

# California



## Watercraft Program

*American Modern Insurance Company (077)*

Program Manual: 77-16-WC-CA (04/16)

New Business Date: 04-11-2016

### Watercraft

- First Choice Watercraft
- JetSport Watercraft



# TABLE OF CONTENTS

<b>SECTION</b>	<b>PAGE(S)</b>
GENERAL POLICY INFORMATION .....	1
PAYMENT PLAN OPTIONS .....	2
BINDING PROCEDURES .....	2
SUBMISSION REQUIREMENTS .....	2-3
OWNER / OPERATOR ELIGIBILITY .....	4
GENERAL WATERCRAFT CLASSIFICATIONS .....	5-7
DISCOUNTS/SURCHARGES.....	8-9
COVERAGES .....	10-13

## GENERAL POLICY INFORMATION

<b>Policy Term</b>	<ul style="list-style-type: none"> <li>➤ 12 months</li> <li>➤ No Lay - Up restriction</li> </ul>
<b>Multi-Watercraft Policies</b>	<ul style="list-style-type: none"> <li>➤ The First Choice Program only provides single unit policies. Each individual watercraft must be written on a standalone policy.</li> <li>➤ Up to 2 personal watercrafts can be written on a single JetSport Program application. For more than 2, please quote the risks separately, and contact the American Modern Service Center for assistance.</li> </ul>
<b>Minimum Premiums</b>	<ul style="list-style-type: none"> <li>➤ First Choice - \$100 Minimum Written Premium</li> <li>➤ JetSport - \$65 Minimum Written Premium per Unit</li> </ul>
<b>Coverage Options</b>	<ul style="list-style-type: none"> <li>➤ The AMIG Watercraft program is designed to insure watercraft with <u>both</u> liability and physical damage coverages.</li> <li>➤ Liability only policies are eligible for coverage.</li> </ul>
<b>Vessel Rating Location</b>	<ul style="list-style-type: none"> <li>➤ The state where the watercraft is regularly stored more than 6 months is the rating location (on or off season), however, if the watercraft is stored in a coastal state (AL, CT, DE, FL, GA, LA, ME, MD, MA, MS, NH, NC, NJ, NY, RI, SC, TX, VA) 4 months or more that state must be used as the rating state.</li> <li>➤ The mooring location ZIP CODE determines the policy forms and rates applicable to the policy.</li> </ul>
<b>Watercraft Use</b>	<ul style="list-style-type: none"> <li>➤ All watercraft must be used <b>primarily</b> for private pleasure use. <ul style="list-style-type: none"> <li>○ The First Choice policy does allow for fishing tournaments unless the insured person receives more than 50% of their annual income from that activity. When more than 50% of annual income is received from fishing tournaments, the Professional Angler Endorsement is available. The Professional Angler / <i>Fishing Guide</i> Endorsement extends coverage for part time fishing guide activities.-</li> </ul> </li> <li>➤ Receiving prizes for participation in water-skiing tournaments, poker runs and local sailing regattas are also permitted. Sailing regattas are restricted to 6 events per year.</li> <li>➤ Business entertainment is acceptable when there is no direct financial benefit. An example of an unacceptable risk would be a realtor using their boat to show lakefront property.</li> </ul>
<b>Navigation</b>	<ul style="list-style-type: none"> <li>➤ Navigation is permitted in the inland and coastal waters of the United States and Canada. Our First Choice Program also allows navigation on the Pacific coastal waters of Mexico (limited to no further south than Rio Santo Tomas, Mexico).</li> <li>➤ For boats in our First Choice Program, navigation is also permitted in international shared lakes that are divided by the border of the United States and Mexico, provided the insured watercraft is launched on the U.S. side of the border, and mooring in Mexico only takes place in the event of an accident (see "Policy Territory" definition in the First Choice Policy).</li> <li>➤ Coastal Waters means the waters of the Atlantic Ocean, Pacific Ocean and the Gulf of Mexico including their adjacent sounds, bays, harbors, inlets, waterways, or other major tributaries containing salt or brackish water.</li> <li>➤ Offshore Navigation: <ul style="list-style-type: none"> <li>○ The First Choice policy contains the following standard navigation restrictions:</li> <li>○ Up to 50 miles offshore for boats 24' or less.</li> <li>○ Up to 150 miles offshore for boats 25' or greater.</li> </ul> </li> <li>➤ With the exception of the Canada and Mexico navigation allowances shown above, navigation into the territorial waters of any foreign country or province is prohibited, and is not covered in the policy. Examples of such navigation include (but not limited to) the Bahamas (without the Bahamas endorsement) and Cuba.</li> <li>➤ To qualify for the Bahamas Endorsement: <ul style="list-style-type: none"> <li>○ The insured watercraft must be 27 feet or greater in length and have 2 or more engines (sailboats should have an auxiliary power unit such as a small horsepower outboard or inboard engine).</li> <li>○ The coverage is available for any trawler boat.</li> <li>○ The coverage is not available for pontoons or houseboats.</li> </ul> </li> <li>➤ The JetSport policy contains a 5 mile offshore restriction for all PWCs insured in the program.</li> <li>➤ Watercrafts are not permitted to be trailered into Mexico.</li> </ul>
<b>Identification</b>	<ul style="list-style-type: none"> <li>➤ A valid Hull Identification Number or Serial Number must be obtained for any insured watercraft, outboard motor(s), trailer, tender or dinghy.</li> </ul>
<b>Watercraft Age</b>	<ul style="list-style-type: none"> <li>➤ The age is determined by subtracting the model year from the current calendar year, with no consideration for the month the watercraft was manufactured.</li> </ul>

## BINDING RESTRICTIONS and TEMPORARY SUSPENSION OF WRITING:

During periods of severe weather, please do not accept any applications for new coverage, requests to increase coverage limits, or requests to lower deductibles on existing policies. Impending severe weather includes, but is not limited to: tornado, flood, brushfire, hurricane or tropical storm warnings and/or watches. Renewals of expiring policies may be written, provided there is no increase in coverage or lapse between policies.

