



# STATE FISCAL ACCOUNTABILITY AUTHORITY

INSURANCE RESERVE FUND  
POST OFFICE BOX 11066  
COLUMBIA, SOUTH CAROLINA 29211

Phone: (803) 737-0020

## WATERCRAFT FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we," "us" and "our" refer to the Insurance Reserve Fund.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **E. DEFINITIONS**.

### A. COVERAGE

We will pay for "loss" to Covered Property from any of the Covered Causes of Loss.

1. **COVERED PROPERTY**, as used in this Coverage Form means:

- a. Vessels
- b. Motors including auxiliary motors for sailboats.
- c. Trailers, described in the declaration
- d. Miscellaneous Boating Equipment including anchors, oars, cushions, life preservers, fuel tanks, batteries, boat and motor covers, ship-to-shore radios, mooring lines, and similar equipment.

2. **PROPERTY NOT COVERED**

Covered Property does not include:

- a. sails, masts and spars while the described vessel is operated in an official race or speed contest.
- b. hunting, fishing or other sporting equipment.
- c. water skiing equipment.
- d. scuba diving and other sporting equipment.
- e. photographic equipment.
- f. portable television sets, radios and instruments for the recording or reproduction of sound.
- g. food, beverages and other provisions.
- h. clothing, watches, jewelry and other personal articles or effects.
- i. wages.
- j. parasails, hang gliders or other devices designed for flight.
- k. contraband, or property in the course of illegal transportation or trade.

3. **COVERED CAUSES OF LOSS**

Covered Causes of Loss means RISK OF DIRECT PHYSICAL "LOSS" to Covered Property except those causes of "loss" listed in the Exclusions.

4. **REPLACEMENT PROPERTY**

We will cover vessels, motors, and trailers which are acquired during the policy period to replace covered property for a period up to 30 days after they are acquired.

The most we will pay in a "loss" under this Coverage Extension is the lesser of:

- a. 25% of the total of the Limits of Insurance shown in the Declarations for all individually listed and described items; or
- b. the invoice cost of the new items.

You will report such property within 30 days from the date acquired and pay any additional premium that is due. If you do not report that property to us, coverage will end automatically 30 days after the date you acquire the property.

The Coinsurance Additional Condition does not apply to this Coverage Extension.

### B. EXCLUSIONS

1. We will not pay for a "loss" caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss."

a. **GOVERNMENTAL ACTION**

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

b. **NUCLEAR HAZARD**

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

c. **WAR AND MILITARY ACTION**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for a "loss" caused by or resulting from any of the following:

- a. Delay, loss of use, loss of market or any other consequential loss.
- b. Unexplained disappearance.
- c. Shortage found upon taking inventory.
- d. Dishonest acts by you, anyone else with an interest in the property, your or their employees or authorized representatives or anyone entrusted with the property, whether or not acting alone or in collusion with other persons or occurring during the hours of employment. But this exclusion does not apply to a carrier for hire.
- e. Processing or work upon the property. But we will pay for direct "loss" caused by resulting fire or explosion if these causes of "loss" would be covered under this Coverage Form.
- f. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration; insects, vermin, rodents; corrosion, rust, dampness, cold or heat.
- g. freezing or moving ice while the described vessel is moored or laid-up while afloat.
- h. overheating of engines of motors.
- i. marring or scratching, chipping or denting. But will pay for such "loss" caused directly by fire, lightning, windstorm, hail, flood, earthquake, explosion, theft or attempted theft, collision with another boat, standing or running aground on by accident to the vehicle carrying the property.

- j. weathering. This is the action of the elements, including rain, snow, ice or sleet which alters the color, texture, composition or form of covered property.
- k. Artificially generated current creating a short circuit or other electric disturbance within an article covered under this Coverage Form. But we will pay for direct "loss" caused by resulting fire or explosion, if these causes of "loss" would be covered under this Coverage Form.

This exclusion only applies to "loss" to that article in which the disturbance occurs.

**C. LIMITS OF INSURANCE**

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

**D. ADDITIONAL CONDITIONS**

The following conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

- 1. **COVERED TERRITORY** We cover property wherever located within:
  - a. The United States of America;
  - b. Puerto Rico; and
  - c. Canada

- 2. **COINSURANCE**

The Fund shall be liable for no greater proportion of any loss or damage that the amount hereby insured bears to 100% of the actual value of the property insured hereunder at the time when such loss or damage occurs. If this policy covers two or more items, this condition shall apply to each item separately.

**E. DEFINITIONS**

- 1. "Loss" means accidental loss or damage.

INSURANCE RESERVE FUND

By



Director