

THIS ENDORSEMENT RESTRICTS YOUR POLICY. PLEASE READ IT CAREFULLY.

LIMITATIONS AND EXCLUSIONS TO THE GARAGE COVERAGE FORM (NON-DEALER)

This endorsement modifies the insurance provided under the following:

GARAGE COVERAGE FORM

I. Changes in SECTION I - COVERED AUTOS

New paragraph **Garage Operations Limitation** is added:

A. Description Of Covered Auto Designation Symbols

Garage Operations Limitation

Description of **Symbol 29** is deleted and replaced by:

This insurance applies to "bodily injury" or "property damage" not otherwise excluded herein, arising out of only those operations which are described by the Business Description shown on the Commercial Lines Common Policy Declarations, its endorsements and supplements. This limitation also applies to Personal Injury Liability Coverage-Garage or Broadened Coverage - Garages if added to this policy.

29 - Non-Owned "Autos" Used In Your Garage Business. Any "auto" you do not own, lease, hire, rent, hold for sale or borrow used in connection with your garage business described in the Declarations. This includes "autos" owned by your "employees" or partners (if you are a partnership), members (if you are a limited liability company), or members of their households while used in your garage business.

3. Who Is An Insured

II. Changes in SECTION II - LIABILITY COVERAGE

Paragraph **b.** is deleted and replaced by:

A. Coverage

b. The following are "insureds" for "garage operations":

Paragraph 1. "**Garage Operations**": - **Other Than Covered "Autos"** and Paragraph 2. "**Garage Operations**" - **Covered "Autos"** are deleted in their entirety and replaced by:

(1) You.

"Garage Operations"

(2) Your executive officers, partners (if you are a partnership), members (if you are a limited liability company), "employees", directors or shareholders but only while acting within the scope of their duties.

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies caused by an "accident" and resulting from "garage operations."

B. Exclusions

Exclusion **1. Expected or Intended Injury** is deleted and replaced by:

We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate.

This insurance does not apply to the following:

Our duty to defend or settle ends when the applicable Liability Coverage Limit - "Garage Operations" has been exhausted by payment of judgments or settlements.

1. Expected Or Intended Injury, Or Assault Or Battery

"bodily injury" or "property damage":

a. Expected or intended from the standpoint of any "insured," or

- b. Arising out of assault or battery, or out of any act or omission in connection with the prevention or suppression of an assault or battery.

This exclusion also applies to Personal Injury Liability Coverage - Garage or Broadened Coverage - Garages if added to the policy.

Exclusion **3. Workers' Compensation** is deleted and replaced by:

This insurance does not apply to the following:

3. Workers' Compensation

Any obligation for which any "insured" or any "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

Exclusion **4. Employee Indemnification And Employer's Liability** is amended as follows:

Subparagraph **a.** is deleted and replaced by:

- a. An "employee" of any "insured" arising out of and in the course of
 - (1) Employment by any "insured"; or
 - (2) Performing duties related to the conduct of an "insured's" business; or

Subparagraph **e.** is added:

- e. This exclusion also applies to "Personal Injury" Liability - Garage or Broadened Coverage - Garages if added to this policy.

Exclusion **7. Leased Autos** is deleted and replaced by:

This insurance does not apply to the following:

7. Leased Autos

Any covered "auto" while leased, loaned, rented or entrusted to others.

Exclusion **8. Pollution Exclusion Applicable to "Garage Operations" – Other Than Covered "Autos"** and Exclusion **9. Pollution Exclusion Applicable To "Garage Operations" – Covered "Autos"** are deleted in their entirety and replaced by:

This insurance does not apply to the following:

8. Pollution Exclusion Applicable To "Garage Operations"

"Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged, or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

Any loss, cost or expense arising out of any:

- (a) Request, demand or order that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants;" or
- (b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants."

This Pollution Exclusion applies whether or not such irritant or contaminant has any function in your business, operations, premises, site or location.

This exclusion also applies to "Personal Injury" Liability Coverage-Garage or Broadened Coverage - Garages if added to this policy.

The following exclusions are added:

This insurance does not apply to any of the following:

18. Communicable Disease

"Bodily injury" or "property damage" arising out of :

- a. The transmission of or alleged transmission of any communicable disease any "insured" or any "employee" of any "insured"; or

- b. The failure to perform services which were either intended to or assumed to prevent communicable diseases or their transmission to others.

19. Lead-Bearing Substance

“Bodily injury” caused by plumbism (lead poisoning) or any disease or ailment caused by, or aggravated by exposure, consumption or absorption of lead.

“Property damage” due to or arising out of the actual or alleged presence of lead in any form, including the costs of remedial investigations or feasibility studies, or to the costs of testing, monitoring, cleaning or removal of any lead-bearing substance.

20. Punitive Damages

Any claim of or indemnification for punitive or exemplary damages. If a “suit” seeking both compensatory and punitive or exemplary damages has been brought against you for a claim covered by this policy, we will provide defense for such action. We will not have any obligation to pay for any costs, interest or damages attributable to punitive or exemplary damages.