## IMPENDING SEVERE WEATHER - BINDING RESTRICTIONS AND PROCEDURES:

Use one of the following methods to check for restrictions:

1. Visit us on the web at <http://www.amig.com/agents/bindres.html>
2. Log-on to modernLINK® and click on the Current Binding Restrictions link located on the main page

PAYMENT PLAN OPTIONS			
	EZ Pay*	Full-Pay	2-Pay
<b>Recurring Payment</b>	X	X	X
<b>Invoice</b>		X	X
<b>Use Credit* or EFT**</b>	X	X	X
<b>Service Fee</b>	X		X
<b>Down Payment</b>	2 Months	N/A	50% Down
<b>Description</b>	Monthly payments are automatically withdrawn using your credit card, checking or savings account. <ul style="list-style-type: none"> <li>○ You pick the day of the month (1 to 30) you want the payment withdrawn.</li> <li>○ There are no postage costs.</li> </ul>	Paid in Full	50% down with 1 installment plus fee. A fee will apply to each payment.

**No premium financing**

**Minimum premium requirements may apply to payment options, see modernLINK for details.**

**\*Credit Cards accepted include MasterCard®, Visa®, Discover®, and American Express®.**

**\*\*EZPay Enrollment and Authorization form 00220-11-G with a voided check or withdrawal slip required.**

## BINDING PROCEDURES

**All new business must be quoted and issued through modernLINK.** Each risk should meet our underwriting eligibility criteria or have prior approval from your Underwriting Authority. Occasionally your American Modern Underwriter may declare a risk unacceptable to the Company even though it appears to be eligible in this Guide.

## SUBMISSION REQUIREMENTS NEW BUSINESS AND POLICY CHANGE REQUESTS

<b>Previous Insurance / Lapse in Coverage</b>	<ul style="list-style-type: none"> <li>➤ First Choice Only. Photos are required at the discretion of an underwriter for watercraft with a lapse in coverage for more than 30 days. Time sensitive or date verifiable photos (within 3 days of the effective date) of the port, stern, bow, transom, engines, engine compartment, cabin (if any), interior, and trailer (if applicable) are required. A statement of condition from a credible third party or a new out of the water condition and valuation marine survey may also be required for watercraft hull values over \$50,000.</li> <li>➤ Be especially cautious when applicants request coverage before or just after a holiday weekend, at the end of the boating season, or after a period of severe weather. Do not hesitate to contact the American Modern Service Center for assistance.</li> </ul>
<b>MVR Requirements</b>	<ul style="list-style-type: none"> <li>➤ At new business, the following situations will require an MVR prior to binding:                             <ul style="list-style-type: none"> <li>○ First Choice Only: Any boat with a top speed greater than 60 mph, except for Bass / Walleye boats.</li> <li>○ Limits of 500/500/500 or greater.</li> <li>○ Any owner 25 years old or younger requesting liability limits of 100/100/300 or higher.</li> <li>○ Any operator that declares a moving violation or accident.</li> <li>○ All operators added after the receipt of an application.</li> <li>○ Wife indicated as only owner and the husband listed as an operator.</li> </ul> </li> <li>➤ modernLINK will identify risks that require an MVR, but will not automatically order the MVR. Risks that have been identified as requiring an MVR should not be bound in the system until you have ordered the MVR and identified the violations, if any.</li> <li>➤ An MVR can be requested for any risk by a company underwriter.</li> </ul>
<b>Risks Requiring Approval</b>	<ul style="list-style-type: none"> <li>➤ <b>Please call the American Modern Service Center (877) 459-7767 or your approving authority when you have submitted a risk for review. The modernLINK system for our Watercraft products does not have an automatic electronic notification for submissions.</b></li> </ul>

## SUBMISSION REQUIREMENTS (continued)

<p><b>Submit for Approval / Do not Bind</b></p>	<ul style="list-style-type: none"> <li>➤ Any watercraft with Liability Only and the customer is requesting Physical Damage coverage mid-term (an acceptable marine survey may be required at the discretion of an Underwriter).</li> <li>➤ Any risk with a prior liability claim.</li> <li>➤ Any risk with liability limits of 500/500/500 or greater.</li> <li>➤ Any boat that exceeds 60 mph or the top speed is uncertain; excluding Bass / Walleye boats.</li> <li>➤ Any boat with a hull value greater than \$150,000.</li> <li>➤ Any boat value that is not within 20% of the value shown in published pricing guides or the owner's insurable interest.</li> <li>➤ Any watercraft requiring a professional marine survey.</li> <li>➤ Any Sport Fishing boat type with Inboard/Outboard (I/O) or Stern Drive propulsion.</li> <li>➤ Any Mid or High-Performance family style Deck boat or Sport-Fishing boat with Catamaran type hull.</li> <li>➤ Any physical damage claim equal to or greater than \$10,000.</li> <li>➤ Any single engine Mid or High-Performance boat and the customer is requesting Watersport Liability.</li> <li>➤ Any drift boat.</li> </ul>
<p><b>Performance Boats (71+ mph)</b></p>	<ul style="list-style-type: none"> <li>➤ Because of the volatility of performance boats, binding will not be immediate and acceptance will be at the sole discretion of a company underwriter. Each risk will require a submission with a standard minimum turnaround of 24 hours, and may take longer depending upon the circumstances of the risk. Additional supporting information not shown in these guidelines may be requested to determine eligibility.</li> <li>➤ Named Operator Endorsement and Performance Boat Endorsement will attach to each policy.             <ul style="list-style-type: none"> <li>○ If an accident occurs while the watercraft is operated by anyone not provided within the definition of a Named Operator, no physical damage coverage will be provided, and liability protection will be reduced to the minimum limit offered within the First Choice program.</li> <li>○ The Performance Boat Endorsement adds additional coverage restrictions and exclusions to the policy pertaining to the increased risk associated with higher performance vessels.</li> </ul> </li> <li>➤ A Performance Boat Supplemental Application will be required with the standard application. This application points out to the applicant what is required for eligibility, what is contained in the Performance Boat Endorsement, some Named Operator provisions, and their duty as the owner of a high risk performance vessel.</li> <li>➤ All forms must be completed and signed properly before any boat 71 mph or greater will be bound. modernLINK will allow the quoting of any eligible Mid or High-Performance boat 71 mph or greater, but an American Modern Underwriter must print the application and all required forms, and will be the final approving authority.</li> </ul>
<p><b>Survey Requirements (First Choice Only)</b></p>	<ul style="list-style-type: none"> <li>➤ An acceptable current <b>out of water</b> Condition and Valuation Marine Survey in the current owner's name is required prior to binding for:             <ul style="list-style-type: none"> <li>○ Any watercraft moored in salt or brackish water that is over 10 years old and 27' or greater.</li> <li>○ Any watercraft moored in freshwater that is over 15 years old and 27' or greater.</li> <li>○ Any watercraft with a top speed over 60 mph that is over 10 years old and 27' or greater.</li> </ul> </li> <li>➤ NAMS (National Association of Marine Surveyors) or SAMS (Society of Accredited Marine Surveyors) are preferred. Surveys submitted that lack sufficient detail or by non accredited surveyors may not be accepted.</li> <li>➤ <b>Exceptions to the rules listed above include:</b> <ul style="list-style-type: none"> <li>○ Pontoon boats stored in freshwater are exempt from the survey requirement.</li> <li>○ We will accept a 3 year (36 months) old survey if the unit is currently insured by your agency and has been claim free since the date of the last survey and routine bottom maintenance has been performed. A copy of the survey is required and our Letter of Compliance may be required.</li> <li>○ An <b>in the water</b> Marine survey is acceptable if the watercraft has had bottom maintenance within the past 2 years (24 months). This will require some form of documentation such as a work order or divers report, etc. This requirement would also apply to liability only policies.</li> </ul> </li> <li>➤ Any Mid or High Performance boat 61 mph or greater with any lapse in coverage may require a survey. A survey can be requested by the company for any boat with a lapse in coverage.</li> <li>➤ There is flexibility of the rules depending upon the unit type, claims history, transferring of business, ownership history, location of the boat, etc. Submit to the American Modern Service Center for consideration.</li> <li>➤ While the above rules will typically cover most survey situations, the company may request a survey on any risk prior to binding.</li> </ul>

