

ENDORSEMENTS AVAILABLE FOR ATTACHMENT TO T L DALLAS YACHT POLICIES

CO-ASSURED CLAUSE

Notwithstanding the fact that such parties as advised are hereby named in their capacity as advised as Co-Assured in this Policy, this cover will only extend insofar as they may be found liable to pay in the first instance for liabilities which are properly the responsibility of the Assured, and nothing herein contained shall be construed as extending cover in respect of any amount which would not have been recoverable hereunder by the Assured had such claim been made or enforced against him. Once indemnification hereunder has been made there shall be no further liability hereunder to make any further payment to any person or company whatsoever, including the Assured, in respect of that claim.

CUBA and COLOMBIA EXCLUSIONS and WARRANTIES

- 1) All deductibles are doubled whilst in Cuban or Colombian waters.
- 2) Confiscation by any Authority is excluded.
- 3) Piracy of, and/or, to, and/or taking of insured vessel, or losses arising therefrom, are excluded.
- 4) THEFT cover, in respect of property on board and/or the insured vessel itself, or any part thereof, or loss or damage arising out of THEFT, or attempted THEFT is **excluded absolutely**: unless insured vessel is moored within a commercial marina agreed in writing by Insurers hereon.

RACING ENDORSEMENT

It is hereby noted and agreed that cover hereon is extended to include SAILBOAT Racing, provided there is no International Yacht Racing Union Jury, and subject to the following endorsement.

In consideration of the premium charged this policy is extended to include risks whilst racing or simulated racing, but excluding damage to Masts, Spars, Sails, Running and Standing Rigging and subject to the deductibles shown under sections 'A' (Hull), 'B' (Third Party Liability) and 'F' (Personal Property) being DOUBLED in respect of each and every loss arising from or during Racing and or simulated racing.

ALL OTHER TERMS, CLAUSES AND CONDITIONS REMAIN UNALTERED.

LENDER'S LOSS PAYABLE ENDORSEMENT

1. Loss or damage, if any, under this policy, shall be paid to the Payee named on the first page of this policy, its successors and assigns, hereinafter referred to as "the Lender", in whatever form or capacity its interests may appear and whether said interest be vested in said Lender to its individual or in its disclosed or undisclosed fiduciary or representative capacity, or otherwise, or vested in a nominee or trustee of said Lender.
2. The insurance under this policy, or any rider or endorsement attached thereto, as to the interest only of the Lender, its successors and assigns, shall not be invalidated nor suspended: (a) by any error, omission, or change respecting the ownership, description, possession, or location of the subject of the insurance or the interest therein, or the title thereto; (b) by the commencement of foreclosure proceedings or the giving of notice of sale or any of the property covered by this policy by virtue of any mortgage or title deed; (c) by any breach of any warranty, act, omission, neglect, or non-compliance with any of the provisions of this policy, including any and all riders now hereafter attached thereto, by the named insured, the borrower, mortgagor, trustor, vendee, owner, tenant, warehouseman, custodian, occupant, or by the agents of either or any of them or by the happening of any event permitted by them or either of them, or their agents, or which they fail to prevent, whether occurring before or after the attachment of this endorsement, or whether before or after a loss, which under the provisions of this policy of insurance or of any rider or endorsement attached thereto would invalidate or suspend the insurance as to the named insured, excluding herefrom, however, any acts or omissions of the Lender while exercising active control and management of the property.
3. In the event of failure of the insured to pay any premium or additional premium which shall be or become due under the terms of this policy or on account of any change in occupancy or increase in hazard not permitted by this policy, this Company agrees to give written notice to the Lender of such non-payment of premium after sixty (60) days from and within one hundred and twenty days (120) after due date of such premium and it is a condition of the continuance of the rights of the Lender hereunder that the Lender when so notified in writing by this Company of the failure of the Insured to pay such premium shall pay or cause to be paid the premium due within ten (10) days following receipt of the Company's demand in writing thereof. If the Lender shall decline to pay said premium or additional premium, the rights of the Lender under this Lender's Loss Payable Endorsement shall not be terminated before ten (10) days after receipt of said written notice by the Lender.
4. Whenever this Company shall pay to the Lender any sum for loss or damage under this policy and shall claim that as to the Insured no liability therefor exists, this Company, at its option, may pay to the Lender the whole principle sum and interest and other indebtedness due or to become due from the insured, whether secured or unsecured, (with refund of all interest not accrued), and this Company, to the extent of such payment, shall thereupon receive a full assignment and transfer, without recourse, of the debt and all rights and securities held as collateral thereto.
5. If there be any other insurance upon the within described property, this Company shall be liable under this policy as to the Lender for the proportion of such loss or damage that the sum hereby insured bears to the entire insurance of similar character on said property under policies held by, payable to and expressly consented by the Lender. Any Contribution Clause included in any Fallen Building Clause Waiver or any Extended Coverage Endorsement attached to this contract of insurance is hereby nullified, and also any Contribution Clauses in any other endorsement or rider attached to this contract of insurance is hereby nullified except Contribution Clauses for the compliance with which the insured has received reduction in the rate charged or has received extension of coverage to include hazards other than fire and compliance with such Contribution Clause is made part of the consideration for insuring such other hazards. The Lender upon payment to it of the full amount of its claim, will subrogate this Company (pro rata with all other insurers contributing to said payment) to all of the Lender's rights of contribution under said other insurance.
6. This Company reserves the right to cancel this policy at any time, as provided by its terms, but in such case this policy shall continue in force for the benefit of the Lender for ten (10) days after written notice of such cancellation is received by the Lender and then cease.
7. This policy shall remain in full force and effect as to the interest of the Lender for a period of ten (10) days after its expiration unless an acceptable policy, in renewal thereof with loss thereunder payable to the Lender in accordance with the terms of this Lender's Loss Payable Endorsement, shall have been issued by some insurance company and accepted by the Lender.
8. Should legal title to and beneficial ownership of any property covered under this policy become vested in the Lender or its agents, insurance under this policy shall continue for the term thereof for the benefit of the Lender but, in such event, any privileges granted by this Lender's Loss Payable Endorsement which are not also granted the insured under the terms and conditions of this policy and/or under other riders or endorsements attached thereto shall not apply to the insurance hereunder as respects such property.
9. All notices herein provided to be given by the Company to the Lender in connection with this policy and this Lender's Loss Payable Endorsement shall be mailed to or delivered to the Lender at its office or branch described on the first page of the policy.

