

**PROGRAM DIVISION
BULLETIN**

2006-20

June 19, 2006

**ADDITIONAL INFORMATION ON THE CONVERSION OF
TEXAS COMMERCIAL AUTO TO ISO**

In response to the bulletin that was sent last week on our conversion to ISO for Texas Automobile a couple of questions have been raised pertaining to experience rating and coverage comparisons. In response to those inquiries please note:

- Texas automobile will be added into the multi-state experience rating. No separate experience rating will be required.
- Attached is an additional ISO document that can assist you in discussing the coverage comparisons in Texas with insureds.



TX Advisory.pdf (45
KB)

- Also here is an additional screen for Cover-All that was left off the previous bulletin.

Cover-All Technologies Inc. - Microsoft Internet Explorer

My Insurance Center - Vehicle Optional Endorsements

File Quote Policy Window Utilities

UNIT-1

Transaction : Create Quotation Screen : 30096
 Quotation : 01-CA-0001666-0.000 Type : Commercial Autom
 Insured : TX AUTO TEST Producer : Louisiana Risk Spec

Field Lookup

STATE CODE FORM NUMBR

STATE CODE	FORM NUMBR
1	CA0408 -TX AUTO DEATH INDMNITY & TOTAL
2	CA0418 -TX IL OTHER THAN DESIGNATED DR
3	CA2037 -TX EMERGENCY USE EXCLUDED
4	CA2092 -TX MOBILE HOME TRIP COLLISION
5	CA2095 -TX MODIFIED HAIL DEDUCTIBLE
6	CA2353 -TX AMUSEMENT DEVICES MOUNTED
7	CA2403 -TX MOTOR BUS ENDT - DOT FORM
8	CA2405 -TX MOTOR BUS ENDT - INDEMNITY
9	CA2406 -TX SCHOOLS (PUB) DRIVER TRAIN
10	CA2407 -PUBLIC AUTO PASS HAZARD EXCL.
11	CA9995 -TX SUPPLEMENTARY DEATH BENEFIT

Search Select Cancel Skip <Back Next > Finish All

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Create Quote - 1

If you have any questions, please contact your Program Manager or on Cover-All the help desk.

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BROADENINGS AND CLARIFICATIONS OF COVERAGE

TEXAS COMMERCIAL AUTOMOBILE FILING CA-2001-OFR00

This notice has been prepared in conjunction with the implementation of changes to your policy. It contains a brief synopsis of the significant broadenings and clarifications of coverage that were made in each policy form and endorsement. This notice does not reference every editorial change made in these forms and endorsements.

Certain provisions of the Coverage Forms are modified by Texas specific endorsements in response to legal requirements. Therefore, some of the descriptions of the broadenings and clarifications of coverage may appear under the Texas specific endorsements section of this notice, rather than under the Coverage Forms section.

PLEASE READ YOUR POLICY AND THE ENDORSEMENTS ATTACHED TO YOUR POLICY CAREFULLY.

CLARIFICATIONS IN COVERAGE AND OTHER EDITORIAL REVISIONS - COVERAGE FORMS

The following Commercial Auto Coverage Forms contain minor editorial revisions to provide for consistency among policies. Additionally, these coverage forms have been revised to include other various revisions, which serve to clarify coverage. Some of these changes to each coverage form are described below:

- CA 00 01 - Business Auto Coverage Form**
- CA 00 05 - Garage Coverage Form**
- CA 00 10 - Business Auto Physical Damage Coverage Form**
- CA 00 12 - Truckers Coverage Form**
- CA 00 20 - Motor Carrier Coverage Form**

These coverage forms have been revised to clarify that sales tax for a damaged or stolen vehicle is considered part of the total loss settlement.

- CA 00 01 - Business Auto Coverage Form**
- CA 00 05 - Garage Coverage Form**
- CA 00 12 - Truckers Coverage Form**
- CA 00 20 - Motor Carrier Coverage Form**

The definition of "temporary worker" has been amended for consistency with the Commercial General Liability (CGL) policy.