# OWNER/OPERATOR ELIGIBILITY

## GENERAL OWNER/OPERATOR ELIGIBILITY RULES

<b>Operators</b>	<ul style="list-style-type: none"> <li>➤ All regular operators must be identified on the application. For boats, an operator is defined as someone with responsibility for the unit and its passengers. Taking a turn steering the boat does not make someone an operator if someone with greater responsibility is also aboard, such as the named insured.</li> </ul>
<b>Ownership</b>	<ul style="list-style-type: none"> <li>➤ No more than 2 owners are permitted (owner and spouse are considered 1 owner). If the watercraft has 2 owners, both owners must be identified on the application and the declarations.</li> <li>➤ Corporate ownership is permitted. The policy must be titled in the name of the company or corporation and all potential operators must be identified. A maximum of 4 regular operators are permitted.</li> <li>➤ Living Family Trust ownership is permitted, but use is restricted to private pleasure use only.</li> <li>➤ Boat Clubs or similar organizations are not eligible.</li> <li>➤ For boats over 26' in length, the owner must have prior ownership experience with the subject boat or prior boats. Owners must meet the following ownership requirements in a comparable watercraft if the subject boat is within the lengths identified:             <ul style="list-style-type: none"> <li>○ 27' to 34' – 1 year of ownership of a boat greater than 18'.</li> <li>○ 35' to 42' – 1 year of ownership of a boat greater than 24'.</li> <li>○ 43' to 64' – 1 year of ownership of a boat greater than 30'.</li> <li>○ 65' to 125' – 1 year of ownership of a boat greater than 40'</li> </ul> </li> </ul>
<b>Ownership Experience</b>	<ul style="list-style-type: none"> <li>➤ The titled owner's ownership experience of comparable boats will be used in rating. Occasional use or prior operating experience will not be considered "ownership experience".</li> <li>➤ In the event of multiple owners, the owner with the least amount of ownership experience will be used for rating purposes.</li> </ul>
<b>Ineligible Operators</b>	<ul style="list-style-type: none"> <li>➤ The titled owner(s) less than 18 years old and listed as the Named Insured(s) on the policy.</li> <li>➤ The following minimum age requirements apply:             <ul style="list-style-type: none"> <li>○ For First Choice, all regular operators less than 16 years of age.</li> <li>○ For JetSport, all regular operators less than 14 years of age, or older if required by state law.</li> </ul> </li> <li>➤ The titled owner(s) and any operator 17 years old or older without a valid U.S., Canada, or International driver's license.</li> <li>➤ If required by the state, operators must also hold a valid watercraft operator's license.</li> <li>➤ Owners or regular operators must not have any pending insurance claims with another company.</li> <li>➤ Owners/operators who want seasonal coverage or have a history of cancellation for non-payment.</li> </ul>
<b>Marital Status</b>	<ul style="list-style-type: none"> <li>➤ Married is defined as an owner who is legally married and residing with a spouse or widowed.</li> <li>➤ Common law marriages will be rated using the Multiple/Corporate Owned Surcharge.</li> <li>➤ Single is defined as an operator who is unmarried, divorced or separated and living in a separate household.</li> </ul>
<b>Named Operator</b>	<ul style="list-style-type: none"> <li>➤ The Named Operator Endorsement is required for Mid or High-Performance boats exceeding 70 mph or Airboats of any speed. The endorsement is optional for other risks and can be applied by a company underwriter.</li> </ul>

## DRIVING RECORD

<b>Violation / Accident Experience Period</b>	<ul style="list-style-type: none"> <li>➤ Violations/Accidents occurring within 3 years (36 months) preceding the effective date of the policy will be considered for rating and eligibility.</li> <li>➤ Experience period for violations are determined using the conviction date.</li> </ul>
<b>Violation / Accident History</b>	<ul style="list-style-type: none"> <li>➤ No more than 6 minor violation / accident convictions.</li> <li>➤ No more than 1 major violation conviction.</li> <li>➤ No more than a combination of 1 major and 1 minor violation / accident conviction.</li> <li>➤ No more than 1 declared liability loss (0 allowed for Mid-Performance (71-79 mph) or High Performance).</li> <li>➤ No more than 2 declared physical damage losses (1 allowed for Mid-Performance (71-79) or High Performance less than \$10,000).</li> <li>➤ Subject to the last 10 years, any owner/operator that has ever been charged with, convicted of, or plead no contest to any felony is not eligible.</li> <li>➤ Violations are identified in modernLINK. If an MVR is required, and violation convictions are present, modernLINK will provide a list of violations that will need to be selected. Once selected, modernLINK will automatically define the type of violation and will determine if a surcharge is required.</li> </ul>

# GENERAL WATERCRAFT CLASSIFICATIONS

## UNIT TYPE DEFINITIONS

When quoting and processing risks on modernLINK, you will be required to provide the boat type classification. This selection is not automatic and rates vary by type selected. The following rules should be applied when determining the unit's classification.

