

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**GARAGEKEEPERS COVERAGE**

None of the terms of the Coverage Part to which this endorsement is attached apply to the insurance provided by this endorsement, except for the **COMMON POLICY CONDITIONS, SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**, which is amended to apply to this insurance, **BUSINESSOWNERS GENERAL LIABILITY CONDITIONS**, the **NUCLEAR ENERGY LIABILITY EXCLUSION** and the **DEFINITIONS** Section, as amended by **PROVISION A**. of this endorsement.

GARAGEKEEPERS LIABILITY applies on the following coverage basis:

DIRECT PRIMARY. If the declarations state this coverage applies, coverage applies without regard to the "insured's" legal liability for "loss" to a "customer's auto" and is primary insurance.

LEGAL LIABILITY. If the declarations state this coverage applies, coverage applies on the basis of the "insured's" legal liability.

PROVISIONS**A. WORDS AND PHRASES WITH SPECIAL MEANING**

As used in this GARAGEKEEPERS COVERAGE endorsement:

1. "Customer's Auto" means a customer's land motor vehicle or trailer or semitrailer. This definition also includes any "customer's auto" while left with you for service, repair, storage, parking or safekeeping. Customers include your "employees" and members of their households who pay for services performed.
2. "Garage Operations" means the ownership, maintenance or use of locations for the purpose of selling, servicing, repairing, parking or storing "customer's autos" and that portion of the roads or other accesses that adjoin these locations. "Garage operations" also includes all operations necessary or incidental to the performance of garage operations.
3. "Work you performed" includes work that someone performed for you.
4. "Loss" means direct and accidental loss or damage and includes any resulting loss of use.

B. WE WILL PAY

1. We will pay all sums the insured legally must pay as damages for "loss" to a "customer's auto" or "customer's auto" equipment left in the insured's care while the insured is attending, servicing, repairing, parking or storing it in your "garage operations" under:
 - a. Comprehensive Coverage. From any cause except:
 - (1) The "customer's auto" collision with another object; or
 - (2) The "customer's auto" overturn.

b. Collision Coverage. Caused by:

- (1) The "customer's auto" collision with another object; or
- (2) The "customer's auto" overturn.

2. We will have the right and duty to defend any insured against a "suit" seeking these damages. However, we have no duty to defend any insured against a "suit" seeking damages for "loss" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends for a coverage when the Limit of Insurance for that coverage has been exhausted by payment of judgments or settlements.

C. WE WILL NOT COVER – EXCLUSIONS

1. This insurance does not apply to any of the following:
 - a. **Contractual Operations.** Liability resulting from any contract or agreement by which the insured accepts responsibility for "loss".
 - b. **Theft.** "Loss" due to theft or conversion caused in any way by you, your "employees", or by your partners, members, directors or shareholders.
 - c. **Defective Parts.** Defective parts or materials.
 - d. **Faulty Work.** Faulty "work you performed".
2. We will not pay for "loss" to any of the following:
 - a. Tape decks or other sound reproducing equipment unless permanently installed in a "customer's auto".
 - b. Tapes, records, compact discs or other sound reproducing devices designed for use with sound reproducing equipment.
 - c. Sound receiving equipment designed for use as a citizen's band radio, two-way mobile radio or telephone or scanning monitor

receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the "customer's auto" manufacturer for the installation of a radio.

- d. Equipment designed or used for the detection or location of radar.

D. WHO IS AN INSURED

The following are insureds for "loss" to "customer's autos":

1. You.
2. Your partners, "employees", directors or shareholders while acting within the scope of their duties as such.
3. If you are designated in the Declarations as an individual, your spouse is an insured, but only with respect to the conduct of a business of which you are the sole owner.
4. If you are designated in the Declarations as a partnership or joint venture, your members, partners and their spouses are also insureds, but only with respect to the conduct of your business.
5. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
6. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

E. LIMIT OF INSURANCE AND DEDUCTIBLE

1. Regardless of the number of "customer's 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 for "loss" caused by collision, theft or mischief or vandalism.
2. The maximum deductible stated in the Declarations for Garagekeepers Coverage Comprehensive is the most that will be deducted

for all "loss" in any one event caused by theft or mischief or vandalism.

3. Sometimes to settle a claim or "suit", we may pay all or any part of the deductible. If this happens you must reimburse us for the deductible or that portion of the deductible that we paid.
4. Any deductible will apply only to the amount of "loss" and will not reduce our limit of liability.
5. The Garagekeepers Coverage Limits are additional limits and do not reduce the per occurrence or aggregate limits under the **BUSINESSOWNERS LIABILITY COVERAGE PART.**

F. LOSS CONDITIONS

1. Appraisal For Garagekeepers Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each part will select a competent appraiser. The two appraisers will select a competent and impartial umpire.

The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding.

Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. Loss Payment – Garagekeepers Coverage

At our option we may

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "customer's auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

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