

THIS ENDORSEMENT RESTRICTS YOUR POLICY. PLEASE READ IT CAREFULLY.

LIMITATIONS AND EXCLUSIONS TO THE GARAGE COVERAGE FORM (DEALER)

This endorsement modifies the insurance provided under the following:

GARAGE COVERAGE FORM

I. Changes in SECTION I - COVERED AUTOS

or sale in connection with your "garage operations"; or

A. Description Of Covered Auto Designation Symbols

(2) Not being driven.

Description of Symbol 27 is deleted and replaced by:

27 = Only those "autos" described in **Item Seven** of the Garage Coverage Form Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to a power unit described in Item Seven).

b. A non-owned "auto" used in your garage business. A non-owned "auto" is 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", 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.

Description of Symbol 31 is deleted and replaced by:

31 = Any "autos" and the interests in these "autos" described in **Item Six** of the Declarations.

4. A haulaway, car hauler, car carrier, tow truck, "auto" employing a "trailer hitch" or tow bar or tow dolly to tow another "auto", parts truck, road service truck or other service use "auto" unless the "auto" is specifically described in **Item Seven** of the Garage Policy Declarations; or

The following is added:

However, for LIABILITY COVERAGE, PHYSICAL DAMAGE COVERAGE AND ALL OTHER COVERAGES, a covered "auto" does NOT include any "auto" which is:

5. Owned by you and "furnished or available for regular use" of owners, partners, officers, employees, spouses, children or relatives of yours or any other person or organization and not specifically described in **Item Seven** of the Garage Policy Declarations.

1. Used as a tank truck or tank trailer; or
2. Used as a public livery conveyance or to carry property or persons for a charge; or,
3. Over 20,000 pounds "gross vehicle weight" (G.V.W.) or "gross combined weight" (G.C.W.) unless the "auto" is specifically described in **Item Seven** of the Garage Policy Declarations; or

This exclusion applies unless the person or organization and the driver of the "auto" is named in the Garage Coverage Driver Control Endorsement. However, coverage shall extend to the occasional use by a non-scheduled driver for emergency purposes if: (a) the non-scheduled driver has permission of a scheduled driver and the actual use is within the scope of such permission and (b) the non-scheduled driver is 21 years of age or older; or

a. Held for sale by you and is:

- (1) Being test driven; or being driven or transported to or from an automobile factory or distribution point or any other place of purchase

6. Operated at any time by anyone under the age of twenty-one (21). This exclusion does not apply to the persons named in the Garage Coverage Driver Control Endorsement nor to a prospective purchaser while on a test drive and accompanied by an "insured".

- b. "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, clean-up or removal of any lead-bearing substance.

II. Changes in SECTION II - LIABILITY COVERAGE

B. Exclusions

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

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.

The following exclusions are added:

18. **"Communicable Disease"**

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

- a. The transmission of or alleged transmission of any "communicable disease" by 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 disease" or the transmission to others of a "communicable disease".

19. **Lead-Bearing Substance**

- a. "Bodily injury" or "personal and advertising injury" caused by plumbism (lead poisoning) or any disease or ailment caused by, or aggravated by exposure, consumption or absorption of lead.

20. **Punitive Damages**

Any claim, suit 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, clean-up, or removal of any property or substance.

22. **Employment-Related Practices**

"Bodily injury" to:

- a. A person arising out of:
 - (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, re-

assignment, 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 dogs, amphibians, reptiles or other animals.

26. 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.

27. 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.

28. Radius of Operation – Specifically Described "Autos"

"Bodily injury" or "property damage" which occurs while a covered "auto" which is specifically described in the Declarations is being driven beyond the stated Radius.

29. Shared Lot

"Bodily injury" or "property damage" arising out of the operations of, activities of, or areas controlled by, any other entity except you.

30. 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 sub-contractor of yours.

31. Driveaway Operations

"Bodily injury" or "property damage" which occurs while a covered "auto" is being driven or transported from the point of purchase or distribution to its destination, if such points are more than 300 road miles apart, unless this limit is extended by completion of the DRIVE AWAY SCHEDULE specifically endorsed to this policy.

32. Loaned Autos

Any covered "auto" while loaned to others. But this exclusion does not apply to one of your customers while their "auto" is left with you for service or repair.

33. Undeclared Operations, Premises or Locations

"Bodily injury", "property damage", "personal and advertising injury" or "fire legal liability" arising out of:

- a. Premises or locations not scheduled in the policy; or
- b. Operations not included in the business description in the policy, whether or not such operations are continuous, intermittent, incidental, temporary or seasonal in nature.

Exclusions 18. through 33. above also apply to "Personal Injury" Liability Coverage - Garage or Broadened Coverage - Garages if added to this policy.

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 lubrication 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 "insured's" for "loss" to "customer's autos" and "customer's auto" equipment:

- a. You.
- b. Your executive officers (if you are a corporation), 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

Exclusion 1.b. **Theft** is deleted and replaced by:

1.b. Theft or Conversion

(1) "Loss" or damages due to theft or conversion caused in any way by you, your employees or by your shareholders;

(2) "Loss" due to theft if at the time of "loss" the ignition keys for the stolen "auto" were in that "auto", or upon that "auto".

