

FORMS – AVAILABILITY

JANUARY 27, 2023

COMMERCIAL AUTOMOBILE

LI-CA-2023-030

COMMERCIAL AUTO MULTISTATE FORMS AND ENDORSEMENTS (EDITION 12 23) AVAILABLE

KEY MESSAGE

We are providing final copies of the multistate forms and endorsements that are being implemented under form filing [CA-2022-OMCDF](#).

BACKGROUND

In circular:

- [LI-CA-2022-305](#), announced the submission of Commercial Auto Motor Carrier Coverage Program on a multistate basis.
- [LI-CA-2023-029](#), we announced the initial implementation of filing CA-2022-OMCDF in various jurisdictions and included a status report.

CAUTION

Please note that this circular is intended only to provide final copies of the endorsements and is NOT announcing implementation of filing CA-2022-OMCDF in any jurisdiction. Circulars announcing implementation of this filing are being released on an ongoing basis in the usual manner.

Refer to those implementation circulars and state supplement circulars referenced therein, for information specific to each state, including state-specific forms and any exceptions to state applicability of the multistate forms.

REFERENCE(S)

- [LI-CA-2023-029](#) (01/27/2023) 2022 Commercial Auto Multistate Forms Filing Addressing Motor Carrier Coverage Program Communicable Disease Exclusion And Related Rules Revision To Be Implemented In Various Jurisdictions
- [LI-CA-2022-305](#) (12/29/2022) 2022 Commercial Auto Motor Carrier Coverage Program Revised And Multistate Communicable Disease Exclusion Being Submitted

ATTACHMENT(S)

Final copies of multistate endorsements, edition 12 23

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MOTOR CARRIER COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this Policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section VI – Definitions.

SECTION I – COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
61	Any "Auto"	
62	Owned "Autos" Only	Only the "autos" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while connected to a power unit you own). This includes those "autos" you acquire ownership of after the Policy begins.
63	Owned "Private Passenger Type" "Autos" Only	Only the "private passenger type" "autos" you own. This includes those "private passenger type" "autos" that you acquire ownership of after the Policy begins.
64	Owned Commercial "Autos" Only	Only those trucks, tractors and "trailers" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while connected to a power unit you own). This includes those trucks, tractors and "trailers" you acquire ownership of after the Policy begins.
65	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the Policy begins provided they are subject to the no-fault law in the state where they are licensed or principally garaged.
66	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that, because of the law in the state where they are licensed or principally garaged, are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the Policy begins provided they are subject to the same state uninsured motorists requirement.
67	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
68	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "private passenger type" "auto" you lease, hire, rent or borrow from any member of your household, any of your "employees", partners (if you are a partnership), members (if you are a limited liability company), or agents or members of their households.
69	"Trailers" In Your Possession Under A Written Trailer Or Equipment Interchange Agreement	Only those "trailers" you do not own while in your possession under a written "trailer" or equipment interchange agreement in which you assume liability for "loss" to the "trailers" while in your possession.

Symbol	Description Of Covered Auto Designation Symbols	
70	Your "Trailers" In The Possession Of Anyone Else Under A Written Trailer Interchange Agreement	Only those "trailers" you own or hire while in the possession of anyone else under a written "trailer" interchange agreement. When Symbol 70 is entered next to a Physical Damage Coverage in Item Two of the Declarations, the Physical Damage Coverage exclusion relating to "loss" to a "trailer" in the possession of anyone else does not apply to that coverage.
71	Non-owned "Autos" Only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "private passenger type" "autos" owned by your "employees" or partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs.
79	"Mobile Equipment" Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this Policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.

B. Owned Autos You Acquire After The Policy Begins

1. If Symbols **61**, **62**, **63**, **64**, **65**, **66** or **79** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol **67** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a registered Gross Vehicle Weight Rating of 3,000 pounds or less designed primarily for travel on public roads.

2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II – COVERED AUTOS LIABILITY COVERAGE

A. Coverage

We will pay all sums an "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".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We will have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" 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 when the Covered Autos Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or any "employee", agent or driver of the owner, or anyone else from whom you hire or borrow a covered "auto".
 - (2) Your "employee" or agent if the covered "auto" is owned by that "employee" or agent or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), a lessee or borrower of a covered "auto" or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership) or member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
 - (6) Another "motor carrier" or any "employee", agent or driver of that "motor carrier", while using a covered "auto" that is a "trailer", in that other "motor carrier's" business.
- c. The owner or anyone else from whom you hire or borrow a covered "auto" that is a "trailer" while the "trailer" is being used:
 - (1) With another covered "auto" that is a power unit; or

- (2) Exclusively in your business, if not being used with a covered "auto" that is a power unit.

- d. The lessor of a covered "auto" that is not a "trailer" or any "employee", agent or driver of the lessor while the "auto" is leased to you under a written agreement, but only when the leased "auto" is used in your business as a "motor carrier" for hire.

However, such lessor or any "employee", agent or driver of the lessor is not an "insured" if a written hold harmless agreement between the lessor and you requires the lessor to hold you harmless, but only to the extent required by such hold harmless agreement.

- e. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

However, none of the following is an "insured":

- (1) Any "motor carrier" for hire or any agents or "employees" of the "motor carrier", other than you and your "employees":
 - (a) If the "motor carrier" is subject to motor carrier insurance requirements and meets them by a means other than "auto" liability insurance.
 - (b) If the "motor carrier" is not insured for hired "autos" under an "auto" liability insurance form that insures on a primary basis the owners of the "autos" and their agents and "employees" while the "autos" are leased to that "motor carrier" and used in their business.

However, Paragraph (1) above does not apply if you have leased an "auto" to the for-hire "motor carrier" under a written lease agreement in which you have held that "motor carrier" harmless.

- (2) Any rail, water or air carrier or its "employees" or agents, other than you and your "employees", for a "trailer" if "bodily injury" or "property damage" or a "covered pollution cost or expense" occurs while the "trailer" is detached from a covered "auto" you are using and:

- (a) Is being transported by the carrier; or

- (b) Is being loaded on or unloaded from any unit of transportation by the carrier.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

- (1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limit specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing "motor carriers" of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of "loss" because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement. But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
 - (1) Employment by the "insured"; or
 - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. Fellow Employee

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph **a.** above.

6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. Operations

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

- a. Any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment"; or

- b. Machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

10. Completed Operations

"Bodily injury" or "property damage" arising out of "your work" after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph **a.** or **b.** above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed;
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";

- (2) Otherwise in the course of transit by or on behalf of the "insured"; or
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. War

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

- a. War, including undeclared or civil war;

- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

14. Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance or use of "unmanned aircraft".

C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit Of Insurance for Covered Autos Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

SECTION III – TRAILER INTERCHANGE COVERAGE

A. Coverage

- 1. We will pay all sums you legally must pay as damages because of "loss" to a "trailer" you don't own or its equipment under:

a. Comprehensive Coverage

From any cause except:

- (1) The "trailer's" collision with another object; or

(2) The "trailer's" overturn.

b. Specified Causes Of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the "trailer".

c. Collision Coverage

Caused by:

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

2. We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for any "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.

3. Coverage Extensions

The following apply as **Supplementary Payments**. We will pay for you:

- a. All expenses we incur.
- b. The cost of bonds to release attachments, but only for bond amounts within our Limit of Insurance.
- c. All reasonable expenses incurred at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- d. All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- e. All interest on the full amount of any judgment that accrues after entry of the judgment; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

B. Exclusions

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

a. Nuclear Hazard

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for loss of use.

3. Other Exclusions

We will not pay for "loss" due and confined to:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

C. Limits Of Insurance

The most we will pay for "loss" to any one "trailer" is the least of the following amounts:

1. The actual cash value of the damaged or stolen property at the time of the "loss";
2. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
3. The Limit Of Insurance shown in the Declarations.

D. Deductible

For each covered "trailer", our obligation to pay:

1. The actual cash value of the damaged or stolen property at the time of the "loss" will be reduced by the applicable deductible shown in the Declarations.

2. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality will be reduced by the applicable deductible shown in the Declarations.
3. The damages for "loss" that would otherwise be payable will be reduced by the applicable deductible shown in the Declarations prior to the application of the Limit Of Insurance shown in the Declarations.

SECTION IV – PHYSICAL DAMAGE COVERAGE

A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

a. Comprehensive Coverage

From any cause except:

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

b. Specified Causes Of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (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".

c. Collision Coverage

Caused by:

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

2. Towing And Labor

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" that is a "private passenger type", light truck or medium truck is disabled. However, the labor must be performed at the place of disablement.

3. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and

- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extension

a. Transportation Expenses

We will also pay up to \$30 per day to a maximum of \$900 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the "private passenger type". We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the Policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

b. Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes Of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$30 per day, to a maximum of \$900.

B. Exclusions

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

a. Nuclear Hazard

- (1) The explosion of any weapon employing atomic fission or fusion; or

- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any of the following:

- a. Any covered "auto" while in anyone else's possession under a written "trailer" interchange agreement. But this exclusion does not apply to a loss payee; however, if we pay the loss payee, you must reimburse us for our payment.
- b. Any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.
- c. Tapes, records, discs or similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- d. Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
- e. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- f. Any accessories used with the electronic equipment described in Paragraph e. above.

3. Exclusions 2.e. and 2.f. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto";

- b. Removable from a housing unit which is permanently installed in or upon the covered "auto";

- c. An integral part of the same unit housing any electronic equipment described in Paragraphs a. and b. above; or

- d. Necessary for the normal operation of the "auto" or the monitoring of the "auto's" operating system.

4. We will not pay for "loss" due and confined to:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to "loss" resulting from the total theft of a covered "auto".

5. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limits Of Insurance

1. The most we will pay for:

- a. "Loss" to any one covered "auto" is the lesser of:

- (1) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- (2) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

- b. All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is \$1,000, if, at the time of "loss", such electronic equipment is:

- (1) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- (2) Removable from a permanently installed housing unit as described in Paragraph b.(1) above; or
- (3) An integral part of such equipment as described in Paragraphs b.(1) and b.(2) above.

2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".

3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations prior to the application of the Limit of Insurance, provided that:

1. The Comprehensive or Specified Causes Of Loss Coverage deductible applies only to "loss" caused by:
 - a. Theft or mischief or vandalism; or
 - b. All perils.
2. Regardless of the number of covered "autos" damaged or stolen, the maximum deductible applicable for all "loss" in any one event caused by:
 - a. Theft or mischief or vandalism; or
 - b. All perils,

will be equal to five times the highest deductible applicable to any one covered "auto" on the Policy for Comprehensive or Specified Causes Of Loss Coverage. The application of the highest deductible used to calculate the maximum deductible will be made regardless of which covered "autos" were damaged or stolen in the "loss".

SECTION V – MOTOR CARRIER CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions

1. Appraisal For Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party 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. Duties In The Event Of Accident, Claim, Suit Or Loss

We have no duty to provide coverage under this Policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
 - (1) How, when and where the "accident" or "loss" occurred;
 - (2) The "insured's" name and address; and
 - (3) To the extent possible, the names and addresses of any injured persons and witnesses.
- b. Additionally, you and any other involved "insured" must:
 - (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
 - (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
 - (4) Authorize us to obtain medical records or other pertinent information.
 - (5) Submit to examination at our expense, by physicians of our choice, as often as we reasonably require.
- c. If there is a "loss" to a covered "auto" or its equipment, you must also do the following:
 - (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
 - (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
 - (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.

- (4) Agree to examination under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Covered Autos Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this Policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment – Physical Damage Coverages

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 "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligation under this Coverage Form.

2. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceals or misrepresents a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";

- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance – Primary And Excess Insurance Provisions

- a. While any covered "auto" is hired or borrowed from you by another "motor carrier", this Coverage Form's Covered Autos Liability Coverage is:

- (1) Excess over any other collectible insurance unless Paragraph (2) applies.
- (2) Primary if a written agreement between you and the lessee requires you to hold the lessee harmless.

- b. While any covered "auto" is hired or borrowed by you from another "motor carrier", this Coverage Form's Covered Autos Liability Coverage is:

- (1) Primary unless Paragraph (2) applies, and then only while the covered "auto" is used exclusively in your business.
- (2) Excess over any other collectible insurance if a written agreement between the lessor and you requires the lessor to hold you harmless.

- c. While a covered "auto" which is a "trailer" is used with a power unit, this Coverage Form's Covered Autos Liability Coverage is:

- (1) Provided on the same basis, either primary or excess, as the Covered Autos Liability Coverage provided for the power unit if the power unit is a covered "auto".
- (2) Excess if the power unit is not a covered "auto".

- d. Any Trailer Interchange Coverage provided by this Coverage Form is primary for any covered "auto".

- e. Except as provided in Paragraphs **a.**, **b.**, **c.** and **d.** above, this Coverage Form provides primary insurance for any covered "auto" you own and excess insurance for any covered "auto" you don't own.
- f. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- g. Regardless of the provisions of Paragraphs **a.**, **b.**, **c.**, **d.** and **e.** above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".
- h. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

- a. The estimated premium for this Coverage Form 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. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this Policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the Policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;

- (3) Puerto Rico;
- (4) Canada; and
- (5) Anywhere else in the world if a covered "auto" of the "private passenger type" is leased, hired, rented or borrowed without a driver for a period of 30 days or less,

provided that the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION VI – DEFINITIONS

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B. "Auto" means:
 - 1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or
 - 2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".
- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these.
- D. "Covered pollution cost or expense" means any cost or expense arising out of:
 - 1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph 6.b. or 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto", if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
 - (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.
- E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
 - F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
 - G. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.
 - H. "Insured contract" means:
 - 1. A lease of premises;
 - 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. That part of any other contract or agreement pertaining to your 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; or

6. That part of any other contract or agreement, entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
 - b. 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; or
 - c. 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" unless the covered "auto" is used in your business as a "motor carrier" for hire as in Section II, Paragraph A.1.d. of the Who Is An Insured provision.
- I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- J. "Loss" means direct and accidental loss or damage.
- K. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- 1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - 2. Vehicles maintained for use solely on or next to premises you own or rent;
 - 3. Vehicles that travel on crawler treads;
 - 4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;

5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

- a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers; or
6. Vehicles not described in Paragraph 1., 2., 3. or 4. above, maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
- a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- L. "Motor carrier" means a person or organization providing transportation by "auto" in the furtherance of a commercial enterprise.
- M. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- N. "Private passenger type" means a private passenger or station wagon type "auto" and includes an "auto" of the pickup or van type if not used for business purposes.
- O. "Property damage" means damage to or loss of use of tangible property.

P. "Suit" means a civil proceeding in which:

- 1.** Damages because of "bodily injury" or "property damage"; or
- 2.** A "covered pollution cost or expense", to which this insurance applies, are alleged.

"Suit" includes:

- a.** An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
- b.** Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" submits with our consent.

Q. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

R. "Trailer" includes a semitrailer or a dolly used to convert a semitrailer into a trailer. But for Trailer Interchange Coverage only, "trailer" also includes a container.

S. "Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MISSOURI CHANGES

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Missouri, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. The following is added to **Supplementary Payments:**

Prejudgment interest awarded against the "insured" on the part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.

B. Changes In Covered Autos Liability Coverage

1. Paragraph **2.b.(4)** of the **Who Is An Insured** provision in the Auto Dealers Coverage Form is replaced by the following:

(4) Your customers. However, those customers are "insureds" up to the compulsory or financial responsibility law limits where the covered "auto" is principally garaged.

2. The following is added to Paragraph **1.b.** of the **Who Is An Insured** provision in the Business Auto Coverage Form and Paragraph **2.b.** of the **Who Is An Insured** provision in the Auto Dealers Coverage Form:

(6) If you are an individual, any member of your household, other than your spouse, who is related to you by blood or adoption, including a ward or foster child, who owns an "auto".

3. The following is added to Paragraph **1.b.** of the **Who Is An Insured** provision in the Motor Carrier Coverage Form:

(7) If you are an individual, any member of your household, other than your spouse, who is related to you by blood or adoption, including a ward or foster child, who owns an "auto".

4. If your business is other than selling, repairing or servicing "autos", the **Care, Custody Or Control** Exclusion does not apply to "property damage" to or "covered pollution cost or expense" involving an "auto" loaned to you, with or without consideration, by a person engaged in the business of selling, repairing or servicing "autos" as a temporary substitute for an "auto" you own.

C. Changes In Conditions

1. The **Appraisal For Physical Damage Loss** Condition is replaced by the following:

If you and we disagree on the amount of "loss", both parties may agree to an appraisal of the "loss" and to be bound by the results of that appraisal. If both parties so agree, then each party 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. The following is added to the **Concealment, Misrepresentation Or Fraud** Condition:

With respect to Covered Autos Liability Coverage, this condition only applies in excess of the minimum limits of liability required by the Missouri Financial Responsibility Laws.

