

# Commercial Casualty



## CGL Policy – BAP

**Workers Compensation & Employers Liability  
Insurance Policy**

as well as some legal concepts  
(if time permits)

BUT EXCLUDING WHO IS AN INSURED PROVISIONS

**Allen Messer**

**Insurance Concepts & Services**

[amesser@insuranceconceptsandservices.com](mailto:amesser@insuranceconceptsandservices.com)

**830-481-7997**

# Introductory Comments

## In my opinion!

- Agency should have a **formal method for exposure identification**
- **Agency** should establish “**standards**” when **providing insurance protection** – for example:
  - Minimum liability limits
  - Specific endorsements on every policy
  - Do your best to avoid certain endorsements

# **Formal Method For Identification**

**Survey for Particular Niche**

**Website Review**

**Flowchart**

**Insurance Policy Review**

**Physical Inspections**

**Compliance Review**

**Policies & Procedures Review**

**Contract Review**

**Financial Statement Analysis**

**Loss Data Analysis**

**Experts**

# **Exclusion—Cyber Incident - CG 40 35**

**A. The following is added to Paragraph 2. Exclusions of Section I – Coverage A Bodily Injury And Property Damage Liability:**

**2. Exclusions**

**This insurance does not apply to:**

**Cyber Incident**

**"Bodily injury" or "property damage" arising out of a "cyber incident".**

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

**2. Exclusions**

**This insurance does not apply to:**

**Cyber Incident**

**"Personal and advertising injury" arising out of a "cyber incident".**

**C. For the purposes of this endorsement, the following definition is added to the Definitions Section:**

**"Cyber incident" means any:**

- 1. Unauthorized access to or use of any computer system.**
- 2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system or otherwise disrupt its normal functioning or operation.**
- 3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.**

This endorsement became mandatory for use in December 2023.

Endorsement also excludes several categories of expenses that are often incurred by a business after a cyber incident to mitigate the damage to themselves and to others.

# **Exclusion—Violation of Law Addressing Data Privacy - CG 00 69**

**A. The following is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

**This insurance does not apply to:**

**Violation Of Law Addressing Data Privacy**

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

**This insurance does not apply to:**

**Violation Of Law Addressing Data Privacy**

This endorsement became mandatory for use in December 2023.

The endorsement adds an exclusion that applies to bodily injury, property damage, and personal and advertising injury arising directly or indirectly out of any action or omission that violates or is alleged to violate a data privacy law.

This would include any statute, ordinance, or regulation that addresses, prohibits, or limits access to, use of, or the printing, dissemination, disposal; obtaining, collecting, storing, safeguarding, recording, retention; sending, transmitting, communicating; or selling, distribution of any person's or organization's confidential or personal information, including financial, health, biometric or other nonpublic material or information.

The Illinois Biometric Information Privacy Act (BIPA), the California Consumer Privacy Act (CCPA), and the European Union's General Data Protection Regulation (GDPR) are specifically identified. However, the exclusion is not limited to these

This exclusion applies to both violations and allegations of violations. NO COVERAGE \_ NO DEFENSE so no defense coverage from any suit or claim related to a data privacy violation, even if the insured is found not to have committed the violation.

# **EARLIER NOTICE OF CANCELLATION PROVIDED BY US – CG 02 24**

## **SCHEDULE**

**Number of Days' Notice** \_\_\_\_\_

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation, as provided in paragraph 2. of either the CANCELLATION Common Policy Condition or as amended by an applicable state cancellation endorsement, is increased to the number of days shown in the Schedule above.

## DEDUCTIBLE LIABILITY INSURANCE – CG 03 00

### SCHEDULE

Coverage	Amount and Basis of Deductible PER CLAIM or PER OCCURRENCE	
Bodily Injury Liability	\$	\$
OR		
Property Damage Liability	\$	\$
OR		
Bodily Injury Liability and/or Property Damage Liability Combined	\$	\$

**APPLICATION OF ENDORSEMENT** (enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to damages for all “bodily injury” and “property damage”, however caused):

e.g., **SPRAY PAINTING OPERATIONS**

# **COVERAGE FOR INJURY TO LEASED WORKERS**

## **– CG 04 24**

With respect to the Employer's Liability exclusion (Section I) only, the definition of "employee" in the **DEFINITIONS** Section is replaced by the following:

"Employee" does not include a "leased worker" or a "temporary worker".