CA 00 05 - Garage Coverage Form

Section III – Garagekeepers Coverage has been revised to:

- Reference "customer's auto" instead of "covered auto" throughout this section and add a definition of this term in Section VI - Definitions.
- Add reference to "customer's auto" equipment in the lead-in to the Who Is An Insured provision for clarity.

NOTE: The revisions mentioned in the preceding paragraphs will apply, except that all references to “customer’s auto”, customer’s autos” or “customer’s auto’s” will be replaced with “covered auto”, “covered autos” or “covered auto’s” respectively in Texas Changes – Garage Coverage Form endorsement CA 01 97.

- Add reference to an all perils deductible in paragraph C. Limit of Insurance and Deductible to track with the Garage Declarations.

CA 00 10 - Business Auto Physical Damage Coverage Form

- The quotes around the terms "insured", "suit" and "trailer" have been eliminated since these are not defined terms in this form.
- Definitions for "employee", "leased worker" and "temporary worker" have been added.

CLARIFICATIONS IN COVERAGE AND OTHER EDITORIAL REVISIONS - MULTISTATE ENDORSEMENTS

CA 99 17 - Individual Named Insured

The paragraphs pertaining to Personal Auto Coverage under both Changes In Liability Coverage and Changes In Physical Damage have been revised to change the phrase "*While* any auto you own." to "*If* any auto you own..." to avoid ambiguity as to the meaning of the word "while".

CA 20 01 - Additional Insured - Lessor

The title has been changed to "Lessor - Additional Insured And Loss Payee" to more closely track with the purpose of this endorsement.

CA 20 12 - Leasing Or Rental Concerns - Rent It Here/Leave It There

The title has been changed to "Leasing Or Rental Concerns -Rent-It-There/Leave-It-Here" to more closely track with the purpose of the endorsement.

CA 20 13 - Leasing Or Rental Concerns - Schedule Of Limits For Owned Autos

Reference to the Business Auto Physical Damage Coverage Form has been removed as this endorsement is only intended to modify liability coverage.

CA 20 54 - Employee Hired Autos

Additional text has been added to the lead-in for consistency with other forms in the Commercial Auto forms portfolio.

The paragraph reference for the Other Insurance - Primary And Excess Insurance Provisions condition in the Motor Carrier Coverage Form has been corrected to refer to 5.f.

The word "contact" has been changed to "contract" in paragraph B.2.

CA 23 24 - Agricultural Produce Trailers - Seasonal

The reference to "'trailers' with a gross vehicle weight of 2000 pounds or more" has been revised to read "'trailers' with a load capacity exceeding 2000 pounds". This change has been made for consistency with the underlying coverage forms, which provide automatic coverage for trailers with a load capacity of 2000 pounds or less.

CA 99 30 - Tapes, Records And Discs Coverage

This endorsement has been revised to:

- Clarify that the "tapes, records and discs" exclusion of the Physical Damage Coverage Section does not apply.
- Incorporate a few formatting and editorial changes for consistency with other Commercial Auto endorsements.

BROADENINGS OF COVERAGE - TEXAS SPECIFIC ENDORSEMENTS

CA 01 96 - Texas Changes

CA 01 97 - Texas Changes - Garage Coverage Form

The definition of "Covered Pollution Cost Or Expense" has been amended to include any cost or expense arising out of any statutory or regulatory requirement.

CA 01 97 - Texas Changes - Garage Coverage Form

The pollution exclusion for Garage Operations - Other Than Covered Autos has been revised to provide exceptions for:

- Bodily injury sustained within a building caused by building heating equipment.

- Bodily injury or property damage sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations as a contractor being performed by or on behalf of any insured.