<b>Airboats</b>	Generally aluminum, flat bottom boats that are propelled by air using high horsepower automotive engines and a caged propeller.
<b>Bass / Walleye Boats</b>	Outboard powered boats designed specifically for fishing activities.
<b>Cruisers</b>	Generally 27 feet and greater that can be used for longer activities than their counterpart Runabout because of amenities such as sleeping quarters, small kitchen areas, enclosed head, etc.
<b>Houseboats</b>	Boats with house-like amenities like a full galley, enclosed head, sleeping berths, hot tubs, party decks, etc.
<b>Hovercrafts</b>	Amphibious boats capable of moving over water or land (or most relatively smooth surfaces) on a cushion of air created by jet / fan engines.
<b>Pontoons</b>	Boat supported by aluminum tubes with a flat deck surface. Deck Boats (which have similar above water structure designs as pontoons but a fiberglass V type hull) are not considered Pontoons and must be placed in the Runabout class.
<b>Runabouts</b>	Versatile boats, generally 26 feet and under and used for many short term recreational activities. Many will have an open bow seating area and typically do not have sleeping quarters, dining facilities, enclosed head, etc.
<b>Sailboats</b>	Boats that use a sail for primary power. Some models do have an auxiliary engine such as a small horsepower outboard or inboard. Mono-hull and multi-hull designs are acceptable.
<b>Ski Boats</b> (i.e., tournament ski boats)	Specifically designed to safely tow one or more skiers, wake boarders, or other similar tethered water sports. They use high horsepower engines that are usually positioned in the midsection of the boat and use inboard propulsion.
<b>Sport-Fishing</b>	Boats are generally center console units that are primarily designed for coastal and off-shore fishing, but can also be found in the Great Lakes or larger inland lakes and rivers. Boats with single, twin inboard, or up to 4 outboard motors may qualify for the Sport-Fishing class. Some models may have Inboard/ Outboard (I/O) or Stern Drive propulsion systems.
<b>Trawlers</b>	Slow moving powerboats larger than 26 feet in length with a single or twin inboard motor. Most Trawlers are powered with diesel engines.
<b>Personal Watercraft in our JetSport PWC Program</b>	Jet propelled, "motorcycle style" watercraft that are generally 14 feet and under. The most common units are the Kawasaki JetSki, Honda AquaTrax, SeaDoo and the Yamaha WaveRunner.
<b>Mid and High Performance</b>	Deep-V hull powerboats with a top speed ranging from 61 to 120 mph. Some family style deck boats with catamaran type hulls may be acceptable.



## INELIGIBLE UNIT ATTRIBUTES

<b>Value</b>	<ul style="list-style-type: none"> <li>➤ Value greater than \$500,000 if watercraft is moored on the Gulf or Atlantic Coast.             <ul style="list-style-type: none"> <li>○ Value greater than \$1,000,000 if watercraft is moored somewhere other than the Gulf or Atlantic Coast.</li> </ul> </li> <li>➤ The value must not be less than the purchase price if purchased within 1 year; or             <ul style="list-style-type: none"> <li>○ The value must be within 20% of the suggested market value range shown in a published price guide (ABOS, BUC, NADA, etc.) if purchased more than 1 year ago.</li> </ul> </li> <li>➤ The value of the watercraft should not exceed the owner's insurable interest.</li> <li>➤ To consider higher or lower values, a current marine survey (less than 1 year old) or recent bill of sale may be required at the discretion of our Underwriters. Such requests require American Modern Service Center approval.</li> <li>➤ The maximum value acceptable for a trailer is \$20,000</li> </ul>
<b>General</b>	<ul style="list-style-type: none"> <li>➤ Watercraft with speeds greater than 120 mph (Bass boats greater than 90 mph).</li> <li>➤ Watercraft stored in theft prone areas (parking lots, apartment parking lots, public parking areas).</li> <li>➤ Watercraft that are unseaworthy.</li> <li>➤ Watercraft that have any deficiencies or unrepaired damage.</li> <li>➤ Watercraft requiring Builder's Risk or Port Risk coverage.</li> <li>➤ Watercraft used for racing, other than occasional sailing regattas.</li> <li>➤ Watercraft stored more than 300 miles from the owner's residence that are not adequately protected or secured by a local person or marine facility.</li> <li>➤ Watercraft stored in a restricted territory.</li> <li>➤ Watercraft held for sale or consignment.</li> <li>➤ Watercraft with engines modified from the original manufacturer's specifications to increase the top speed.</li> <li>➤ Watercraft with racing type outdrives like Arneson and Mercruiser Speed Master Series.</li> <li>➤ Watercraft with a wood burning stove or fireplace or other unapproved marine heater.</li> <li>➤ Watercraft not stored in the U.S.</li> <li>➤ Homemade, kit or custom made watercraft or trailer.</li> <li>➤ Watercraft used as a residence either full or part time (liveaboards). Generally, staying aboard more than 30 consecutive days is considered a liveaboard. Consideration may be given for trips longer than 30 consecutive days.</li> <li>➤ Manually powered watercraft, unpowered boats, non-cruising units or floating structures (excluding some Drift and all Sailboats).</li> <li>➤ Sailboats used exclusively for racing.</li> <li>➤ Boats manufactured before 1993 with exposed engine compartments with jet-drive engines or over the transom exhaust.</li> <li>➤ Any unit identified as "Restricted" in modernLINK.</li> <li>➤ Watercraft used for sales or demonstrations.</li> </ul>
<b>Boat Type</b>	<ul style="list-style-type: none"> <li>➤ In general, speeds of up to 60 mph are acceptable for most watercraft. modernLINK will automatically reclassify:             <ul style="list-style-type: none"> <li>○ Any boat with speeds greater than 60 mph into mid or high-performance except:                 <ul style="list-style-type: none"> <li>● Bass boats are acceptable up to 90 mph. Bass boats with speeds greater than 90 mph are ineligible and will not be reclassified.</li> <li>● Sport-fishing boats are acceptable up to 79 mph. If speed exceeds 79 mph it will be reclassified as a high-performance boat.</li> <li>● Trawlers with speeds greater than 20 mph will be reclassified as cruisers.</li> <li>● Airboats are acceptable up to 80 mph. Airboats with speeds greater than 80 mph are ineligible and will not be reclassified as a mid or high-performance boat.</li> <li>● Hovercrafts are acceptable up to 60 mph. Hovercrafts with speeds greater than 60 mph are ineligible and will not be reclassified as a mid or high-performance boat.</li> </ul> </li> </ul> </li> <li>➤ Airboats, Bass / Walleye, Mid-Performance, and High Performance units more than 20 years old.</li> <li>➤ Airboats, Hovercrafts, Mid-Performance, High Performance, and Personal Watercraft units with makes or models not identified in modernLINK .</li> <li>➤ Performance type catamaran boats (some sport-fishing and family style deck boats may be acceptable, contact the American Modern Service Center for consideration)</li> <li>➤ Airboats with the following criteria;             <ul style="list-style-type: none"> <li>○ Liability limits greater than \$500,000.</li> </ul> </li> </ul>



