

UNINSURED BOATERS COVERAGE ENDORSEMENT

COVERAGE Z - UNINSURED BOATERS

We pay, up to our Coverage Z limit, all compensatory damages that an **insured** is legally entitled to recover from the owner or operator of an uninsured **boat** because of **bodily** injury sustained by an **insured** and caused by an accident arising out of an uninsured **boat**.

Any judgment for damages arising out of a suit brought without our written consent is not binding on us. An

uninsured **boat** is a **boat** that causes **bodily** injury to an **insured** and:

1. for which no **bodily injury** liability bond or policy applies at the time of the accident;
2. which is a hit and run **boat** and the owner or operator of that **boat** cannot be identified; or
3. for which **bodily** injury coverage is in force at the time of the accident but the insuring company:
 - a. denies the coverage; or
 - b. becomes insolvent.

DEFINITIONS

BOAT means a watercraft, including sails, spars, fittings, and all permanently attached equipment. This does not include outboard motors.

COVERED PROPERTY means the **boats**, motors, and boat trailers as described on the **declarations; substitute boats;** and property covered under Newly Acquired Property.

With respect to Coverage Z, Uninsured Boaters, **INSURED** means only:

1. any person in, upon, or getting in or out of **covered property** or a **non-owned boat**. This includes any person being towed on waterskis or similar devices not designed for flight by **covered property** or a **non-owned boat**; or
2. any person for damages in which that person is entitled because of **bodily** injury that is covered under Coverage Z and sustained by a person described in 1.

Each of the above is a separate **Insured**, but this does not increase **our limit**.

NON-OWNED BOAT means:

1. a **boat** not over 26 feet in overall length;
2. its motor; and
3. its boat trailer

used by **you**; **your** relatives if residents of **your** household; or persons under the age of 21 in your care or the care of **your** resident relatives.

This does not include **boats** that are owned by or furnished for the regular use of an **Insured**.

SUBSTITUTE BOAT means a **boat**, motor or boat trailer not owned by **you** and used by an **Insured** as a temporary replacement for a covered **boat**, motor, or boat trailer that has been lost or destroyed or is undergoing maintenance, service or repairs.

EXCLUSIONS THAT APPLY TO UNINSURED BOATERS COVERAGE

We do not pay for **bodily injury** to a person:

1. who occupies, or is struck by a **boat** that is not covered under Coverage L and owned by:
 - a. you;
 - b. **your** relatives if residents of **your** household; or
 - c. persons under the age of 21 in your care or the care of **your** resident relatives.
2. while that person occupies **covered property** or a **non-owned boat** that is:
 - a. used to transport people or goods for a fee;
 - b. rented to others;
 - c. used for business by an **insured**; or
 - d. hired out or chartered for the use of others.
3. who is in or on **covered property** or a **non-owned boat** as a trespasser.
4. or that person's legal representative who settles a **bodily injury** claim without our consent.
5. while **covered property** or a **non-owned boat** is used in an official race or speed test. However, this does not apply to sailboats.
6. who is struck by an uninsured **boat** that is owned by a governmental unit or agency.

ARBITRATION

If **we** and an **insured** do not agree whether that person is legally entitled to recover damages under Coverage Z, or as to the amount of damages, either party may make a written demand for arbitration.

In that event, each party will select an arbitrator and notify the other of the arbitrator's identity within 20 days after the receipt of the written demand. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Arbitration will take place in the county in which the **insured** lives, unless both parties agree otherwise. Local rules of law regarding procedure and evidence will apply.

A written agreement by two of the arbitrators will be binding as to whether the **insured** is legally entitled to recover damages and the amount of damages.

Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

HOW MUCH WE PAY FOR CLAIM OR LOSS

COVERAGE Z

The limit shown on the **declarations** for Coverage Z is the most we pay for each accident. This applies regardless of the number of:

1. persons insured under this form;
2. parties who sustain injury or damage;
3. claims made or suits brought;
4. **boats** or premiums shown on the **declarations**; or
5. boats involved in the accident.

Amounts otherwise payable for damages under Coverage Z will be reduced by:

1. amounts paid because of **bodily injury** by or on behalf of persons or organizations who may be legally responsible. This includes amounts paid under Coverage L; and
2. amounts paid or payable for **bodily injury** under any U. S. Longshoremen's and Harbor Workers' Compensation Act, workers compensation, non-occupational disability or occupational disease law.

Amounts payable under Coverage Z will reduce the amounts that person is entitled to recover for the same damages under Coverage L and Coverage M.