CA 20 74 - Texas Coverage For Certain Operations In Connection With Railroads

This new endorsement has been created to provide automobile coverage for liability of a railroad assumed by an insured when a Railroad Liability Protection Policy has neither been purchased by the insured nor requested by the railroad.

CLARIFICATIONS IN COVERAGE AND OTHER EDITORIAL REVISIONS - TEXAS SPECIFIC ENDORSEMENTS

Certain changes to the various coverage forms are not effective in Texas. Several Texas specific endorsements have been revised or introduced to reflect the inapplicability of certain provisions as indicated below.

CA 01 96 - Texas Changes

CA 01 97 - Texas Changes - Garage Coverage Form

CA 04 01 - Texas Stated Amount Insurance

CA 04 02 - Texas Audio, Visual, and Date Electronic Equipment Coverage

CA 20 81 - Texas Mobile Homes Content Coverage

Endorsements CA 01 96 and CA 01 97 were revised to add language which indicates that the Physical Damage Coverage Limit Of Insurance provisions relating to betterment and deduction for depreciation do not apply.

Similarly, endorsements CA 04 01, CA 04 02 and CA 20 81 were introduced to replace multistate endorsements:

- CA 20 16 – Mobile Homes Content Coverage
- CA 99 28 – Stated Amount Insurance
- CA 99 60 – Audio, Visual and Date Electronic Equipment Coverage

respectively, to eliminate the betterment and deduction for depreciation language.

CA 01 96 - Texas Changes

CA 01 97 - Texas Changes - Garage Coverage Form

- These endorsements have been revised to indicate that the “Diminution In Value” exclusion and definition do not apply.
- Provisions for loss of use expenses and updated amounts for transportation expenses have been built into the underlying coverage forms. Therefore, the loss of use expenses provisions have been deleted from these endorsements. We have also deleted the entire transportation expense provisions from these two endorsements, since they now appear in the underlying coverage forms. The remaining paragraphs have been renumbered accordingly.

CA 20 79 - Texas Mobile Equipment

CA 20 80 - Texas Autos, Leased, Hired, Rented Or Borrowed With Drivers - Physical Damage Coverage

These endorsements are introduced to replace multistate endorsements:

CA 20 15 – Mobile Equipment

CA 20 33 – Autos, Leased, Hired, Rented Or Borrowed With Drivers – Physical Damage Coverage

to maintain reference to a \$25 Specified Causes Of Loss Physical Damage Coverage Deductible in the Schedule.

CA 01 97 - Texas Changes - Garage Coverage Form

This endorsement has been revised to indicate that paragraphs A.1.b. through A.1.d. of the "Garage Operations" - Other Than Covered "Autos" section of the insuring agreement do not apply.

Additionally, new paragraph J. has been added to replace all references to "customer's auto", "customer's autos" or "customer's auto's" in Section III – Garagekeepers Coverage of the Garage Coverage Form with "covered auto", "covered autos" or "covered auto's" respectively.

CA 99 79 – Texas Garagekeepers Coverage

This endorsement has been revised to:

- Introduce an all perils deductible for Comprehensive and Specified Causes of Loss.
- Add reference to "covered 'auto' equipment" in the lead-in of paragraph B.3. Who Is An Insured for consistency with the insuring agreement contained in B.1.
- Amend paragraph D. Limit Of Insurance And Deductible to reference the all perils deductible option.
- Amend the Comprehensive and Specified Causes of Loss Coverage Deductibles provision in the Schedule of this endorsement to clarify that the deductible for loss caused by theft, mischief or vandalism is subject to a maximum deductible for all such loss in any one event.

CA 99 82 - Texas Pollution Liability - Broadened Coverage For Covered Autos - Garage Coverage Form

CA 99 83 - Texas Pollution Liability - Broadened Coverage For Covered Autos - Business Auto, Motor Carrier And Truckers Coverage Forms

These endorsements have been revised to clarify that the Care, Custody or Control exclusion is only inapplicable with respect to coverage provided by the endorsement.