Flattery and Owen Point: (b) outside a line drawn between Cape Sutil and Herbert Point. (note: if proceeding north of Herbert Point to points not beyond Portland Canal, warranted to navigate inside waters only): (c) on the Fraser River east of the mouth of the Sumas River.
 - 3) The waters of British Columbia including the west coast of Vancouver Island and the west coast of Queen Charlotte Islands, Puget Sound and adjacent waters, and the Straits of Juan de Fuca, southeastern Alaska not west of Cape Spencer, but warranted not to navigate: (a) on the Fraser River east of the Sumas River: (b) on the Pacific Coast of Washington south of the 48 degrees north latitude.
 - 4) The navigable inland waters of British Columbia, Alberta, Saskatchewan, Manitoba, Yukon, Northwest Territories with Permission to Occasionally operate the navigable inland waters of the States of Alaska, Washington, Idaho, Montana and North Dakota.

6.18 Sanction Limitation and Exclusion Clause

The Insurer shall not be deemed to provide cover and nor shall the Insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Insurer or any re-insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Canada, the European Union, United Kingdom or United States of America.

6.19 Paramount Exclusions

Unless physically deleted by the Insurer, the following exclusions shall be paramount and shall supersede and nullify any contrary provisions of this Policy: F.C. & S. Warranty, Strikes and Riots, and Institute Radioactive Contamination Exclusion Clauses.

(a) F.C. & S. Warranty

Notwithstanding anything to the contrary contained in the Policy, this Policy is warranted free from any claim for loss, damage, or expense caused by or resulting from capture, seizure, arrest, restraint, or detention, or the consequences thereof or of any attempt thereat, or any taking of the

Insured Property, by requisition or otherwise, whether in time of peace or war and whether lawful or otherwise; also from all consequences of hostilities or warlike operations (whether there be a declaration of war or not), but the foregoing shall not exclude collision or contact with aircraft, rockets or similar missiles, or with any fixed or floating object (other than a mine or torpedo), stranding, heavy weather, fire or explosion unless caused directly (and independently of the nature of the voyage or service which the vessel concerned or, in the case of a collision, any other vessel involved therein, is performing) by a hostile act by or against a belligerent Power, and for the purpose of this warranty "Power" includes any authority maintaining naval, military or air forces in association with a Power; also warranted free whether in time of peace or war, from all loss, damage or expense caused by any weapon of war employing atomic or nuclear fission and/or fusion or other reaction or radioactive force or matter.

Further warranted free from the consequences of civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or piracy.

(b) Strikes and Riots

Warranted free of loss or damage caused by strikers, locked out workmen or persons taking part in labour disturbances or riots or civil commotions.

(c) Institute Radioactive Contamination

This clause shall be paramount and shall override anything contained in this Policy inconsistent therewith.

In no case shall this Policy cover loss damage liability or expense directly or indirectly caused by, or contributed to by, or rising from:

- (A) ionising 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 of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

SAMPLE