MARYLAND CHANGES – AUTO DEALERS  
COVERAGE FORM

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For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Maryland, 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.

A. Changes In Covered Autos Liability Coverage

1. Paragraph 2.b.(4) of the Who Is An Insured Provision does not apply.

2. The Fellow Employee Exclusion is replaced by the following:

Fellow Employee

"Bodily injury" to:

(1) 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

(2) The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph (1) above.

However, this exclusion does not apply for coverage up to the minimum limit specified by the Maryland Vehicle Law.

3. The Racing Exclusion is replaced by the following:

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.

However, this exclusion does not apply for coverage up to the minimum limit specified by the Maryland Vehicle Law.

B. Changes In Conditions

1. The lead-in to the Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions 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. The Concealment, Misrepresentation Or Fraud Condition is replaced by the following:

Concealment, Misrepresentation Or Fraud

We do not provide coverage for an "insured" who:

a. Intentionally conceals or misrepresents a material fact; or

b. Has made fraudulent statements or engaged in fraudulent conduct;

in connection with any "accident" or "loss" for which coverage is sought under this Policy.

However, we will provide Covered Autos Liability Coverage to such "insured" for damages sustained by any person who has not:

(1) Intentionally concealed or misrepresented a material fact; or

(2) Made fraudulent statements or engaged in fraudulent conduct;

if such damages result from an "accident" which is otherwise covered under this Policy.

3. Paragraph a. of the Other Insurance Condition is replaced by the following:

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a. For any covered "auto" you own, this Coverage Form provides primary insurance, except that this Coverage Form will be secondary over any other collectible insurance available to your customers while a covered "auto" you own is being used as a "replacement vehicle".

For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance, except that this Coverage Form provides primary insurance for any "replacement vehicle".

For a covered "auto" which is a "trailer" 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.

(2) Primary while it is connected to a covered "auto" you own.

4. Paragraph a. of the Premium Audit Condition is replaced by the following:

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 30 days from the date of the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

C. Changes In Definitions

For the purposes of this endorsement, the following definition is added:

"Replacement vehicle" means a vehicle that is loaned by or rented from an auto repair facility or dealer, or that an individual rents temporarily, to use while a vehicle owned by the lessee or rentee is not in use because of loss or its breakdown, repair, servicing or damage.