21. Asbestos, Silica Dust, Toxic Substance

“Bodily injury” caused by asbestosis, silicosis, mesothelioma emphysema, pneumoconiosis, pulmonary fibrosis, pleuritis, endothelioma or any lung disease or any ailment caused by, or aggravated by exposure, inhalation, consumption or absorption of asbestos, silica, or any other similar fibrous or mineral substance in any form, whether or not it is incorporated into your “products” or “work you performed.”

“Property damage” due to or arising out of the actual or alleged presence of asbestos, silica, or any other similar fibrous or mineral substance in any form, including the costs of remedial investigations or feasibility studies, or to the costs of testing, monitoring, cleaning, or removal of any property or substance.

22. Employment-Related Practices

“Bodily injury” to:

- a. A person arising out of any:
 - (1) Refusal to employ that person; or
 - (2) Termination of that person’s employment; or
 - (3) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- b. The spouse, child, parent, brother or sister of that person as a consequence of “bodily injury” to that person at whom any of the employment-related practices described in Paragraphs (1), (2), or (3) above is directed.

This exclusion applies:

- a. Whether the insured may be liable as an employer or in any other capacity; and
- b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

23. Fungi or Bacteria

- a. “Bodily injury,” or “property damage,” which would not have occurred or taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any “fungi” or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to , or assessing the effects of, “fungi” or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

24. Sexual Action

"Bodily injury" or "property damage" arising in whole or in part from actual or alleged "sexual action" or sexual abuse, or to any consequential injuries as a result thereof. This exclusion applies whether the insured may be held liable as an employer or in any other capacity and to any obligation to share damages with or to repay someone else who must pay damages because of the injury.

25. Animals

"Bodily injury" or "property damage" arising out of the ownership, maintenance or use of dogs or other animals, amphibians or reptiles.

26. License Plates

"Bodily injury" or "property damage" arising out of

- a. The ownership, use, loan or entrustment to others of any vehicle registration plate which is registered in the name of any insured whether such plate is a dealers plate, transporter plate, wrecker plate, salvage plate, repairman plate, temporary plate, or any other registration plate not issued for a specific vehicle, or
- b. The operation, maintenance or use of any covered "auto" while operated, maintained or used within the permit of any plate described in paragraph a. above.

27. All Terrain Vehicles

"Bodily injury", "property damage" or "loss" arising out of the sale, service or repair of "autos" not licensed or not intended for road or street use.

28. Liquefied Petroleum Gas

"Bodily injury" or "property damage" arising out of the:

- a. Manufacture, storage, filling, breaking down, distribution or transportation of liquefied petroleum gas; or
- b. Installation, hookup, connection or disconnection of liquefied petroleum gas supply lines to liquefied petroleum gas storage tanks or appliances.

29. Subsidence of Land

"Bodily injury" or "property damage" arising out of or aggravated by the subsidence of land as a result of landslide, mud flow, earth sinking or shifting, whether arising out of natural causes or resulting from your operations, or operations of any subcontractor of yours.

Exclusions 18. through 29. above also apply to "Personal Injury" Liability Coverage - Garage or Broadened Coverage - Garages if added to this policy.

C. Limit of Insurance

Paragraph 1. **Aggregate Limit Of Insurance - "Garage Operations" - Other Than Covered "Autos"** and Paragraph 2. **Limit Of Insurance - "Garage Operations" - Covered "Autos"** are deleted in their entirety and replaced by:

Limit Of Insurance - "Garage Operations"

For "garage operations," the following applies:

Regardless of the number of covered "autos," "insureds," premiums paid, claims made, vehicles involved or "suits" brought or persons or organizations making claims or bringing "suits," the most we will pay for the sum of all damages involving "garage operations" is the Aggregate Limit of Insurance - "Garage Operations" shown in the Declarations.

Damages payable under the Aggregate Limit of Insurance - "Garage Operations" consist of damages resulting from "Garage Operations" and Garagekeepers Coverage.

Subject to the Aggregate Limit of Insurance above, regardless of the number of covered "autos," "insureds," premiums paid, claims made, vehicles involved in the "accident" or "suits" brought or persons or organizations making claims or bringing "suits," the most we will pay for all damages resulting from "bodily injury," "property damage," or Garagekeepers Coverage and resulting from any one "accident is the Each "Accident" Limit of Insurance – "Garage Operations" shown in the Declarations. In addition, all damages referred to above include "Personal Injury" Liability Coverage, "Advertising Injury" Liability Coverage, Host Liquor Liability Coverage, Fire Legal Liability Coverage, Incidental Medical Malpractice Liability Coverage, Non-Owned Watercraft Coverage, or Broad Form Products Coverage if endorsed to the policy.

All "bodily injury" and "property damage" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident."

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement.

The Aggregate Limit of Insurance - "Garage Operations" applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Aggregate Limit of Insurance - "Garage Operations."

