

GARAGE POLICY COVERAGES

Businesses engaged in selling, servicing, storing, or parking autos have special insurance needs. The garage coverage form is designed to cover the risks associated liability, commercial general liability, and physical damage coverages in one policy.

Garage operations are defined as the ownership, maintenance, or use of locations for garage business and that portion of the roads that adjoin these locations. The garage operations include the ownership, maintenance and use of autos indicated in the policy as covered autos. Garage operations also include coverage for all operations that are necessary or incidental to a garage business.

An auto is defined as a land motor vehicle, trailer, or semitrailer. The type of coverage provided on the autos are determined by the use of ten auto symbols ranging from symbol 21 through 31. Symbol 30 is used to provide the Garage Keepers coverage. Symbols 21 through 29 closely correspond to the same coverages provided under the business auto form when symbols 1 through 9 are used.

GARAGE LIABILITY The broad liability insuring agreement provides bodily injury and property damage liability coverage similar to that provided by the commercial general liability policy and the business auto policy. The liability insuring agreement for garage operations promises to pay all sums an insured legally must pay for damages, due to bodily injury or property damage caused by an accident, and resulting from garage operations involving the ownership, maintenance, or use of covered autos.

Garage liability for covered autos is provided for the named insured, anyone using the auto with the insured's permission, the insured's employees if the covered auto is owned by that employee, and the insured's customers if the insured is an auto dealership. However, certain restrictions apply to coverage for customers.

The liability insuring agreement for garage operations, other than covered autos, promises to pay all sums an insured legally must pay for damages because of bodily injury or property damage when caused by an accident and resulting from garage operations other than the ownership, maintenance, or use of covered autos. Garage liability for garage operations other than covered autos is provided for the named insured, the insured's partners, employees of the insured, and directors or shareholders while acting within the scope of their duties.

The garage policy provides liability coverage for products that are made or sold in a garage business. The policy also provides completed operations insurance, which is subject to a deductible. Completed operations coverage applies in the event of a claim for property damage to an auto as a result of work the insured performed on that auto. The policy has an annual aggregate limit for garage operations other than covered autos and an each accident limit which applies to both auto claims and other than auto claims.

GARAGE KEEPERS LIABILITY The garage keepers section of the policy covers the insured's liability for loss to covered autos or auto equipment left in the insured's care while the insured is attending, servicing, repairing, parking or storing the auto in the garage operation. Garage keepers coverage is necessary because liability for such damages is excluded under the garage liability section of the policy by the care, custody, or control exclusion. The causes of loss that may be insured against are collision, comprehensive, and specified causes of loss. The specified causes of loss are fire, explosion, theft, and mischief or vandalism. The limit of insurance shown in the policy is the most the insurer will pay for each loss at each location listed in the policy. In addition to the limit of insurance, the garage keepers policy pays supplementary payments that can be made to cover the cost of expenses incurred while the insurer is defending the insured against suits alleging covered losses.

This is only a summary of insurance coverage's and does not constitute a policy, contract or legal evidence of insurance. For complete policy terms, conditions, limitations and exclusions refer to the policy.

Initials _____

Date _____

Edition 6/15/2011 GA-PRO01

GARAGE POLICY COVERAGES

Garage keepers insurance can apply on a legal liability basis, which means the insured must be legally obligated for the damages in order for the insurer to respond to a claim. The insured can also pay an extra premium for direct coverage. The direct coverage endorsement will pay for losses to customers' cars without the usual requirement that the insured be legally liable. This endorsement is also known as goodwill coverage by many insureds because it preserves good customer relations when a customer expects to be paid for a loss, even though the garage is not legally obligated to do so.

GARAGE PHYSICAL DAMAGE COVERAGES Garage physical damage insurance provides the same collision, comprehensive, and specified causes of loss coverages available under the business auto coverage form. However, the garage form contains a number of exclusions that are not found in the business auto form. As with the business auto form, the coverage can be written on a comprehensive basis or a specified cause of loss basis. The comprehensive insuring agreement states it will pay for loss to a covered auto or its equipment from any cause except collision, overturn, or a peril specifically excluded. The specified cause of loss insuring agreement states it will pay for losses caused by fire, lightning, explosion, theft, windstorm, hail, earthquake, flood, mischief or vandalism, or the sinking, burning, collision, or derailment of a conveyance transporting the insured vehicle. The collision coverage pays for a loss to a covered auto caused by a collision with another object or an overturn.