# EMPLOYEE BENEFITS LIABILITY COVERAGE

## – CG 04 35

- Adds insurance protection on a claims made basis for those sums that the insured becomes legally obligated to pay as damages because of any act, error or omission, of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies.
- Insurance applies to damages only if:
  - (1) The act, error or omission, is negligently committed in the "administration" of the named insured's "employee benefit program";
  - (2) The act, error or omission, did not take place before the Retroactive Date, if any, shown in the Schedule nor after the end of the policy period; and
  - (3) A "claim" for damages, because of an act, error or omission, is first made against any insured, in accordance with Paragraph c. below, during the policy period or an Extended Reporting Period we provide under Paragraph F. of this endorsement.
- Exclusions for Dishonest, Fraudulent, Criminal Or Malicious Act ; Bodily Injury, Property Damage, Or Personal And Advertising Injury; Failure To Perform A Contract ; Insufficiency Of Funds; Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation; Workers' Compensation And Similar Laws; ERISA; Available Benefits; Taxes, Fines Or Penalties ; Employment-Related Practices
- Limit Of Insurance applies each employee with an aggregate
- Deductible applies each employee

## **CGL Policy Definition**

**17. "Property damage" means: (revised with 2001 edition)**

- a.** Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b.** Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**Need an option for buying back liability  
coverage for damage to electronic data  
LOSS OF ELECTRONIC DATA RESULTING FROM  
PHYSICAL INJURY TO TANGIBLE PROPERTY  
LIABILITY COVERAGE—SUBJECT TO CYBER  
INCIDENT EXCLUSION – CG 04 37**

## CG 04 37

allows the chance to buy back limited coverage

### SCHEDULE

Loss Of Electronic Data Limit: \$\_\_\_\_\_

.....*in part*

**E. For the purposes of the coverage provided by this endorsement, the definition of "property damage" in the Definitions section is replaced by the following:**

**17. "Property damage" means:**

- a. Physical injury to tangible property**, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it;
- b. Loss of use of tangible property that is not** physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it; or
- c. Loss of, loss of use of, damage to**, corruption of, inability to access, or inability to properly manipulate "electronic data", **resulting from physical injury to tangible property**. All such loss of "electronic data" shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, "electronic data" is not tangible property.

❖ **ELECTRONIC DATA LIABILITY COVERAGE FORM – CG 00 65**  
covers actual loss of data without requiring associated  
“physical injury to tangible property”

# PRIMARY AND NONCONTRIBUTORY – OTHER INSURANCE CONDITION – CG 20 01

The following is added to the **Other Insurance** Condition and supersedes any provision to the contrary:

## **Primary And Noncontributory Insurance**

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

- (1) **The additional insured is a Named Insured under such other insurance;** and
- (2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

## **Sample Umbrella Wording – Other Insurance**

### **Other Insurance**

If valid and collectible **Other Insurance** Applies to damages that are also covered by this policy, this policy will apply excess of, and will not contribute with, that **Other Insurance**, whether it is primary, excess, contingent or on any other basis.

However, if you specifically agree in a written contract or agreement that the insurance provided to any person or organization as an **Insured** under paragraph IV.O.3 above, must apply on a primary basis or a primary and non-contributory basis, this policy will apply to **Bodily Injury, Property Damage, Personal Injury or Advertising Injury** as if **Other Insurance** available to such person or organization under which that person or organization qualifies as a named insured does not exist, and we will not share with that Other Insurance, provided that such **Bodily Injury, Property Damage, Personal Injury or Advertising Injury** is caused by an **Occurrence** that commences subsequent to the execution of such contract or agreement. But this insurance is still excess over any **Other Insurance**, whether such insurance is primary, excess, contingent or on any other basis, which covers that person or organization as an additional insured or as any other insured that does not qualify as a named insured.