## INELIGIBLE UNIT ATTRIBUTES (continued)

<b>Boat Type (continued)</b>	<ul style="list-style-type: none"> <li>➤ Airboats with horsepower greater than 650, Bass / Walleye, Mid-Performance, and High Performance boats, and owners;             <ul style="list-style-type: none"> <li>○ Under 25 years old. (Mid performance (71-79 mph) and High Performance is under 30 years old).</li> <li>○ With less than 2 years of owning comparable airboats (3 years for Mid-Performance (71-79 mph) and High Performance)</li> <li>○ MVR results requiring a surcharge.</li> </ul> </li> <li>➤ Mid-Performance (61-70 mph) with more than 2 engines.</li> <li>➤ Mid-Performance (71-79 mph) or High Performance (80-120 mph) with the following characteristics;             <ul style="list-style-type: none"> <li>○ Values less than \$50,000.</li> <li>○ Lengths under 26 feet.</li> <li>○ Greater than 700 horsepower per engine.</li> <li>○ More than 2 engines.</li> <li>○ Previous watercraft liability claims in the 3 years prior to the effective date.</li> <li>○ More than one physical damage (hull) claim in 3 years prior to the effective date.</li> <li>○ One physical damage (hull) claim in the 3 years prior to the effective date of \$10,000 or more.</li> </ul> </li> <li>➤ Houseboats with the following characteristics are not eligible;             <ul style="list-style-type: none"> <li>○ Speeds greater than 30 mph.</li> <li>○ Moored in salt or brackish waters. Individual mooring location characteristics will vary based upon protection, marina location, etc. For consideration contact the American Modern Service Center.</li> <li>○ Unpowered, or non-cruising models or floating structures.</li> </ul> </li> <li>➤ Hovercrafts not used primarily on or around water.</li> <li>➤ Ice boats</li> <li>➤ Hoverwings which are flying hovercrafts or similar makes and models.</li> </ul>
<b>Length</b>	<ul style="list-style-type: none"> <li>➤ Greater than 64' (125' for Houseboats).</li> </ul>
<b>Number of Engines / Type</b>	<ul style="list-style-type: none"> <li>➤ More than 2 main engines for all watercraft other than Sport-Fishing (which can have up to 4 outboards).</li> <li>➤ Automotive engines (unless Airboat).</li> <li>➤ Mud motors like Mud Buddy or similar makes and models.</li> </ul>
<b>JetSport Personal Watercraft</b>	<ul style="list-style-type: none"> <li>➤ More than 4 passenger capacity.</li> <li>➤ Mini Jet Boats with makes and models similar to the SeaDoo Speedster are not Personal Watercraft and must be classified as a Runabout in our First Choice.</li> </ul>
<b>Construction</b>	<ul style="list-style-type: none"> <li>➤ Steel hulls are only permitted on Houseboats 15 years or newer.</li> <li>➤ Hulls of ferro cement, cold mold, Kevlar, wood, wood epoxy, or any boat made of wood and covered with fiberglass or any fiberglass boat covered in wood.</li> </ul>

## DISCOUNTS / SURCHARGES

**Unless noted, applies to all coverages except Advantage Plus, Professional Angler, Professional Angler / Fishing Guide and Yacht Plus.**

DISCOUNTS <i>FIRST CHOICE</i>		
<b>Renewal Discounts</b>	<ul style="list-style-type: none"> <li>➤ 1<sup>st</sup> claim free renewal.</li> <li>➤ 2<sup>nd</sup> and subsequent claim free renewal.</li> </ul>	<div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 5px;">5%</div> <div>10%</div> </div>
<b>Diesel Fuel Discount</b>	<ul style="list-style-type: none"> <li>➤ This discount will apply to any watercraft powered by diesel engine(s), including Sailboats.</li> </ul>	5%
<b>Prior Insurance Discount</b>	<ul style="list-style-type: none"> <li>➤ Discount will apply if there has been no lapse in coverage between the expiration date of the current carrier, and the effective date of a First Choice Policy.</li> <li>➤ Discount will apply if there has been up to a 30 day lapse.</li> </ul> <p><b>Additional Qualifications:</b></p> <ul style="list-style-type: none"> <li>➤ Customers purchasing a new or used unit may still qualify for the Prior Insurance Discounts depending upon their current or recent status as an owner of an insured unit. The following customers qualify for the Prior Insurance Discounts:                             <ul style="list-style-type: none"> <li>○ Customer has sold their unit insured with another company and is purchasing a new unit to insure with American Modern.</li> <li>○ Customer currently owns a unit insured with another company and purchases an <b>additional</b> unit, and insures the new unit or both (separately) with American Modern.</li> </ul> </li> <li>➤ No discount will apply for lapses greater than 30 days, including previously owned boat qualifications.</li> <li>➤ No discount will apply for transfers from American Modern Insurance Group. If the insurance carrier is not listed contact the American Modern Service Center for assistance.</li> <li>➤ A copy of the current or previous declarations page must be maintained on file and available for review upon request for any customer that has been granted the Prior Insurance Discount(s). This rule applies to customers purchasing a new or used unit depending upon their current or recent status as an owner, even for units not currently owned.</li> </ul>	<div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 5px;">15%</div> <div>10%</div> </div>