3. If your business is other than selling, repairing or servicing "autos", the following is added to the **Other Insurance** Condition in the Business Auto Coverage Form and the **Other Insurance – Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form:

Covered Autos Liability Coverage is primary for any temporary substitute for an "auto" you own if the substitute "auto" is operated by an "insured" and is loaned to you, with or without consideration, by a person engaged in the business of selling, repairing or servicing "autos".

4. If your business is selling, repairing or servicing "autos", the following is added to the **Other Insurance** Condition in the Auto Dealers and Business Auto Coverage Forms and the **Other Insurance – Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form:

Covered Autos Liability Coverage is excess for any "auto" you own if operated by a customer to whom you have loaned the "auto", with or without consideration, as a temporary substitute for an "auto" owned by the customer.

- D. The following provision is added:

Missouri Property And Casualty Insurance Guaranty Association Coverage Limitations

1. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.

2. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply subject to all other provisions of the Act:

- a. Claims covered by the Association do not include a claim by or against an "insured" of an insolvent insurer, if the "insured" has a net worth of more than \$25 million on the later of the end of the "insured's" most recent fiscal year or the December thirty-first of the year next preceding the date the insurer becomes insolvent; provided that an "insured's" net worth on such date shall be deemed to include the aggregate net worth of the "insured" and all of its affiliates as calculated on a consolidated basis.

- b. Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

- (1) Pay an amount in excess of the applicable Limit of Insurance of the policy from which a claim arises; or
(2) Return to an "insured" any unearned premium in excess of \$25,000.

These limitations have no effect on the coverage we will provide under this Policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ALASKA CHANGES

This endorsement modifies coverage provided under the following:

BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

Exclusion **B.12. War** is replaced by the following:

12. War

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

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

B. Changes In Physical Damage Coverage

1. If the Declarations indicates that Physical Damage Coverage is provided for covered "autos" and that Covered Autos Liability Coverage is not provided for covered "autos", the following statement applies:

THIS COVERAGE FORM PROVIDES INSURANCE ONLY AGAINST DAMAGE TO THE "AUTO". THIS COVERAGE FORM DOES NOT INSURE AGAINST "BODILY INJURY" OR "PROPERTY DAMAGE" LIABILITY AND DOES NOT SATISFY THE MANDATORY INSURANCE REQUIREMENTS OF AS 28.22.011.

2. The lead-in to Paragraph **B.1. Exclusions** in the Physical Damage Coverage Section is replaced by the following:

We will not pay for "loss" caused by or resulting from any of the following:

C. Changes In Conditions

1. The lead-in to the **Duties In The Event Of Accident, Claim, Suit Or Loss** Condition is replaced by the following:

We have no duty to provide coverage under this Policy if the failure to comply with the following duties is prejudicial to us:

2. Paragraph **c.(4)** of the **Duties In The Event Of Accident, Claim, Suit Or Loss** Condition is replaced by the following:

- (4) Agree to examinations under oath at our request and give us a signed statement of your answers. You are entitled to have counsel present during any examination taken under oath.

3. The **Concealment, Misrepresentation Or Fraud** Condition is replaced by the following:

Concealment, Misrepresentation Or Fraud

We will not pay for any loss or damage in any case involving misrepresentations, omissions, concealment of facts, or incorrect statements:

- a. That are fraudulent;
- b. That are material either to the acceptance of the risk, or to the hazard assumed by us; or

c. If we, in good faith, would not have:

- (1) Issued the policy or contract;
- (2) Issued a policy or contract in as large an amount, or at the same premium or rate; or
- (3) Provided coverage with respect to the hazard resulting in the loss;

if the true facts had been made known to us as required either by the application for the policy or contract or otherwise.

However, this provision does not apply, but only up to the compulsory or financial responsibility limits required by Alaska law, if an "accident" results in a third-party liability claim against the "insured" under this Coverage Form.

4. With respect to vehicles rented in the United States or Canada, the **Other Insurance** Condition in the Business Auto Coverage Form and the **Other Insurance – Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are replaced by the following:

- a. Payments from applicable coverage provided under liability coverage and/or physical damage coverage for vehicles rented in the United States or Canada will be made in the following order of priority:
 - (1) From a policy or coverage purchased by the operator from the owner of the rental vehicle;
 - (2) From a personal policy of liability and/or physical damage coverage insuring the operator of a rented vehicle; and
 - (3) From the policy or coverage insuring the owner of the rental vehicle as the named insured.
- b. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

5. Paragraph **5.a.** of the **Other Insurance** Condition in the Business Auto Coverage Form is replaced by the following:

a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you do not own, the insurance provided by this Coverage Form is excess. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own; or
- (2) Primary while it is connected to a covered "auto" you own.

6. The **Other Insurance – Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form is amended as follows:

- a. Paragraph **5.a.(1)** is replaced by the following:
 - (1) Excess unless Paragraph (2) applies.
- b. Paragraph **5.b.(2)** is replaced by the following:
 - (2) Excess if a written agreement between the lessor and you requires the lessor to hold you harmless.

7. The **Two Or More Coverage Forms Or Policies Issued By Us** Condition does not apply.

D. Changes In Garagekeepers Coverage

If the Garagekeepers Coverage endorsement or the Garagekeepers Coverage – Customers' Sound-receiving Equipment endorsement is attached, then Exclusion **3.** is replaced by the following:

- 3.** We will not pay for "loss" caused by or resulting from the following:
 - a.** War, including undeclared or civil war;
 - b.** Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c.** Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

E. Changes In Auto Medical Payments Coverage

If the Auto Medical Payments Coverage endorsement is attached, then the endorsement is amended as follows:

- 1.** Exclusion **C.6.** is replaced by the following:

This insurance does not apply to:

 - 6.** "Bodily injury" arising out of:
 - a.** War, including undeclared or civil war;
 - b.** Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c.** Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
- 2.** Paragraph **E.2.** of the **Changes In Conditions** provision is replaced by the following:
 - 2.** With respect to the coverage provided under this endorsement, for any covered "auto" you do not own, the Other Insurance Condition in the Auto Dealers and Business Auto Coverage Forms and Other Insurance – Primary And Excess Insurance Provisions in the Motor Carrier Coverage Form are excess to other auto medical payments insurance.

F. Changes In Trailer Interchange Coverage

If the Motor Carrier Coverage Form or the Trailer Interchange Coverage endorsement is attached, then Exclusion **B.1.** is replaced by the following:

- 1.** We will not pay for "loss" caused by or resulting from any of the following:

G. Changes In Silica Or Silica-related Dust Exclusion For Covered Autos Exposure

If the Silica Or Silica-related Dust Exclusion For Covered Autos Exposure endorsement is attached, then Paragraph **A.** is replaced by the following:

Silica Or Silica-related Dust Exclusion For Covered Autos Exposure

This insurance does not apply to:

- 1.** "Bodily injury" arising out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- 2.** "Property damage" arising out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- 3.** Any loss, cost or expense 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, "silica" or "silica-related dust", by any "insured" or by any other person or entity.

H. Changes In Motor Carriers – Excess Coverage For The Named Insured And Named Lessors For Leased Autos

If the Motor Carriers – Excess Coverage For The Named Insured And Named Lessors For Leased Autos endorsement is attached, then the lead-in to Paragraph **A.** is replaced by the following:

- A.** For a covered "auto" leased to you by the lessor named in the Schedule, Covered Autos Liability Coverage is excess while:

I. Changes In Leasing Or Rental Concerns – Contingent Coverage

If the Leasing Or Rental Concerns – Contingent Coverage endorsement is attached, then Paragraph **A.5.** is replaced by the following:

- 5.** The insurance provided by this endorsement is excess.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY
AGAINST OTHERS TO US (WAIVER OF SUBROGATION) –
AUTOMATIC WHEN REQUIRED BY WRITTEN
CONTRACT OR AGREEMENT**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply to any person(s) or organization(s) for whom you are required to waive subrogation with respect to the coverage provided under this Coverage Form, but only to the extent that subrogation is waived:

- A.** Under a written contract or agreement with such person(s) or organization(s); and
- B.** Prior to the "accident" or the "loss".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION FOR COVERED AUTOS LIABILITY EXPOSURE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

The following exclusion is added to **Covered Autos Liability Coverage**:

Communicable Disease

This insurance does not apply to "bodily injury" or "property damage" arising out of the actual or alleged transmission of a communicable disease.