LOSS OF YACHT CHARTER HIRE

1. If in consequence of any loss, damage or occurrence covered hereon and occurring during the period of this insurance the yacht is prevented from earning hire then this policy shall indemnify the Assured to the extent of the net charter fees so lost (as defined below) for each 24 hours during which the yacht is so prevented from earning hire for not exceeding _____ days in respect of any one accident or occurrence and in all provided that the repairs in respect of which a claim is made hereunder are completed within SIX months of the expiry of the period covered by this policy.

For the purposes of this clause the daily charter fee shall be calculated at pro rata of the appropriate published weekly rate of hire (as agreed with Underwriters) less all normal expenses not incurred during the period the yacht is off hire. Normal expenses are deemed to be the cost of fuel, stores and provisions, and commissions, dues or similar expenditure.

Any indemnity recoverable under this policy will be restricted to losses incurred under signed charter agreement for which payment of a binding deposit has been made prior to the date of casualty, and only for the amount in excess of the first _____ days charter hire so lost in respect of each accident.

2. No claim to attach to this policy if the accident in respect of which such claim arises is the cause of the vessel becoming a Total or Constructive Total Loss.
3. In all cases where a recovery is obtained from third parties in respect of loss of earnings or demurrage such recovery shall be apportioned between the Assured and the Underwriters as their respective interests may appear.
4. Subject to cruising confined to Policy Limits. Cruising outside these limits may be covered at terms to be agreed subject to prior notice.
5. Should the vessel at the expiration of this policy be at sea or in distress at port of refuge or of call, she shall, provided previous notice be given to the Underwriters, be held covered at a pro rata daily premium to her port of destination.
6. In the event of the yacht named herein being sold this insurance is automatically cancelled, unless Underwriters' written agreement to the transfer of ownership is obtained prior to the date of sale.
7. (i) Warranted that hull insurance is maintained during the period of this insurance on full conditions.
(ii) Warranted that the yacht named herein is under the charge of a professional skipper appointed by the Owner or his Agent.
8. In the event of an accident which may give rise to a claim hereon immediate notification is to be given to Underwriters advising location of craft, nature of damage and estimate of time required to effect repairs. Subject to this condition the Assured shall effect or cause to be effected, all repairs (temporary or permanent) with due diligence and dispatch. Underwriters to have the right to require the Assured to incur any expense which would reduce Underwriters Liability under this policy provided such expense is for Underwriters account.
9. Underwriters reserve the right to appoint an independent examiner to inspect the books and accounts of the Assured at any time.
10. For the purpose of this insurance the maximum daily hire rates are agreed at US\$ _____.

LIMITED POLLUTION COVERAGE ENDORSEMENT

It is hereby noted and agreed that in consideration of the additional premiums charged herein and notwithstanding exclusion (g) Coverage B Third Party Liability, we agree to indemnify you for reasonable costs incurred by you preventing or mitigating a pollution hazard or threat thereof resulting directly from damage to the scheduled vessel, where coverage is afforded under this insuring agreement, provided always that such pollution hazard or threat thereof:

- a) Was sudden, unintentional and unexpected by you.
- b) That the incident commenced during the period of this insuring agreement.
- c) It became known to you within 72 hours of its commencement.
- d) Was reported to us in writing not later than seven days after having become known to you.
- e) Was not a result of your want of due diligence of that or your managers, servants or agents to prevent or mitigate such pollution hazard or threat thereof.

The maximum amount recoverable under this section shall be US\$50,000 less the policy deductible detailed under Section B. These reasonable expenses must be incurred within one year from the commencement of the incident giving rise to a claim hereunder, and will reduce any amount payable under Section B of this insuring agreement.

Nothing herein contained shall be held to vary, waive or extend any other term, clause, condition, warranty or exclusion contained in this insuring agreement.