D. Deductible is deleted in its entirety and replaced by:

D. Deductible

We will deduct \$250 from the damages in any "accident" resulting from "property damage" to an "auto" as a result of "work you performed" on that "auto" except that we will deduct \$1,000 as a result of "work you performed" arising out of:

1. Oil and lubrications operations, or
2. Service and repair of "heavy trucks."

III. Changes in SECTION III - GARAGEKEEPERS COVERAGE

A. Coverage

Paragraph **1.a. Comprehensive Coverage** is deleted and replaced by:

a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn; or
- (3) Theft other than theft of an entire "auto."

Paragraph **1.b. Specified Causes of Loss Coverage** is deleted and replaced by:

b. Specified Causes of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft of an entire "auto"; or
- (3) Mischief or vandalism.

Paragraph **3. Who Is An Insured** is deleted and replaced by:

3. Who Is An Insured

The following are "insureds" for "loss" to covered "autos":

- a. You.
- b. Your "executive officers", partners (if you are a partnership), members (if you are a limited liability company), "employees", directors, or shareholders while acting within the scope of their duties as such.

B. Exclusions

The following exclusions are added:

This insurance does not apply to any of the following:

1. Theft

If theft of an entire "auto" is a covered cause of "loss" under this policy, we will not pay for "loss" to a covered "auto" caused by or resulting from theft, if at the time of "loss" the ignition keys had been left in or upon a covered "auto."

2. Towing Operation

We will not pay for "loss" to any covered "auto" while it is being transported, towed, or put on or off the towing apparatus by any "insured" unless coverage is provided by completion of the Towing Operations Schedule in **Item Six** of the Garage Coverage Form - Non-Dealers' Supplementary Schedule.

3. All Terrain Vehicles

We will not pay for "loss" arising out of the sale, service or repair of "autos" not licensed or not intended for road or street use.

C. Limit Of Insurance And Deductible

Paragraph 1. is deleted and replaced by:

1. Subject to the Each "Accident" "Garage Operations" Limit and regardless of the number of covered "autos," "insureds," premiums paid, claims made or "suits" brought, the most we will pay for each "loss" at each location is the Garagekeepers Coverage Limit of Insurance shown in the Declarations for that location minus the applicable deductibles.

Paragraph 2. is deleted and replaced by:

2. The maximum deductible stated in the Declarations for Garagekeepers Coverage Specified Causes of Loss Coverage is the most that will be deducted for all "loss" in any one event.

IV. SECTION IV - PHYSICAL DAMAGE COVERAGE

is deleted in its entirety.

V. Changes in SECTION V - GARAGE CONDITIONS

B. General Conditions

Paragraph 6. **Premium Audit** is deleted and replaced by:

6. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. The estimated premium shown in this Coverage Part is a minimum and deposit premium and is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. At the close of each audit period, we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the total earned premium for the policy period is less than the estimated premium, then the estimated premium is the minimum premium and is not subject to further adjustment.
- c. The first Named Insured must keep records of the information we need for premium computation and send us copies at such times as we may request.

VI. Changes in SECTION VI - DEFINITIONS

Definition D. "Covered pollution cost or expense" is deleted in its entirety.

Definition G. "Employee" is deleted and replaced by the following:

- G. "Employee" means a person working for salary or wages, or any substitute for salary or wages, as compensation in any manner by any insured, under any contract of hire, expressed or implied, oral or written, where the insured, as employer, has the power or right to control and direct the employee. "Employee" includes a person hired by the hour, day or any other irregular or intermittent period. "Employee" includes a "leased worker," or "temporary worker."

Definition **J.** "Insured contract" is deleted and replaced by:

J. "Insured Contract" means:

1. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
2. A sidetrack agreement;
3. Any easement or license agreement, except in connection with construction or demolition operation on or within 50 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. An elevator maintenance agreement;

An "insured contract" does not include that part of any contract or agreement:

1. That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - a. Preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
 - b. Giving directions or instructions, or failing to give them, if that is the primary cause of injury or damage.
2. That indemnifies any person or organization for damage by fire to premises rented or loaned to you.
3. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees" if the "auto" is loaned, leased or rented with a driver.
4. That part of any contract or agreement entered into, as part of your garage business, pertaining to the rental or lease, by you or any of your "employees," of any "auto."
5. That part of any contract or agreement entered into, as part of your garage business, pertaining to your garage business (including an indemnification of a municipality in connection with work performed for a municipality) under which

you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

6. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority; or
7. That indemnifies any person or organization for "bodily injury," "property damage," or "personal injury" arising out of an "accident" caused by the sole negligence of said person or organization.

Definition **M.** "Pollutants" is replaced by:

M. "Pollutants" means any solid, liquid, gaseous, bacterial or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

Definitions **T.**, **U.** and **V.** are added:

T. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

U. "Heavy truck" means a truck having a gross vehicle weight of 20,001 pounds or greater and any truck-tractor.

V. "Sexual action" includes, but is not limited to, any verbal or non-verbal communication, behavior or conduct with sexual connotations or purposes, whether for sexual gratification, discrimination, intimidation, coercion or other purposes, and regardless of whether such is alleged to be intentional or negligent or whether such action results in physical, emotional or psychological injury or harm to any person or persons.