POLICY NUMBER:

COMMERCIAL AUTO
CA 05 29 12 23

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WASHINGTON MOTOR CARRIER ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the Policy effective on the inception date of the Policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

For those covered "autos" used in your motor carrier operations as a "motor carrier", the liability cost of hire provisions in the Declarations are replaced by the following:

Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums – Covered Autos Liability Coverage

Covered Autos Liability Coverage – Cost Of Hire Rating Basis For Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
Covered Autos Liability Coverage	Estimated Annual Cost Of Hire For All States	Premium
Primary Coverage	\$	\$
Excess Coverage	\$	\$
Total Hired Auto Premium		\$
For "autos" used in your motor carrier operations, cost of hire means: <ol style="list-style-type: none">1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers) and, if not included therein,2. The total remunerations of all operators and drivers' helpers of hired automobiles, whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and3. The total dollar amount of any other costs (e.g., repair, maintenance, fuel) directly associated with operating the hired automobiles, whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.		

The following provisions apply to those covered "autos" used in your operations as a "motor carrier" if gross receipts is used as a premium basis:

Schedule For Gross Receipts Or Mileage Rating Basis	
Rating Basis (Check one):	<input type="checkbox"/> Gross Receipts (Per \$100) <input type="checkbox"/> Mileage (Per Mile)
Estimated Yearly (Gross Receipts Or Mileage):	
	Premiums
Covered Autos Liability Coverage	\$
Auto Medical Payments	\$
Total Premiums	\$
Minimum Premiums	\$

Gross receipts means the total amount earned by the named insured for shipping or transporting property regardless of whether you or any other carrier originates the shipment or transportation. Gross receipts includes the total amount received from renting equipment, with or without drivers, to any person or organization not engaged in the business of transporting property for hire by "auto" and 15% of the total amount received from renting any equipment, with or without drivers, to any person or organization engaged in the business of transporting property for hire by "auto". Gross receipts does not include:

1. Amounts you paid to air, sea or land carriers operating under their own permits.

2. Advertising revenue.
3. Taxes collected as a separate item and paid directly to the government.
4. C.O.D. collections for cost of merchandise including collection fees.
5. Warehouse storage fees.

Schedule Of Trailer Interchange Coverage		
Coverages	Limit Of Insurance And Deductible	Estimated Premium
Comprehensive	Least Of Actual Cash Value, Cost Of Repair Or	\$
	\$ Limit Of Insurance	
	\$ Deductible For Each Covered Trailer	
Specified Causes Of Loss	Least Of Actual Cash Value, Cost Of Repair Or	\$
	\$ Limit Of Insurance	
	\$ Deductible For Each Covered Trailer	
Collision	Least Of Actual Cash Value, Cost Of Repair Or	\$
	\$ Limit Of Insurance	
	\$ Deductible For Each Covered Trailer	
Total Trailer Interchange Premium		\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

Physical Damage Coverage

The **Physical Damage Coverage** Exclusion in Paragraph **D.** of this endorsement is removed for each of the following coverages indicated by an "X" in the box:

<input type="checkbox"/>	Comprehensive
<input type="checkbox"/>	Specified Causes Of Loss
<input type="checkbox"/>	Collision

For any operations you engage in as a "motor carrier", the Policy is changed as follows:

A. Paragraph B.3. of Owned Autos under Section I – Covered Autos does not apply.

B. Paragraph A.1. Who Is An Insured under Section II – Covered Autos Liability Coverage is replaced by the following:

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner, or any "employee", agent or driver of the owner, or anyone else from whom you hire or borrow a covered "auto".
 - (2) Your "employee" or agent if the covered "auto" is owned by that "employee" or agent or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), a lessee or borrower of a covered "auto" or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership) or member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
 - (6) Another "motor carrier" or any "employee", agent or driver of that "motor carrier", while using a covered "auto" that is a "trailer", in that other "motor carrier's" business.

c. The owner or anyone else from whom you hire or borrow a covered "auto" that is a "trailer" while the "trailer" is being used:

- (1) With another covered "auto" that is a power unit; or
- (2) Exclusively in your business, if not being used with a covered "auto" that is a power unit.

d. The lessor of a covered "auto" that is not a "trailer" or any "employee", agent or driver of the lessor while the "auto" is leased to you under a written agreement, but only when the leased "auto" is used in your business as a "motor carrier" for hire.

However, such lessor or any "employee", agent or driver of the lessor is not an "insured" if a written hold harmless agreement between the lessor and you requires the lessor to hold you harmless, but only to the extent required by such hold harmless agreement.

e. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

However, none of the following is an "insured":

- (1) Any "motor carrier" for hire or any agents or "employees" of the "motor carrier", other than you and your "employees":
 - (a) If the "motor carrier" is subject to motor carrier insurance requirements and meets them by a means other than "auto" liability insurance.
 - (b) If the "motor carrier" is not insured for hired "autos" under an "auto" liability insurance form that insures on a primary basis the owners of the "autos" and their agents and "employees" while the "autos" are leased to that "motor carrier" and used in their business.

However, Paragraph (1) above does not apply if you have leased an "auto" to the for-hire "motor carrier" under a written lease agreement in which you have held that "motor carrier" harmless.

- (2) Any rail, water or air carrier or its "employees" or agents, other than you and your "employees", for a "trailer" if "bodily injury" or "property damage" occurs while the "trailer" is detached from a covered "auto" you are using and:

- (a) Is being transported by the carrier; or
- (b) Is being loaded on or unloaded from any unit of transportation by the carrier.

C. The following Trailer Interchange Coverage provisions are added:

1. Coverage

- a. We will pay all sums you legally must pay as damages because of "loss" to a "trailer" you don't own or its equipment. The "trailer" must be in your possession under a written "trailer" or equipment interchange agreement in which you assume liability for "loss" to the "trailer" while in your possession.
- b. We will pay for "loss" to the "trailer" under:

(1) Comprehensive Coverage

From any cause except:

- (a) The "trailer's" collision with another object; or
- (b) The "trailer's" overturn.

(2) Specified Causes Of Loss Coverage

Caused by:

- (a) Fire, lightning or explosion;
- (b) Theft;
- (c) Windstorm, hail or earthquake;
- (d) Flood;
- (e) Mischief or vandalism; or
- (f) The sinking, burning, collision or derailment of any conveyance transporting the "trailer".

(3) Collision Coverage

Caused by:

- (a) The "trailer's" collision with another object; or
 - (b) The "trailer's" overturn.
- c. We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for any "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.

d. Coverage Extensions

The following applies as **Supplementary Payments**. We will pay for you:

- (1) All expenses we incur.
- (2) The cost of bonds to release attachments, but only for bond amounts within our Limit of Insurance.
- (3) All reasonable expenses incurred at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (4) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (5) All interest on the full amount of any judgment that accrues after entry of the judgment, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

2. Exclusions

- a. We will not pay for "loss" arising directly or indirectly out of the following:

(1) Nuclear Hazard

- (a) The explosion of any weapon employing atomic fission or fusion; or
- (b) Nuclear reaction or radiation, or radioactive contamination, however caused.

(2) War Or Military Action

- (a) War, including undeclared or civil war;
- (b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (c) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

- b. We will not pay for loss of use.

c. Other Exclusions

We will not pay for "loss" due and confined to:

- (1) Wear and tear, freezing, mechanical or electrical breakdown.
- (2) Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

3. Limit Of Insurance

The most we will pay for "loss" to any one "trailer" is the least of the following amounts:

- a. The actual cash value of the damaged or stolen property at the time of the "loss";
- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
- c. The Limit Of Insurance shown in the Schedule.

4. Deductible

For each covered "trailer", our obligation to pay:

- a. The actual cash value of the damaged or stolen property at the time of the "loss" will be reduced by the applicable deductible shown in the Schedule;
- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality will be reduced by the applicable deductible shown in the Schedule; or
- c. The damages for "loss" that would otherwise be payable will be reduced by the applicable deductible shown in the Schedule prior to the application of the Limit Of Insurance shown in the Schedule.

D. The following exclusion is added to **Physical Damage Coverage**:

We will not pay for "loss" to:

Any covered "auto" while in anyone else's possession under a written "trailer" interchange agreement. But this exclusion does not apply to a loss payee; however, if we pay the loss payee, you must reimburse us for our payment.

E. The **Other Insurance** Condition is replaced by the following:

5. Other Insurance – Primary And Excess Insurance Provisions

- a. While any covered "auto" is hired or borrowed from you by another "motor carrier", this Coverage Form's Covered Autos Liability Coverage is:
 - (1) Excess over any other collectible insurance unless Paragraph (2) applies.
 - (2) Primary if a written agreement between you and the lessee requires you to hold the lessee harmless.

