

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMENDATORY ENDORSEMENT – PROPERTY REPLACEMENT COST SETTLEMENT PROVISION**

This endorsement modifies insurance provided under the following:

VESSEL PHYSICAL DAMAGE COVERAGE FORM

SCHEDULE

Description : Vessel Year, Manufacturer, Model, Serial Number, Length	Purchase Price
	\$
	\$
	\$
	\$
	\$

Under **How Much We Pay, Property Coverages**, item **b. Loss Settlement Terms – Vessels or Boating Equipment**, sub item **(1)**, Total Loss, is deleted in its entirety and replaced by the following:

**(1) Total Loss --** If there is a “total loss” or a constructive total loss to a “vessel” described on the Schedule above, “we” will pay the cost to replace the lost or damaged “vessel” without any deduction for depreciation.

**(a) Vessels Five Years or Newer**

If the “vessel” described above is a model year of 5 years or less from the current calendar year, “we” will pay the cost to replace, to the extent possible, the “vessel” with a “vessel” of the same year, manufacturer, model and length and including the same equipment as the “vessel” described above.

**(b) Vessels Older than Five Years**

For “vessel” with a model year greater than 5 years from the current calendar year, “we” will pay the cost to replace the “vessel” with a “vessel” of the same year, manufacturer, model and length and including the same equipment as the “vessel” described above. However, “our” payment will not exceed the original purchase price of the “vessel” as shown in the Schedule above.

Replacement cost valuation does not apply until the lost or damaged property is replaced.

If the “vessel” described in the Schedule is not replaced, this Property Replacement Cost Settlement Provision will not apply and the original provision for **b.**, Loss Settlement Terms – Vessels or Boating Equipment, sub item **(1)**, Total Loss, in the Vessel Physical Damage Form will apply.

All other terms and conditions of this policy remain unchanged.