PHYSICAL DAMAGE COVERAGES CONTINUED Transportation expenses and towing and labor coverage can be added for non-dealers only. Auto dealers physical damage coverage is provided for new or used autos held for sale by an auto dealership. When this coverage is desired it is usually written on a reporting form basis.

The limit of insurance under the physical damage coverage is the smaller of the actual cash value of the damaged or stolen property at the time of the loss, or the cost to repair or replace the property with property of like kind and quality. Auto dealerships have other provisions that may determine the limit of insurance. A deductible would apply for comprehensive or specified cause of loss coverage.

When the insured is a non-dealer, the comprehensive coverage deductible does not apply to losses caused by fire or lighting.

When the insured is an auto dealership, the deductible for specified cause of loss or comprehensive coverage applies only to losses caused by theft, mischief, or vandalism. Comprehensive and specified cause of loss coverage for auto dealers and non-dealers carries a per auto deductible, as well as a maximum deductible, which is applicable for all loss in any one event. When collision coverage is added, a deductible applies for each covered auto.

NOTE:

The values illustrated are estimates only based upon the information you have furnished. Greg Roe Insurance and Roe Insurance assumes no responsibility for the accuracy of these values. If you are not sure of the accuracy of the values stated, an appraisal should be obtained from a qualified, licensed appraiser.

This is only a summary of insurance coverage's and does not constitute a policy, contract or legal evidence of insurance. For complete policy terms, conditions, limitations and exclusions refer to the policy.

Initials _____

Date _____

Edition 6/15/2011 GA-PRO01

GARAGE POLICY COVERAGES

Additional Insured's Required Under Contract

This letter is to inform you of coverage changes that may affect your policy.

General liability coverage provided to a named insured (*you*) by an insurer could be modified to extend to other parties (ie; Owners, Landlords, Contractors, etc). These other parties are commonly referred to as *additional insureds*. Modifications (endorsements) to the named insured's policy could be used to provide similar benefits enjoyed by the named insured to the additional insured. Because of changes to these endorsements, the additional insured may no longer enjoy the same benefits. Under these new endorsements, liability that is based on the sole negligence of the additional insured may no longer be covered. The State of Florida's Office of Insurance Regulation approved changes to these policy endorsements effective July 1, 2004. **Please note that insurers make a premium charge for each name listed as an additional insureds on your policy, this charge is non-refundable regardless if you are awarded the bid or not.**

The absence of insurance coverage and the agreement to contractual terms may not free you of the responsibility to pay on behalf of the additional insured liability arising out of their sole negligence.

Florida law allows you to assume liability on behalf of another party by way of a contractual agreement. In fact, the law allows you to assume the liability for suits that may be the result of the sole negligence of the other party in the contract. In other words, contractually you would be accepting and paying for claims that may arise from situations that are not even your fault. While we are not necessarily aware of the individual contracts you may have entered into, we feel it is our duty to notify you that there is a possibility you could have a claim that is not covered by insurance. Our recommendation to you would be to have your contracts reviewed by your attorney to determine if you have assumed such liability and what your legal options are.

You must make a request in writing to us to have an additional insured added to your policy and a fee is charged at that time. Including additional insureds on your policy can severely limit or restrict coverage for your own operations. So we recommend you avoid such requirements as much as possible. The additional insured will have coverage extended for Premises and Operations coverage only. No Products/Completed Operations coverage will be provided to the additional insured unless specifically requested by you, approved by the insurance company, and a separate fee is paid at the time of the request.

Sole Negligence Disclaimer:

If I request certain persons and/or entities to be added to my Commercial General Liability policy as additional insureds; I am aware that the contracts I have signed with these persons and/or entities may require me to be responsible for all liability arising from the job or jobs covered by those contracts which may include responsibility for liability arising from the sole negligence of the additional insured. I hereby acknowledge that Greg Roe Insurance, Inc, and/or Roe Insurance, Inc. has fully explained to me that the policy I have purchased from them does not cover any liability arising from the sole negligence of the additional insured named on the policy, or any endorsement attached thereto, regardless of whether or not the contract may impose such liability upon me. Any liability arising from such situations will be at my own expense.

This is only a summary of insurance coverage's and does not constitute a policy, contract or legal evidence of insurance. For complete policy terms, conditions, limitations and exclusions refer to the policy.

Initials _____

Date _____

Edition 6/15/2011 GA-PRO01

GARAGE POLICY COVERAGES

This is only a summary of insurance coverage's and does not constitute a policy, contract or legal evidence of insurance. For complete policy terms, conditions, limitations and exclusions refer to the policy.

Initials _____

Date _____

Edition 6/15/2011 GA-PRO01