- b.** While any covered "auto" is hired or borrowed by you from another "motor carrier", this Coverage Form's Covered Autos Liability Coverage is:
 - (1)** Primary unless Paragraph **(2)** applies, and then only while the covered "auto" is used exclusively in your business.
 - (2)** Excess over any other collectible insurance if a written agreement between the lessor and you requires the lessor to hold you harmless.
- c.** While a covered "auto" which is a "trailer" is used with a power unit, this Coverage Form's Covered Autos Liability Coverage is:
 - (1)** Provided on the same basis, either primary or excess, as the Covered Autos Liability Coverage provided for the power unit if the power unit is a covered "auto".
 - (2)** Excess if the power unit is not a covered "auto".
- d.** Any Trailer Interchange Coverage provided by this Coverage Form is primary for any covered "auto".
- e.** Except as provided in Paragraphs **a.**, **b.**, **c.** and **d.** above, this Coverage Form provides primary insurance for any covered "auto" you own and excess insurance for any covered "auto" you don't own.

- f.** For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- g.** Regardless of the provisions of Paragraphs **a.**, **b.**, **c.**, **d.** and **e.** above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".
- h.** When this Coverage Form and any other Coverage Form or policy cover on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

F. Additional Definitions

As used in this endorsement:

- 1.** "Motor carrier" means a person or organization providing transportation by "auto" in the furtherance of a commercial enterprise.
- 2.** "Trailer" includes a semitrailer or a dolly used to convert a semitrailer into a trailer. But for Trailer Interchange Coverage only, "trailer" also includes a container.

POLICY NUMBER:

COMMERCIAL AUTO
CA 23 30 12 23

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MOTOR CARRIER ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the Policy effective on the inception date of the Policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

For those covered "autos" used in your motor carrier operations as a "motor carrier", the liability cost of hire provisions in the Declarations are replaced by the following:

Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums – Covered Autos Liability Coverage

Covered Autos Liability Coverage – Cost Of Hire Rating Basis For Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
Covered Autos Liability Coverage	Estimated Annual Cost Of Hire For All States	Premium
Primary Coverage	\$	\$
Excess Coverage	\$	\$
Total Hired Auto Premium		\$
For "autos" used in your motor carrier operations, cost of hire means: <ol style="list-style-type: none">1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers) and, if not included therein,2. The total remunerations of all operators and drivers' helpers of hired automobiles, whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and3. The total dollar amount of any other costs (e.g., repair, maintenance, fuel) directly associated with operating the hired automobiles, whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.		

The following provisions apply to those covered "autos" used in your operations as a "motor carrier" if gross receipts is used as a premium basis:

Schedule For Gross Receipts Or Mileage Rating Basis	
Rating Basis (Check one):	<input type="checkbox"/> Gross Receipts (Per \$100) <input type="checkbox"/> Mileage (Per Mile)
Estimated Yearly (Gross Receipts Or Mileage):	
	Premiums
Covered Autos Liability Coverage	\$
Auto Medical Payments	\$
Total Premiums	\$
Minimum Premiums	\$

Gross receipts means the total amount earned by the named insured for shipping or transporting property regardless of whether you or any other carrier originates the shipment or transportation. Gross receipts includes the total amount received from renting equipment, with or without drivers, to any person or organization not engaged in the business of transporting property for hire by "auto" and 15% of the total amount received from renting any equipment, with or without drivers, to any person or organization engaged in the business of transporting property for hire by "auto". Gross receipts does not include:

1. Amounts you paid to air, sea or land carriers operating under their own permits.
2. Advertising revenue.
3. Taxes collected as a separate item and paid directly to the government.
4. C.O.D. collections for cost of merchandise including collection fees.
5. Warehouse storage fees.

Schedule Of Trailer Interchange Coverage		
Coverages	Limit Of Insurance And Deductible	Estimated Premium
Comprehensive	Least Of Actual Cash Value, Cost Of Repair Or \$ Limit Of Insurance	\$
	\$ Deductible For Each Covered Trailer	
Specified Causes Of Loss	Least Of Actual Cash Value, Cost Of Repair Or \$ Limit Of Insurance	\$
	\$ Deductible For Each Covered Trailer	
Collision	Least Of Actual Cash Value, Cost Of Repair Or \$ Limit Of Insurance	\$
	\$ Deductible For Each Covered Trailer	
Total Trailer Interchange Premium		\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

Physical Damage Coverage

The **Physical Damage Coverage** Exclusion in Paragraph **D.** of this endorsement is removed for each of the following coverages indicated by an "X" in the box:

<input type="checkbox"/>	Comprehensive
<input type="checkbox"/>	Specified Causes Of Loss
<input type="checkbox"/>	Collision

For any operations you engage in as a "motor carrier", the Policy is changed as follows:

A. Paragraph B.3. of Owned Autos under Section I – Covered Autos does not apply.

B. Paragraph A.1. Who Is An Insured under Section II – Covered Autos Liability Coverage is replaced by the following:

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner, or any "employee", agent or driver of the owner, or anyone else from whom you hire or borrow a covered "auto".
 - (2) Your "employee" or agent if the covered "auto" is owned by that "employee" or agent or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), a lessee or borrower of a covered "auto" or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership) or member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
 - (6) Another "motor carrier" or any "employee", agent or driver of that "motor carrier", while using a covered "auto" that is a "trailer", in that other "motor carrier's" business.

c. The owner or anyone else from whom you hire or borrow a covered "auto" that is a "trailer" while the "trailer" is being used:

- (1) With another covered "auto" that is a power unit; or
- (2) Exclusively in your business, if not being used with a covered "auto" that is a power unit.

d. The lessor of a covered "auto" that is not a "trailer" or any "employee", agent or driver of the lessor while the "auto" is leased to you under a written agreement, but only when the leased "auto" is used in your business as a "motor carrier" for hire.

However, such lessor or any "employee", agent or driver of the lessor is not an "insured" if a written hold harmless agreement between the lessor and you requires the lessor to hold you harmless, but only to the extent required by such hold harmless agreement.

e. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

However, none of the following is an "insured":

- (1) Any "motor carrier" for hire or any agents or "employees" of the "motor carrier", other than you and your "employees":
 - (a) If the "motor carrier" is subject to motor carrier insurance requirements and meets them by a means other than "auto" liability insurance.
 - (b) If the "motor carrier" is not insured for hired "autos" under an "auto" liability insurance form that insures on a primary basis the owners of the "autos" and their agents and "employees" while the "autos" are leased to that "motor carrier" and used in their business.

However, Paragraph (1) above does not apply if you have leased an "auto" to the for-hire "motor carrier" under a written lease agreement in which you have held that "motor carrier" harmless.

- (2) Any rail, water or air carrier or its "employees" or agents, other than you and your "employees", for a "trailer" if "bodily injury" or "property damage" occurs while the "trailer" is detached from a covered "auto" you are using and:

- (a) Is being transported by the carrier; or
(b) Is being loaded on or unloaded from any unit of transportation by the carrier.

C. The following Trailer Interchange Coverage provisions are added:

1. Coverage

- a. We will pay all sums you legally must pay as damages because of "loss" to a "trailer" you don't own or its equipment. The "trailer" must be in your possession under a written "trailer" or equipment interchange agreement in which you assume liability for "loss" to the "trailer" while in your possession.
- b. We will pay for "loss" to the "trailer" under:

(1) Comprehensive Coverage

From any cause except:

- (a) The "trailer's" collision with another object; or
(b) The "trailer's" overturn.

(2) Specified Causes Of Loss Coverage

Caused by:

- (a) Fire, lightning or explosion;
(b) Theft;
(c) Windstorm, hail or earthquake;
(d) Flood;
(e) Mischief or vandalism; or
(f) The sinking, burning, collision or derailment of any conveyance transporting the "trailer".

(3) Collision Coverage

Caused by:

- (a) The "trailer's" collision with another object; or
(b) The "trailer's" overturn.

- c. We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for any "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.

d. Coverage Extensions

The following applies as **Supplementary Payments**. We will pay for you:

- (1) All expenses we incur.
(2) The cost of bonds to release attachments, but only for bond amounts within our Limit of Insurance.
(3) All reasonable expenses incurred at our request, including actual loss of earnings up to \$250 a day because of time off from work.
(4) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
(5) All interest on the full amount of any judgment that accrues after entry of the judgment, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

2. Exclusions

- a. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

(1) Nuclear Hazard

- (a) The explosion of any weapon employing atomic fission or fusion; or
(b) Nuclear reaction or radiation, or radioactive contamination, however caused.

(2) War Or Military Action

- (a)** War, including undeclared or civil war;
- (b)** Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (c)** Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

b. We will not pay for loss of use.

c. Other Exclusions

We will not pay for "loss" due and confined to:

- (1)** Wear and tear, freezing, mechanical or electrical breakdown.
- (2)** Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

3. Limit Of Insurance

The most we will pay for "loss" to any one "trailer" is the least of the following amounts:

- a.** The actual cash value of the damaged or stolen property at the time of the "loss";
- b.** The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
- c.** The Limit Of Insurance shown in the Schedule.