## DISCOUNTS

### *JETSPORT*

<b>Ownership Experience Discount</b>	<ul style="list-style-type: none"> <li>➤ Occasional use or prior operating experience will not be considered "ownership experience".</li> <li>➤ This discount will be based off of the titled owner's ownership experience (operator #1).</li> <li>➤ Two (2) years of previous personal watercraft ownership is required.</li> <li>➤ To qualify for the discount, previous personal watercraft owned must be identified by length, manufacturer and years of ownership.</li> </ul>	10%
<b>Renewal Discounts</b>	<ul style="list-style-type: none"> <li>➤ 1<sup>st</sup> claim free renewal.</li> <li>➤ 2<sup>nd</sup> and subsequent claim free renewal.</li> </ul>	5% 10%
<b>Multi-Unit Discount</b>	<ul style="list-style-type: none"> <li>➤ This discount applies if more than one personal watercraft is insured under one JetSport policy.</li> </ul>	10%

## SURCHARGES

### *FIRST CHOICE AND JETSPORT*

<b>Driving Record Surcharge</b>	<ul style="list-style-type: none"> <li>➤ 3 or 4 minor violations.</li> <li>➤ 1 major, or 5 minor violations.</li> <li>➤ 1 major and 1 minor, or 6 minor violations.</li> </ul>	25% 50% 100%
<b>Loss Experience Surcharges</b>	<ul style="list-style-type: none"> <li>➤ 1 physical damage loss between \$1,000 and \$4,000.</li> <li>➤ One physical damage loss greater than \$4,000.</li> <li>➤ Two physical damage losses, regardless of amount.</li> </ul>	10% 50% 50%
<b>Multiple / Corporate Owned</b>	<ul style="list-style-type: none"> <li>➤ This surcharge applies to any watercraft with more than one owner (applicant and spouse are considered one owner), or any watercraft titled in the name of a company or corporation.</li> </ul>	20%
<b>Wooden Construction Surcharge</b>	<ul style="list-style-type: none"> <li>➤ This surcharge applies to any watercraft with a wooden hull design.</li> </ul>	40%

## COVERAGES

### FIRST CHOICE

<b>Watercraft Liability</b>	<p>Coverage in the event of an insured's negligence that results in the damage or destruction of another's property or in the bodily harm, sickness, disease, or death of other persons.</p> <ul style="list-style-type: none"> <li>➤ Watercraft liability is required.</li> <li>➤ Liability only coverage is permitted</li> <li>➤ Lienholder cannot be listed on the application.</li> <li>➤ Minimum limits are 25/25/25. <ul style="list-style-type: none"> <li>○ Maximum of 100/100/100 limit for: <ul style="list-style-type: none"> <li>● Any risk with an MVR surcharge.</li> <li>● Previously declared liability claims.</li> </ul> </li> <li>○ Maximum of 300/300/300 limit for: <ul style="list-style-type: none"> <li>● Owners under 30 years of age.</li> </ul> </li> </ul> </li> <li>➤ Includes non-owned watercraft coverage at a limit equal to watercraft liability.</li> <li>➤ Includes a sub-limit for bodily injury to family members.</li> <li>➤ Wreck removal is included if <b>physical damage</b> coverage is purchased.</li> </ul>
<b>Uninsured / Underinsured Liability</b>	<p>Provides bodily injury in the event of an accident for which the insured is legally entitled to recover from the owner or operator of an uninsured/underinsured watercraft.</p> <ul style="list-style-type: none"> <li>➤ Included at the same limit as watercraft liability.</li> </ul>
<b>Medical Payments</b>	<p>Payment of medical expenses without regard to fault for defined insureds.</p> <ul style="list-style-type: none"> <li>➤ Medical Payments is required and included at a limit of \$1,000.</li> <li>➤ Coverage is available in increments of \$1,000 up to \$25,000.</li> </ul>
<b>Watersports Liability</b>	<p>Provides bodily injury and property damage coverage in the event of an accident arising out of watersports activity. Watersports activity means a person or persons being towed by a watercraft while upon water-skis, wakeboards, inflatable tubes, or similar objects specifically designed for towing persons.</p> <ul style="list-style-type: none"> <li>➤ Watersports Liability is optional, with the exception of the following: <ul style="list-style-type: none"> <li>○ Required for Ski Boats.</li> <li>○ Not available for Airboats of any speed or twin engine Mid-performance or High-performance boats exceeding 60 mph.</li> <li>○ Some single engine Mid-performance or High-performance boats may be eligible. Such requests require American Modern Service Center approval.</li> </ul> </li> <li>➤ Limit must equal the limit for Watercraft Liability and does not increase the overall liability limit exposure.</li> </ul>
<b>Accidental Spill / Pollution Liability</b>	<p>Provides coverage for expenses incurred due to containment and clean-up of a contaminant from a covered event.</p> <ul style="list-style-type: none"> <li>➤ Coverage is included.</li> <li>➤ Subject to a maximum limit of \$939,800 per policy term.</li> </ul>
<b>Physical Damage (Hull)</b>	<p>Provides physical damage coverage for the hull, engines, machinery and its customary communication, navigation, safety and operating equipment. Coverage is also provided for commonly found electronics not used for communication and navigation, such as stereos, compact disc players, cassette players and loud speakers. Value of motor(s) and trolling motor(s) are included with the hull value.</p> <ul style="list-style-type: none"> <li>➤ Physical damage (hull) is an optional coverage. Physical damage only policies are not permitted.</li> <li>➤ Standard total loss coverage: <ul style="list-style-type: none"> <li>○ Agreed value for boats up to 10 years old.</li> <li>○ Market value (ACV) for boats 11 years or older.</li> </ul> </li> <li>➤ Optional total loss settlement endorsements include: <ul style="list-style-type: none"> <li>○ <b>Extended Agreed Value Endorsement</b>, available for boats 11 or more years old.</li> <li>○ <b>Market Value Endorsement</b>, available for boats new to 10 years old. When the unit reaches 11 model years old at renewal, the endorsement will be removed.</li> <li>○ <b>Replacement Cost Endorsement</b>, available for boats new to 3 years old. When the unit reaches 4 model years old at renewal, the endorsement will be removed.</li> </ul> </li> <li>➤ Partial Loss Settlement: <ul style="list-style-type: none"> <li>○ Standard Partial Loss coverage is replacement cost for partial losses on parts new to 2 years old, regardless of boat age.</li> <li>○ <b>Extended Parts Replacement Coverage</b> extends partial loss replacement provisions to parts new to 10 years old and is available for boats of any age.</li> </ul> </li> <li>➤ Deductible options are 1%, 2%, 3%, 4%, and 5%.</li> </ul>

