

*So much is riding on your tires....*



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## Types of Coverage

### Liability

Covers Bodily Injury to others and any property damage to another vehicle if you are at fault in an accident.

- Medical costs and lost wages
- Your legal expenses / lawsuit



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## Uninsured / Underinsured

Required by some states to protect against an at-fault driver who is unable to pay the total cost or has no insurance.

- No insurance / inadequate coverage
- Hit-and-run accidents
- Insolvency of the insurance carrier



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## Do symbols 2+8+9=1?



Symbol – 1 – Any “Auto” (liability only)

- Most Comprehensive symbol available. Coverage is provided for any auto used for business operations; including vehicles the insured owns, doesn't own, and hires for their day-to-day operations
- No need to add other symbols to extend coverage (most common request is to 8 and 9 which is redundant). Coverage applies to any auto as defined in the definitions section of the policy
- Also includes newly acquired vehicles that may not be scheduled




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## Coverage Symbols

- Symbol 2 – owned auto only. Any owned “auto” listed on the policy or newly acquired after the policy begins
- Symbol 7 – Specifically described “auto”
- Symbol 8 – Hired “auto” – liability and/or physical damage coverage for leased, hired, rented or borrowed.
- Symbol 9 – Non-Owned – “autos not owned, leased, hired, rented for borrow”. Employee using vehicle in the scope of business




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### Symbol 10

- Most commonly used to exclude “airside coverage” used in conjunction with form CA 9940




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### CA 9954 – Defines Symbol “10”

Any licensed automobile owned or operated by the insured except where the general liability policy has been extended/modified to provide automobile coverage while being operated on an airport premises in the airport liability policy.




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### CA 9940- Excludes “Airside” Liability

Coverage does not apply to vehicles while being operated airside and/or in “secure” areas of airports as defined in the primary airport liability policy.




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Check the aviation coverage form for primary vs. excess wording.

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## Section II – Liability Coverage

Pays all sums the “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 the ownership, maintenance or use of a covered “auto”

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## Who is an Insured?

- Named insured
- Anyone else while using with your permission a covered auto you own hire or borrow (except owner) – also known as a permissive user
- Any one for whom the insured may become vicariously liable (most common in contract work)



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## Crew Cars

- Driver is considered “permissive user”



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## Permissive Users



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### Liability Coverage Extensions

Supplementary payments (in addition to the limit of insurance)

- Expenses incurred
- Bail Bonds (\$2,000)
- Loss of Earnings
- Reasonable expenses incurred by the insured at company's request
- Interest on full judgement amount

Out of State Coverage Extensions

- Automatic increase of liability limits to meet financial responsibility laws of jurisdiction where auto is being used
- Automatic coverage for state mandated coverages not provided on current policy (no-fault)




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### Exclusions

- Fellow Employee
- Care, Custody or Control
- Handling of Property
- Operations (operation of equipment)
- Completed Operations (your work after that work has been completed or abandoned)
- Pollution




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### Section III – Physical Damage

Provides coverage for loss to a covered auto or its equipment.

- Collision Insurance
  - Pays for damage to your vehicle if you hit a vehicle, another vehicle hits you or your vehicle rolls over, regardless of who is at fault. Collision coverage can be required if your vehicle is financed or leased.
- Comprehensive Insurance
  - Pays for damage to covered auto from causes of loss not triggered by an accident. These instances may include theft, flood, vandalism, earthquakes, fire or damage from a bird or animal.
- Specified Causes of Loss
  - Coverage is provided on a named peril basis (fire, flood, EQ).




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### Physical Damage Coverage Extensions

- Transportation Expenses – temporary transportation expenses up to \$600
- Loss of Use Expenses – pays expenses for which an insured becomes legally liable to pay for loss of use of a vehicle rented or hired without a driver.



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### Physical Damage Exclusions

- Nuclear Hazard
- War or Military action
- Vehicle used in professional or organized racing or demolition contest
- Wear, tear, freezing, mechanical or electrical breakdown
- Blowouts, punctures or other road damage to tires
- Tapes, records, discs
- Electronic equipment and/or accessories not designed for sound reproduction



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### Section IV

- Loss Conditions
- Duties in the event of accident, claim, suit or loss
- Loss Payment
- General Conditions
- Policy Period
- Coverage territory



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### Section V

- Definitions
  - Terms outlined in policy by “quotation marks” are defined. Coverage can be expanded or removed within the definition.



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### Optional Coverages

- Coverages otherwise excluded or limited. In most cases added with a premium charge.



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### GarageKeepers Legal Liability



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## Drive other Car coverage

- Drive Other Car Endorsement
- A commercial auto endorsement designed to provide nonowned auto coverage under a commercial auto policy similar to that which would be provided under a personal auto policy (PAP). The drive other car coverage—broadened coverage for named individuals (CA 99 10) endorsement is commonly used when an executive officer, for example, does not carry personal auto insurance because he or she is furnished a company auto. Coverage under the endorsement would come into play in the event the individual designated in the endorsement (including his or her resident spouse) is driving a non-owned auto for personal use. Coverage under the endorsement does not apply if the auto in question is owned by that individual or by any member of his or her household; or the auto is used by either of these individuals while working in a business of selling, servicing, repairing, or parking autos.
- Broad form drive other car coverage



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## Pollution Liability

Coverage form CA 9948 removes pollution

Exclusion

- Does not apply to fuel /lubricants used to operate vehicle
- Does not include loading/unloading



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### Optional Coverage Forms Available

- Rental Reimbursement
- Employees As Insured
- Fellow Employee
- Employees as Insured
- Employee Hired Auto



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### Loss Examples



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### Physical Damage

Insured left vehicle at airport in Northern NY not realizing there were crackers in the glove box. Damage is from a Bear Attack on the vehicle looking for more crackers.



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- Liability

Plaintiff seek redress for the tortious actions suffered by him. Specifically, plaintiff alleges that he was attacked, falsely arrested and required to hire an attorney after Plaintiff caught Lt. Jones and his wife in an Airport Authority vehicle in a sexually explicit compromising position.



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- No coverage had Lt. Jones not pulled Plaintiff into vehicle
- Lt. Jones then arrested plaintiff (charges were later dropped).
- Paid \$123,000 to defend claim



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- **Uninsured / Underinsured Motorist**

Insured vehicle was T-boned by a drunk driver.  
9 passengers on board. 3 fatalities.

At fault driver had \$40,000 liability limits.  
We paid \$1,000,000 plus \$10,000 med pay per passenger



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