4. Deductible

For each covered "trailer", our obligation to pay:

- a.** The actual cash value of the damaged or stolen property at the time of the "loss" will be reduced by the applicable deductible shown in the Schedule;
- b.** The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality will be reduced by the applicable deductible shown in the Schedule; or
- c.** The damages for "loss" that would otherwise be payable will be reduced by the applicable deductible shown in the Schedule prior to the application of the Limit Of Insurance shown in the Schedule.

D. The following exclusion is added to Physical Damage Coverage:

We will not pay for "loss" to:

Any covered "auto" while in anyone else's possession under a written "trailer" interchange agreement. But this exclusion does not apply to a loss payee; however, if we pay the loss payee, you must reimburse us for our payment.

E. The Other Insurance Condition is replaced by the following:

5. Other Insurance – Primary And Excess Insurance Provisions

a. While any covered "auto" is hired or borrowed from you by another "motor carrier", this Coverage Form's Covered Autos Liability Coverage is:

- (1)** Excess over any other collectible insurance unless Paragraph **(2)** applies.
- (2)** Primary if a written agreement between you and the lessee requires you to hold the lessee harmless.

b. While any covered "auto" is hired or borrowed by you from another "motor carrier", this Coverage Form's Covered Autos Liability Coverage is:

- (1)** Primary unless Paragraph **(2)** applies, and then only while the covered "auto" is used exclusively in your business.
- (2)** Excess over any other collectible insurance if a written agreement between the lessor and you requires the lessor to hold you harmless.

c. While a covered "auto" which is a "trailer" is used with a power unit, this Coverage Form's Covered Autos Liability Coverage is:

- (1)** Provided on the same basis, either primary or excess, as the Covered Autos Liability Coverage provided for the power unit if the power unit is a covered "auto".
- (2)** Excess if the power unit is not a covered "auto".

d. Any Trailer Interchange Coverage provided by this Coverage Form is primary for any covered "auto".

e. Except as provided in Paragraphs **a.**, **b.**, **c.** and **d.** above, this Coverage Form provides primary insurance for any covered "auto" you own and excess insurance for any covered "auto" you don't own.

- f.** For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- g.** Regardless of the provisions of Paragraphs **a.**, **b.**, **c.**, **d.** and **e.** above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".
- h.** When this Coverage Form and any other Coverage Form or policy cover on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

F. Additional Definitions

As used in this endorsement:

- 1.** "Motor carrier" means a person or organization providing transportation by "auto" in the furtherance of a commercial enterprise.
- 2.** "Trailer" includes a semitrailer or a dolly used to convert a semitrailer into a trailer. But for Trailer Interchange Coverage only, "trailer" also includes a container.

POLICY NUMBER:

COMMERCIAL AUTO
CA 23 31 12 23

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ALASKA MOTOR CARRIER ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the Policy effective on the inception date of the Policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

For those covered "autos" used in your motor carrier operations as a "motor carrier", the liability cost of hire provisions in the Declarations are replaced by the following:

Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums – Covered Autos Liability Coverage

Covered Autos Liability Coverage – Cost Of Hire Rating Basis For Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
Covered Autos Liability Coverage	Estimated Annual Cost Of Hire For All States	Premium
Primary Coverage	\$	\$
Excess Coverage	\$	\$
Total Hired Auto Premium		\$

For "autos" used in your motor carrier operations, cost of hire means:

1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers) and, if not included therein,
2. The total remunerations of all operators and drivers' helpers of hired automobiles, whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
3. The total dollar amount of any other costs (e.g., repair, maintenance, fuel) directly associated with operating the hired automobiles, whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

The following provisions apply to those covered "autos" used in your operations as a "motor carrier" if gross receipts is used as a premium basis:

Schedule For Gross Receipts Or Mileage Rating Basis	
Rating Basis (Check one):	<input type="checkbox"/> Gross Receipts (Per \$100) <input type="checkbox"/> Mileage (Per Mile)
Estimated Yearly (Gross Receipts Or Mileage):	
	Premiums
Covered Autos Liability Coverage	\$
Auto Medical Payments	\$
Total Premiums	\$
Minimum Premiums	\$

Gross receipts means the total amount earned by the named insured for shipping or transporting property regardless of whether you or any other carrier originates the shipment or transportation. Gross receipts includes the total amount received from renting equipment, with or without drivers, to any person or organization not engaged in the business of transporting property for hire by "auto" and 15% of the total amount received from renting any equipment, with or without drivers, to any person or organization engaged in the business of transporting property for hire by "auto". Gross receipts does not include:

1. Amounts you paid to air, sea or land carriers operating under their own permits.

2. Advertising revenue.
3. Taxes collected as a separate item and paid directly to the government.
4. C.O.D. collections for cost of merchandise including collection fees.
5. Warehouse storage fees.

Schedule Of Trailer Interchange Coverage		
Coverages	Limit Of Insurance And Deductible	Estimated Premium
Comprehensive	Least Of Actual Cash Value, Cost Of Repair Or	\$
	\$ Limit Of Insurance	
	\$ Deductible For Each Covered Trailer	
Specified Causes Of Loss	Least Of Actual Cash Value, Cost Of Repair Or	\$
	\$ Limit Of Insurance	
	\$ Deductible For Each Covered Trailer	
Collision	Least Of Actual Cash Value, Cost Of Repair Or	\$
	\$ Limit Of Insurance	
	\$ Deductible For Each Covered Trailer	
Total Trailer Interchange Premium		\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

Physical Damage Coverage

The **Physical Damage Coverage** Exclusion in Paragraph **D.** of this endorsement is removed for each of the following coverages indicated by an "X" in the box:

<input type="checkbox"/>	Comprehensive
<input type="checkbox"/>	Specified Causes Of Loss
<input type="checkbox"/>	Collision

For any operations you engage in as a "motor carrier", the Policy is changed as follows:

A. Paragraph B.3. of Owned Autos under Section I – Covered Autos does not apply.

B. Paragraph A.1. Who Is An Insured under Section II – Covered Autos Liability Coverage is replaced by the following:

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner, or any "employee", agent or driver of the owner, or anyone else from whom you hire or borrow a covered "auto".
 - (2) Your "employee" or agent if the covered "auto" is owned by that "employee" or agent or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), a lessee or borrower of a covered "auto" or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership) or member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
 - (6) Another "motor carrier" or any "employee", agent or driver of that "motor carrier", while using a covered "auto" that is a "trailer", in that other "motor carrier's" business.

c. The owner or anyone else from whom you hire or borrow a covered "auto" that is a "trailer" while the "trailer" is being used:

- (1) With another covered "auto" that is a power unit; or
- (2) Exclusively in your business, if not being used with a covered "auto" that is a power unit.

d. The lessor of a covered "auto" that is not a "trailer" or any "employee", agent or driver of the lessor while the "auto" is leased to you under a written agreement, but only when the leased "auto" is used in your business as a "motor carrier" for hire.

However, such lessor or any "employee", agent or driver of the lessor is not an "insured" if a written hold harmless agreement between the lessor and you requires the lessor to hold you harmless, but only to the extent required by such hold harmless agreement.

e. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

However, none of the following is an "insured":

- (1) Any "motor carrier" for hire or any agents or "employees" of the "motor carrier", other than you and your "employees":
 - (a) If the "motor carrier" is subject to motor carrier insurance requirements and meets them by a means other than "auto" liability insurance.
 - (b) If the "motor carrier" is not insured for hired "autos" under an "auto" liability insurance form that insures on a primary basis the owners of the "autos" and their agents and "employees" while the "autos" are leased to that "motor carrier" and used in their business.

However, Paragraph (1) above does not apply if you have leased an "auto" to the for-hire "motor carrier" under a written lease agreement in which you have held that "motor carrier" harmless.

- (2) Any rail, water or air carrier or its "employees" or agents, other than you and your "employees", for a "trailer" if "bodily injury" or "property damage" occurs while the "trailer" is detached from a covered "auto" you are using and:

- (a) Is being transported by the carrier; or
- (b) Is being loaded on or unloaded from any unit of transportation by the carrier.

C. The following Trailer Interchange Coverage provisions are added:

1. Coverage

- a. We will pay all sums you legally must pay as damages because of "loss" to a "trailer" you don't own or its equipment. The "trailer" must be in your possession under a written "trailer" or equipment interchange agreement in which you assume liability for "loss" to the "trailer" while in your possession.
- b. We will pay for "loss" to the "trailer" under:

(1) Comprehensive Coverage

From any cause except:

- (a) The "trailer's" collision with another object; or
- (b) The "trailer's" overturn.