## COVERAGES (continued)

### FIRST CHOICE

<p><b>Physical Damage (Hull)</b> (continued)</p>	<ul style="list-style-type: none"> <li>➤ Minimum deductible requirements include: <ul style="list-style-type: none"> <li>○ 5% for values \$5,000 and under.</li> <li>○ 4% for values between \$5,001 and \$6,000.</li> <li>○ 3% for values between \$6,001 and \$8,000.</li> <li>○ 2% for values between \$8,001 and \$12,500.</li> <li>○ 2% for Mid or High-Performance boats exceeding 70 mph or Airboats of any speed. Application of higher deductibles on any boat exceeding 70 mph is at the sole discretion of a company underwriter.</li> <li>○ 3% for any Sport-Fishing unit with 3 or 4 main engines.</li> <li>○ 2% for any customer with a reported physical damage claim.</li> </ul> </li> <li>➤ \$5,000 <b>personal effects</b> coverage per policy term automatically included.</li> <li>➤ \$350 per occurrence (\$1,000 per policy term) of <b>towing and emergency assistance</b>.</li> <li>➤ Coverage for a <b>newly acquired watercraft</b> included.</li> <li>➤ Includes wreck removal.</li> </ul>
<p><b>Diminishing Deductible</b></p>	<p>Coverage allows for the selected deductible to be reduced at renewal for each previous <u>loss free</u> policy term. Any physical damage loss amount greater than or equal to \$1,000 will be considered a loss.</p> <ul style="list-style-type: none"> <li>➤ The chosen deductible will be reduced by 25% until it reaches 0%.</li> </ul>
<p><b>Haul Out</b></p>	<p>Provides reimbursement for expenses incurred to haul out an insured watercraft during a named storm. Included when physical damage is purchased.</p> <ul style="list-style-type: none"> <li>➤ Reimbursement of 50% of the actual incurred expenses, subject to a maximum of \$500 per named storm.</li> </ul>
<p><b>Advantage Plus</b></p>	<p>Optional coverage for increased personal effects and towing and emergency assistance. This endorsement is mutually exclusive of the Yacht Plus, Professional Angler, and Professional Angler / <i>Fishing Guide</i> endorsements.</p> <ul style="list-style-type: none"> <li>➤ Increases personal effects coverage to \$10,000 per policy term.</li> <li>➤ Increases towing and emergency assistance to \$1,500 per occurrence (\$3,000 per policy term).</li> </ul>
<p><b>Yacht Plus</b></p>	<p>Available for boats 27 feet or greater in length. Optional coverage for increased personal effects, towing and emergency assistance, Longshoreman and Harbors Workers Compensation Act, Temporary Crew, Search and Rescue, and Trip Interruption. This endorsement is mutually exclusive of the Advantage Plus, Professional Angler, and Professional Angler / <i>Fishing Guide</i> endorsements.</p> <ul style="list-style-type: none"> <li>➤ Increases personal effects coverage to \$10,000 per policy term.</li> <li>➤ Increases towing and emergency assistance to \$2,500 (\$5,000 per policy term).</li> <li>➤ Coverage for legally obligated compensatory damages under the Longshoreman and Harbors Workers Act.</li> <li>➤ Temporary crew up to 45 days.</li> <li>➤ Search and Rescue of \$10,000 per policy term.</li> <li>➤ Trip Interruption includes: <ul style="list-style-type: none"> <li>○ \$1,000 per day (\$10,000 per policy term) of Rental reimbursement.</li> <li>○ \$2,500 per policy term of Lodging, Meal, and Transportation reimbursement.</li> </ul> </li> </ul>
<p><b>Professional Angler</b></p>	<p>Optional coverage that allows for receipt of endorsements and economic benefit if more than 50% of annual income is earned from fishing tournament activities. Coverage for increased personal effects, towing and emergency assistance, and reimbursement for tournament fees due to disablement of the insured watercraft are included as well. This endorsement is mutually exclusive of the Advantage Plus, Yacht Plus, and Professional Angler / <i>Fishing Guide</i> endorsements.</p> <ul style="list-style-type: none"> <li>➤ Increases personal effects coverage to \$10,000 per policy term.</li> <li>➤ Increases towing and emergency assistance to \$1,500 per occurrence (\$3,000 per policy term).</li> <li>➤ Tournament fee reimbursement of \$500 per occurrence (\$1,500 per policy term).</li> </ul>
<p><b>Professional Angler / <i>Fishing Guide</i></b></p>	<p>Optional coverage for the professional or non professional angler that also acts as a part time fishing guide. Designed for the Bass / Walleye fisherman that occasionally guide (not available for full time fishing guides). Other boat types may be approved by a company underwriter. Coverage for increased personal effects, towing and emergency assistance, and reimbursement for tournament fees due to disablement of the insured watercraft are included as well. This endorsement is mutually exclusive of the Advantage Plus, Yacht Plus, and Professional Angler / <i>Fishing Guide</i> endorsements.</p> <ul style="list-style-type: none"> <li>➤ Increases personal effects coverage to \$10,000 per policy term.</li> <li>➤ Increases towing and emergency assistance to \$1,500 per occurrence (\$3,000 per policy term).</li> <li>➤ Tournament fee reimbursement of \$2,500 per policy term.</li> <li>➤ <b>Part time fishing guide</b> activities are allowed.</li> </ul>

