

Actual Cash Value Endorsement

This endorsement amends the insurance policy to which it is attached.

Words and expressions in bold are defined in the Definitions section of the insurance policy to which this endorsement is attached.

The following change has been made to your insurance policy:

SECTION I

BASIS OF SETTLEMENT

The **Total Loss** clause in the **BASIS OF SETTLEMENT** section of Section I is deleted and replaced by the following:

If your **watercraft** is totally destroyed or suffers a total loss and the reasonable expense of recovering and repairing your **watercraft** is equal to or greater than the **amount of insurance** shown on the Coverage Summary Page(s) it will be considered a total loss.

We will pay the **actual cash value** up to the **amount of insurance** shown on the Coverage Summary Page(s).

The **Partial Loss** clause in the **BASIS OF SETTLEMENT** section of Section I is deleted and replaced by the following:

If the **watercraft** sustains partial damage from a covered loss, we will pay the **actual cash value** up to the **amount of insurance** shown on the Coverage Summary Page(s).

Actual cash value means the cost to repair or replace property at the time of loss, less depreciation. In determining depreciation, we will consider, but are not limited to, the age, condition, resale value, obsolescence, and normal life expectancy of the property at the time of the loss.

All other terms and conditions of the policy remain unchanged.