(2) Specified Causes Of Loss Coverage

Caused by:

- (a) Fire, lightning or explosion;
- (b) Theft;
- (c) Windstorm, hail or earthquake;
- (d) Flood;
- (e) Mischief or vandalism; or
- (f) The sinking, burning, collision or derailment of any conveyance transporting the "trailer".

(3) Collision Coverage

Caused by:

- (a) The "trailer's" collision with another object; or
 - (b) The "trailer's" overturn.
- c. We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for any "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.

d. Coverage Extensions

The following applies as **Supplementary Payments**. We will pay for you:

- (1) All expenses we incur.
- (2) The cost of bonds to release attachments, but only for bond amounts within our Limit of Insurance.
- (3) All reasonable expenses incurred at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (4) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorney's fees or attorney's expenses taxed against the "insured".
- (5) All interest on the full amount of any judgment that accrues after entry of the judgment, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

2. Exclusions

- a. We will not pay for "loss" caused by or resulting from any of the following:

(1) Nuclear Hazard

- (a) The explosion of any weapon employing atomic fission or fusion; or
- (b) Nuclear reaction or radiation, or radioactive contamination, however caused.

(2) War Or Military Action

- (a) War, including undeclared or civil war;
- (b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (c) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

- b. We will not pay for loss of use.

c. Other Exclusions

We will not pay for "loss" due and confined to:

- (1) Wear and tear, freezing, mechanical or electrical breakdown.
- (2) Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

3. Limit Of Insurance

The most we will pay for "loss" to any one "trailer" is the least of the following amounts:

- a. The actual cash value of the damaged or stolen property at the time of the "loss";
- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
- c. The Limit Of Insurance shown in the Schedule.

4. Deductible

For each covered "trailer", our obligation to pay:

- a. The actual cash value of the damaged or stolen property at the time of the "loss" will be reduced by the applicable deductible shown in the Schedule;

- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality will be reduced by the applicable deductible shown in the Schedule; or

- c. The damages for "loss" that would otherwise be payable will be reduced by the applicable deductible shown in the Schedule prior to the application of the Limit Of Insurance shown in the Schedule.

D. The following exclusion is added to **Physical Damage Coverage**:

We will not pay for "loss" to:

Any covered "auto" while in anyone else's possession under a written "trailer" interchange agreement. But this exclusion does not apply to a loss payee; however, if we pay the loss payee, you must reimburse us for our payment.

E. The **Other Insurance** Condition is replaced by the following:

5. Other Insurance – Primary And Excess Insurance Provisions

- a. While any covered "auto" is hired or borrowed from you by another "motor carrier", this Coverage Form's Covered Autos Liability Coverage is:

(1) Excess unless Paragraph (2) applies.

(2) Primary if a written agreement between you and the lessee requires you to hold the lessee harmless.

- b. While any covered "auto" is hired or borrowed by you from another "motor carrier", this Coverage Form's Covered Autos Liability Coverage is:

(1) Primary unless Paragraph (2) applies, and then only while the covered "auto" is used exclusively in your business.

(2) Excess if a written agreement between the lessor and you requires the lessor to hold you harmless.

- c. While a covered "auto" which is a "trailer" is used with a power unit, this Coverage Form's Covered Autos Liability Coverage is:

(1) Provided on the same basis, either primary or excess, as the Covered Autos Liability Coverage provided for the power unit if the power unit is a covered "auto".

(2) Excess if the power unit is not a covered "auto".

- d.** Any Trailer Interchange Coverage provided by this Coverage Form is primary for any covered "auto".
- e.** Except as provided in Paragraphs **a.**, **b.**, **c.** and **d.** above, this Coverage Form provides primary insurance for any covered "auto" you own and excess insurance for any covered "auto" you don't own.
- f.** For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- g.** Regardless of the provisions of Paragraphs **a.**, **b.**, **c.**, **d.** and **e.** above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

- h.** When this Coverage Form and any other Coverage Form or policy cover on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

F. Additional Definitions

As used in this endorsement:

- 1.** "Motor carrier" means a person or organization providing transportation by "auto" in the furtherance of a commercial enterprise.
- 2.** "Trailer" includes a semitrailer or a dolly used to convert a semitrailer into a trailer. But for Trailer Interchange Coverage only, "trailer" also includes a container.

POLICY NUMBER:

COMMERCIAL AUTO
CA 23 40 12 23

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINNESOTA MOTOR CARRIER ENDORSEMENT

For a covered "auto" licensed or principally garaged in Minnesota, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the Policy effective on the inception date of the Policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

For those covered "autos" used in your motor carrier operations as a "motor carrier", the liability cost of hire provisions in the Declarations are replaced by the following:

Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums – Covered Autos Liability Coverage

Covered Autos Liability Coverage – Cost Of Hire Rating Basis For Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
Covered Autos Liability Coverage	Estimated Annual Cost Of Hire For All States	Premium
Primary Coverage	\$	\$
Excess Coverage	\$	\$
Total Hired Auto Premium		\$
For "autos" used in your motor carrier operations, cost of hire means:		
1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers) and, if not included therein,		
2. The total remunerations of all operators and drivers' helpers of hired automobiles, whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and		
3. The total dollar amount of any other costs (e.g., repair, maintenance, fuel) directly associated with operating the hired automobiles, whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.		

The following provisions apply to those covered "autos" used in your operations as a "motor carrier" if gross receipts is used as a premium basis:

Schedule For Gross Receipts Or Mileage Rating Basis	
Rating Basis (Check one):	<input type="checkbox"/> Gross Receipts (Per \$100) <input type="checkbox"/> Mileage (Per Mile)
Estimated Yearly (Gross Receipts Or Mileage):	
	Premiums
Covered Autos Liability Coverage	\$
Auto Medical Payments	\$
Total Premiums	\$
Minimum Premiums	\$

Gross receipts means the total amount earned by the named insured for shipping or transporting property regardless of whether you or any other carrier originates the shipment or transportation. Gross receipts includes the total amount received from renting equipment, with or without drivers, to any person or organization not engaged in the business of transporting property for hire by "auto" and 15% of the total amount received from renting any equipment, with or without drivers, to any person or organization engaged in the business of transporting property for hire by "auto". Gross receipts does not include:

1. Amounts you paid to air, sea or land carriers operating under their own permits.

2. Advertising revenue.
3. Taxes collected as a separate item and paid directly to the government.
4. C.O.D. collections for cost of merchandise including collection fees.
5. Warehouse storage fees.

Schedule Of Trailer Interchange Coverage		
Coverages	Limit Of Insurance And Deductible	Estimated Premium
Comprehensive	Least Of Actual Cash Value, Cost Of Repair Or \$ Limit Of Insurance	\$
	\$ Deductible For Each Covered Trailer	
Specified Causes Of Loss	Least Of Actual Cash Value, Cost Of Repair Or \$ Limit Of Insurance	\$
	\$ Deductible For Each Covered Trailer	
Collision	Least Of Actual Cash Value, Cost Of Repair Or \$ Limit Of Insurance	\$
	\$ Deductible For Each Covered Trailer	
Total Trailer Interchange Premium		\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

Physical Damage Coverage

The **Physical Damage Coverage** Exclusion in Paragraph **D.** of this endorsement is removed for each of the following coverages indicated by an "X" in the box.

<input type="checkbox"/>	Comprehensive
<input type="checkbox"/>	Specified Causes Of Loss
<input type="checkbox"/>	Collision

For any operations you engage in as a "motor carrier", the Policy is changed as follows:

A. Paragraph B.3. of Owned Autos under Section I – Covered Autos does not apply.

B. Paragraph A.1. Who Is An Insured under Section II – Covered Autos Liability Coverage is replaced by the following:

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner, or any "employee", agent or driver of the owner, or anyone else from whom you hire or borrow a covered "auto".
 - (2) Your "employee" or agent if the covered "auto" is owned by that "employee" or agent or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), a lessee or borrower of a covered "auto" or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership) or member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
 - (6) Another "motor carrier" or any "employee", agent or driver of that "motor carrier", while using a covered "auto" that is a "trailer", in that other "motor carrier's" business.

c. The owner or anyone else from whom you hire or borrow a covered "auto" that is a "trailer" while the "trailer" is being used:

- (1) With another covered "auto" that is a power unit; or
- (2) Exclusively in your business, if not being used with a covered "auto" that is a power unit.

d. The lessor of a covered "auto" that is not a "trailer" or any "employee", agent or driver of the lessor while the "auto" is leased to you under a written agreement, but only when the leased "auto" is used in your business as a "motor carrier" for hire.