## COVERAGES (continued)

### *FIRST CHOICE*

<b>Trailer</b>	<p>Provides physical damage coverage to a trailer used exclusively to transport the insured watercraft over land. Optional when physical damage is purchased.</p> <ul style="list-style-type: none"> <li>➤ Subject to a \$250 deductible.</li> </ul>
<b>Boat Lift</b>	<p>Provides physical damage coverage for a lift used exclusively with the insured watercraft. Optional when physical damage is purchased. Coverage is not provided for any dock, pier, wharf, enclosure, or similar structure where boat is anchored or attached.</p> <ul style="list-style-type: none"> <li>➤ Subject to a \$250 deductible.</li> <li>➤ Coverage is provided at market value.</li> </ul>
<b>Tender / Dinghy</b>	<p>Provides coverage for physical damage, bodily injury and property damage to the tender principally used to provide transportation over water to and from the insured watercraft. Optional when physical damage is purchased.</p> <ul style="list-style-type: none"> <li>➤ Subject to a \$250 deductible.</li> <li>➤ Limits of liability applying for watercraft liability also apply for the tender and do not increase the overall liability limit exposure.</li> <li>➤ Tenders can be written on a standalone policy basis, subject to all stated requirements.</li> </ul>
<b>Bahamas Navigation</b>	<p>Provides coverage for navigation into any of the Islands of the Bahamas. This coverage is optional.</p>

**COVERAGES**  
*JETSPORT*

<b>Watercraft Liability</b>	<p>Coverage in the event of an insured's negligence that results in the damage or destruction of another's property or in the bodily harm, sickness, disease, or death of other persons.</p> <ul style="list-style-type: none"> <li>➤ Watercraft liability is required.</li> <li>➤ Liability only coverage is permitted.</li> <li>➤ Lienholder cannot be listed on the application.</li> <li>➤ Minimum limits are 25/25/25. <ul style="list-style-type: none"> <li>○ Maximum of 100/100/100 limit for: <ul style="list-style-type: none"> <li>● Any risk with an MVR surcharge.</li> <li>● Previously declared liability claims.</li> </ul> </li> <li>○ Maximum of 300/300/300 limit for: <ul style="list-style-type: none"> <li>● Owners under 30 years of age.</li> </ul> </li> </ul> </li> <li>➤ Includes a sub-limit for bodily injury to family members.</li> <li>➤ For multi-unit policies, the limits must be the same for all units.</li> </ul>
<b>Medical Payments</b>	<p>Payment of medical expenses without regard to fault for defined insureds.</p> <ul style="list-style-type: none"> <li>➤ Medical Payments is required and included at a limit of \$1,000.</li> <li>➤ Coverage is available in increments of \$1,000 up to \$5,000.</li> </ul>
<b>Watersports Liability</b>	<p>Provides bodily injury and property damage coverage in the event of an accident arising out of watersports activity. Watersports activity means a person or persons being towed by a watercraft while upon water-skis, wakeboards, inflatable tubes, or similar objects specifically designed for towing persons.</p> <ul style="list-style-type: none"> <li>➤ Watersports Liability is optional.</li> <li>➤ Limit must equal the limit for Watercraft Liability and does not increase the overall liability limit exposure.</li> </ul>
<b>Accidental Spill / Pollution Liability</b>	<p>Includes coverage for expenses incurred due to containment and clean-up of a contaminant from a covered event.</p> <ul style="list-style-type: none"> <li>➤ Liability for covered losses is included in Property Damage.</li> </ul>
<b>Physical Damage (Hull)</b>	<p>Provides physical damage coverage for the hull, engines, machinery and its customary communication, navigation, safety and operating equipment. Coverage is also provided for commonly found electronics not used for communication and navigation, such as stereos, compact disc players, cassette players and loud speakers. Value of motor(s) and trolling motor(s) are included with the hull value.</p> <ul style="list-style-type: none"> <li>➤ Coverage is Market Value (ACV) for all units.</li> <li>➤ Deductible options are \$250 (standard) and \$500.</li> </ul>
<b>Advantage Plus</b>	<p>Optional coverage for Uninsured Watercraft, Non-Owned Watercraft Liability, personal effects and towing and emergency assistance. This endorsement is mutually exclusive of the Advantage Endorsement.</p> <ul style="list-style-type: none"> <li>➤ Uninsured and Non-Owned liability limit equal to per person Watercraft Liability.</li> <li>➤ Increases personal effects coverage to \$300 per policy term.</li> <li>➤ Increases towing and emergency assistance to \$250 per occurrence (\$500 per policy term).</li> </ul>
<b>Trailer</b>	<p>Provides physical damage coverage to a trailer used exclusively to transport the insured watercraft over land. Optional when physical damage is purchased.</p> <ul style="list-style-type: none"> <li>➤ Subject to a \$100 deductible.</li> </ul>
<b>Machinery Damage Exclusion</b>	<p>This endorsement excludes coverage for damage to machinery and equipment. Optional when physical damage is purchased.</p> <ul style="list-style-type: none"> <li>➤ If selected, a \$50 credit will be applied.</li> </ul>



# How To Reach Us

## Policy or billing questions

---

**Call: 1-800-543-2644**

**Hours:** Monday to Friday, 8 a.m. to 8 p.m. Eastern

**Payment Lockbox Address:** PO Box 740167, Cincinnati, OH 45274-0167

## modernLINK support

---

**Call: 1-866-527-9583**

**Hours:** Monday to Friday, 7 a.m. to 12 a.m. Eastern  
Saturday and Sunday, 8 a.m.- 9 p.m.

*After hours support handled by voicemail return call.*

**E-mail: [systemsupport@amig.com](mailto:systemsupport@amig.com)**

**Hours:** Monday to Friday, 7 a.m. to 12 a.m. Eastern

**Need Help?** Talk to your office's modernLINK Profile Administrator *OR* Click the Help Link at the upper right of the modernLINK screen.

## Report a claim.

---

**Online:** In modernLINK, under the Quotes and Policies tab click the Claims link.

**Call: 1-800-543-2644**

**Fax:** 513-947-4046

**Mail Address:**

American Modern Insurance Group, Inc.

Attn: Claims Processing

PO Box 5323

Cincinnati, OH 45201-5323

## Ordering sales or marketing materials

---

Access the Marketing Center Quick Link on the modernLINK home page.



77-16-WC-CA (04/16)