The follow exclusions are added to paragraph 1:

e. Towing and Transport

This insurance does not apply to "loss" to any covered "auto" while it is being transported, towed, loading or unloading, on or off the towing apparatus by any "insured" unless coverage is provided by completion and attachment of *Amendatory Endorsement – Towing and Transport Coverage*.

f. "Autos" on Consignment for Sale

This insurance does not apply to "loss" to any "auto" not owned by you while in your possession on consignment for sale.

g. 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.

Paragraph **C. Limit of Insurance And Deductible** is replaced in its entirety by:

C. Limits Of Insurance And Deductible

1. 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 Supplemental Declarations for that location minus the applicable deductibles.

2. Regardless of the value of each covered "auto", the most we will pay for "loss" to any one "auto" is the amount shown as the Maximum Limit per Covered "Auto" in the Supplemental Declaration less the stated deductible for each covered "auto".

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

IV. Changes in SECTION IV - PHYSICAL DAMAGE 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";

(3) Windstorm, hail or earthquake;

(4) Flood;

(5) Mischief or vandalism; or

(6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

B. Exclusions

Exclusion **4.c.** is deleted and replaced by:

c. "Loss" to any covered "auto" while being driven or transported from the point of purchase or distribution to its destination if such points are more than 300 road miles apart unless this limit is extended by completion of the Drive-Away Schedule specifically endorsed to this policy.

Exclusion 7. Theft or Conversion, Exclusion 8. Service Use "Auto's" and Exclusion 9. All Terrain Vehicles are added:

7. Theft or Conversion

- a. We will not pay for "loss" to a covered "auto" caused by or resulting from theft or conversion caused in any way by you, your employees or by your shareholders;
- b. We will not pay for "loss" to a covered "auto" caused by or resulting from theft if at the time of "loss" the keys for the stolen "auto" were in that "auto", or upon the "auto".

8. Service Use "Autos" (Tow Trucks, Haulaways, Car Haulers, Car Carriers, Parts Trucks, Road Service Trucks, and Other Similar "Autos")

We will not pay for "loss" to owned "autos" used in "garage operations" unless the "auto" is specifically described in the Declarations.

9. All Terrain Vehicles

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

10. Loaned Autos

Any covered "auto" while loaned to others. But this exclusion does not apply to one of your customers while their "auto" is left with you for service or repair.

C. Limits Of Insurance

Paragraph 1. is deleted in its entirety and replaced by:

- 1. The most we will pay for "loss" to any one covered "auto" is the lesser of:
 - a. The actual cash value of the damaged or stolen property as of the time of "loss", or

- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality, or
- c. The amount shown as Cost/Value for the "auto" specifically described in the DECLARATIONS.

Paragraph 2. is changed to include the following additional subparagraph:

Regardless of the value of a covered "auto" the most we will pay for "loss" to any one "auto" is \$25,000 unless another Limit of Insurance is shown by completion of the Value Limitation Schedule in the Garage Coverage Form DECLARATIONS.

D. Deductible

Paragraphs 1. and 2. are deleted and replaced by

- 1. For each covered "auto", our obligation to pay for, repair or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations or other applicable Schedules.
- 2. Regardless of the number of Covered "autos" damaged or stolen, the per "loss" deductible for Comprehensive or Specified Causes of Loss Coverage shown in the Declarations is the maximum deductible applicable for all "loss" in any one event.

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 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. "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 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 operations 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 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 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** through **AA**, are added:

- T.** "Catastrophe Loss Occurrence Aggregate Limit" means the most we will pay, subject to the Limit of Insurance for each location and any one covered "auto", for the sum of all "loss" included within Garagekeepers Coverage and/or Physical Damage Coverage caused by any one accident, disaster, happening, or series of accidents, disasters, happenings arising out of or caused by one event which occurs within the coverage territory. But, for Garagekeepers Coverage only, "Catastrophe Loss Occurrence Aggregate Limit" includes any resulting loss of use. However, the duration and extent of any one catastrophe loss occurrence shall be limited to all individual losses occurring during any one period of 24 consecutive hours.
- U.** "Communicable disease" means an infectious disease transmissible from person to person by direct contact with an affected person or that person's discharges.
- V.** "Fungi" means any type or form of fungus including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.
- W.** "Furnished or available for regular use" means the right to frequent use of an "auto" for purposes that are not necessary or incidental to "garage operations".
- X.** "Gross vehicle weight" (G.V.W.) means the maximum loaded weight for which a single "auto" is designed as specified by the manufacturer.
- Y.** "Gross combined weight" (G.C.W.) means the maximum loaded weight for a combination truck-tractor and semi-trailer or trailer for which the truck-tractor is designed as specified by the manufacturer.
- Z.** "Heavy truck" means a truck having a gross vehicle weight of 20,001 pounds or greater and any truck-tractor.
- AA.** "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.