However, such lessor or any "employee", agent or driver of the lessor is not an "insured" if a written hold harmless agreement between the lessor and you requires the lessor to hold you harmless, but only to the extent required by such hold harmless agreement.

e. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

However, none of the following is an "insured":

- (1) Any "motor carrier" for hire or any agents or "employees" of the "motor carrier", other than you and your "employees":
 - (a) If the "motor carrier" is subject to motor carrier insurance requirements and meets them by a means other than "auto" liability insurance.
 - (b) If the "motor carrier" is not insured for hired "autos" under an "auto" liability insurance form that insures on a primary basis the owners of the "autos" and their agents and "employees" while the "autos" are leased to that "motor carrier" and used in their business.

However, Paragraph (1) above does not apply if you have leased an "auto" to the for-hire "motor carrier" under a written lease agreement in which you have held that "motor carrier" harmless.

- (2) Any rail, water or air carrier or its "employees" or agents, other than you and your "employees", for a "trailer" if "bodily injury" or "property damage" occurs while the "trailer" is detached from a covered "auto" you are using and:

- (a) Is being transported by the carrier; or
- (b) Is being loaded on or unloaded from any unit of transportation by the carrier.

C. The following Trailer Interchange Coverage provisions are added:

1. Coverage

- a. We will pay all sums you legally must pay as damages because of "loss" to a "trailer" you don't own or its equipment. The "trailer" must be in your possession under a written "trailer" or equipment interchange agreement in which you assume liability for "loss" to the "trailer" while in your possession.
- b. We will pay for "loss" to the "trailer" under:

(1) Comprehensive Coverage

From any cause except:

- (a) The "trailer's" collision with another object; or
- (b) The "trailer's" overturn.

(2) Specified Causes Of Loss Coverage

Caused by:

- (a) Fire, lightning or explosion;
- (b) Theft;
- (c) Windstorm, hail or earthquake;
- (d) Flood;
- (e) Mischief or vandalism; or
- (f) The sinking, burning, collision or derailment of any conveyance transporting the "trailer".

(3) Collision Coverage

Caused by:

- (a) The "trailer's" collision with another object; or
- (b) The "trailer's" overturn.

- c. We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for any "loss" to which this insurance does not apply. We will settle or defend, as we consider appropriate, any claim or "suit" asking for damages which are payable under the terms of this Coverage Form.

d. Coverage Extensions

The following applies as **Supplementary Payments**. We will pay for you:

- (1) All expenses we incur.
- (2) The cost of bonds to release attachments, but only for bond amounts within our Limit of Insurance.
- (3) All reasonable expenses incurred at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (4) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (5) All interest on the full amount of any judgment that accrues after entry of the judgment, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.
- (6) Prejudgment interest awarded against the "insured" on that part of the judgment we pay. If we offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.

These payments will not reduce the Limit of Insurance.

2. Exclusions

- a. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

(1) Nuclear Hazard

- (a) The explosion of any weapon employing atomic fission or fusion; or
- (b) Nuclear reaction or radiation, or radioactive contamination, however caused.

(2) War Or Military Action

- (a)** War, including undeclared or civil war;
- (b)** Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (c)** Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

b. We will not pay for loss of use.

c. Other Exclusions

We will not pay for "loss" due and confined to:

- (1)** Wear and tear, freezing, mechanical or electrical breakdown.
- (2)** Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

3. Limit Of Insurance

The most we will pay for "loss" to any one "trailer" is the least of the following amounts:

- a.** The actual cash value of the damaged or stolen property at the time of the "loss";
- b.** The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
- c.** The Limit Of Insurance shown in the Schedule.

4. Deductible

For each covered "trailer", our obligation to pay:

- a.** The actual cash value of the damaged or stolen property at the time of the "loss" will be reduced by the applicable deductible shown in the Schedule;
- b.** The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality will be reduced by the applicable deductible shown in the Schedule; or
- c.** The damages for "loss" that would otherwise be payable will be reduced by the applicable deductible shown in the Schedule prior to the application of the Limit Of Insurance shown in the Schedule.

D. The following exclusion is added to Physical Damage Coverage:

We will not pay for "loss" to:

Any covered "auto" while in anyone else's possession under a written "trailer" interchange agreement. But this exclusion does not apply to a loss payee; however, if we pay the loss payee, you must reimburse us for our payment.

E. The Other Insurance Condition is replaced by the following:

5. Other Insurance – Primary And Excess Insurance Provisions

- a.** While any covered "auto" is hired or borrowed from you by another "motor carrier", this Coverage Form's Covered Autos Liability Coverage is:

- (1)** Excess over any other collectible insurance unless Paragraph **(2)** applies.
- (2)** Primary if a written agreement between you and the lessee requires you to hold the lessee harmless.

- b.** While any covered "auto" is hired or borrowed by you from another "motor carrier", this Coverage Form's Covered Autos Liability Coverage is:

- (1)** Primary unless Paragraph **(2)** applies, and then only while the covered "auto" is used exclusively in your business.
- (2)** Excess over any other collectible insurance if a written agreement between the lessor and you requires the lessor to hold you harmless.

- c.** While a covered "auto" which is a "trailer" is used with a power unit, this Coverage Form's Covered Autos Liability Coverage is:

- (1)** Provided on the same basis, either primary or excess, as the Covered Autos Liability Coverage provided for the power unit if the power unit is a covered "auto".
- (2)** Excess if the power unit is not a covered "auto".

- d.** Any Trailer Interchange Coverage provided by this Coverage Form is primary for any covered "auto".

- e.** This Coverage Form provides primary insurance for:

- (1)** A "temporary loaned vehicle" owned by a service or repair facility for "bodily injury" or "property damage" sustained by a third party; or

- (2) "Property damage" to a "rental vehicle" or "temporary loaned vehicle".
- f. Except as provided in Paragraphs **a.**, **b.**, **c.**, **d.** and **e.** above, this Coverage Form provides primary insurance for any covered "auto" you own and excess insurance for any covered "auto" you don't own.
- g. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- h. Regardless of the provisions of Paragraphs **a.**, **b.**, **c.**, **d.**, **e.** and **f.** above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".
- i. When this Coverage Form and any other Coverage Form or policy cover on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

F. Additional Definitions

As used in this endorsement:

1. "Motor carrier" means a person or organization providing transportation by "auto" in the furtherance of a commercial enterprise.
2. "Trailer" includes a semitrailer or a dolly used to convert a semitrailer into a trailer. But for Trailer Interchange Coverage only, "trailer" also includes a container.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNMANNED AIRCRAFT EXCLUSION FOR GENERAL LIABILITY COVERAGES

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Section II – General Liability Coverages is changed as follows:

A. Exclusion 2.g. Aircraft, Auto Or Watercraft under Paragraph **A. Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to any of the following:

g. Aircraft, Auto Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "accident" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any "insured". Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "accident" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any "insured".

This Paragraph **g.(2)** does not apply to:

- (a)** A watercraft while ashore on premises where you conduct "auto dealer operations";

- (b) A watercraft you do not own that is:
 - (i) Less than 26 feet long; and
 - (ii) Not being used to carry persons or property for a charge; or
- (c) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft.

B. The following is added to Paragraph 2. Exclusions of Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

Unmanned Aircraft

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- (1) The use of another's advertising idea in your "advertisement"; or
- (2) Infringing upon another's copyright, trade dress or slogan in your "advertisement".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNMANNED AIRCRAFT EXCLUSION FOR GENERAL LIABILITY COVERAGES – (BODILY INJURY AND PROPERTY DAMAGE LIABILITY ONLY)

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Exclusion **2.g. Aircraft, Auto Or Watercraft** under Paragraph **A. Bodily Injury And Property Damage Liability** of **Section II – General Liability Coverages** is replaced by the following:

2. Exclusions

This insurance does not apply to any of the following:

g. Aircraft, Auto Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "accident" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any "insured". Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any "insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "insured", if the "accident" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any "insured".

This Paragraph **g.(2)** does not apply to:

- (a)** A watercraft while ashore on premises where you conduct "auto dealer operations";
- (b)** A watercraft you do not own that is:
 - (i)** Less than 26 feet long; and
 - (ii)** Not being used to carry persons or property for a charge; or
- (c)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABUSE OR MOLESTATION EXCLUSION FOR COVERED AUTOS LIABILITY EXPOSURE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

The following exclusion is added to **Covered Autos Liability Coverage**:

Abuse Or Molestation For Covered Autos Liability Exposure

This insurance does not apply to damages arising out of the actual, alleged or threatened abuse or molestation, including, but not limited to, sexual abuse or sexual molestation, of any person committed by anyone.