# **EXCESS INSURANCE PROVISION—ORDER OF RESPONSE—WHEN YOU ARE AN ADDITIONAL INSURED ON OTHER INSURANCE – CG 24 56**

Paragraph **b.(1)(b)** of Paragraph **4. Other Insurance** of **Section IV – Commercial General Liability Conditions** is replaced by the following: **4. Other Insurance**

## **b. Excess Insurance**

**(1)** This insurance is excess over:

**(b)** Any other insurance available to you, whether primary, excess, contingent or on any other basis, covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

## **ADDITIONAL INSURED – CLUB MEMBERS – CG 20 02**

WHO IS AN INSURED (Section II) is amended to include as an insured any of your members, but only with respect to their liability for your activities or activities they perform on your behalf.

## **ADDITIONAL INSURED – CHURCH MEMBERS AND OFFICERS – CG 20 22**

**A. Paragraph 2.a., Exclusions of Section I – Coverage C – Medical Payments** is replaced by the following:

We will not pay expenses for "bodily injury":

- a.** To any insured, except church members who are not paid a fee, salary or other compensation.

**B. Section II – Who Is An Insured** is amended to include the following as insureds:

- 1.** Any of your church members, but only with respect to their liability for your activities or activities they perform on your behalf.
- 2.** Any:
  - a.** Trustee, official or member of the board of governors of the church; or
  - b.** Members of the clergybut only with respect to their duties as such.

# **EXCLUSION – ALL HAZARDS IN CONNECTION WITH DESIGNATED PREMISES – CG 21 00 SCHEDULE**

## **Description And Location Of Premises:**

The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability and Paragraph 2., Exclusions Of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. The ownership, maintenance or use of the premises shown in the Schedule or any property located on these premises;
2. Operations on those premises or elsewhere **which are necessary or incidental to the ownership, maintenance or use of those premises**; or
3. Goods or products manufactured at or distributed from those premises.

# **EXCLUSION – ATHLETIC OR SPORTS PARTICIPANTS – CG 21 01**

## **SCHEDULE**

### **Description of Operations:**

The following is added to Paragraph 2. **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

With respect to any operations shown in the Schedule, this insurance does not apply to "bodily injury" to any person arising out of practicing for or participating in any sports or athletic contest or exhibition that you sponsor.

This exclusion applies even if the claims against any insured allege negligence or other wrong doing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" involving practicing for or participating in any sports or athletic contest or exhibition that you sponsor.

# **EXCLUSION – ATHLETIC OR SPORTS PARTICIPANTS – ALL CONTESTS OR EXHIBITIONS – CG 40 03**

### **Description of Operations:**

The following is added to Paragraph 2. **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

With respect to any operations shown in the Schedule, this insurance does not apply to "bodily injury" to any person arising out of practicing for or participating in any sports or athletic contest or exhibition.

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 "occurrence" which caused the "bodily injury" involved practicing for or participating in any sports or athletic contest or exhibition.



# **EXCLUSION – UNMANNED AIRCRAFT – CG 21 09**

## ***In part***

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

### **2. Exclusions**

This insurance does not apply to:

#### **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”. .....**

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

### **2. Exclusions**

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. ....**

- C. The following definition is added to the Definitions section:**

**“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.**

## **CG 21 09 AND OTHER ENDORSEMENTS**

- Exclusion g. under Coverage A. in the CGL Policy already excludes any coverage for drones if ... “owned or operated by or rented or loaned to any insured”... BUT does not exclude exposure if operated by a third party on behalf of the insured
  - **CG 21 09 excludes this third party exposure**
- No exclusion under Coverage B in the unendorsed CGL Policy
  - **CG 21 09 adds this exclusion to Coverage B**
- **CG 21 10 – EXCLUSION - UNMANNED AIRCRAFT (Coverage A Only)**
- **CG 21 11 – EXCLUSION - UNMANNED AIRCRAFT (Coverage B Only)**
- **CG 24 50 – LIMITED COVERAGE FOR DESIGNATED UNMANNED AIRCRAFT**
  - Schedule – Description of Unmanned Aircraft/Description of Operation(s) Or Project(s)
  - Optional Unmanned Aircraft Liability Aggregate Limit

# **LIMITED EXCLUSION – DESIGNATED OPERATIONS COVERED BY A CONTROLLED (WRAP-UP) INSURANCE PROGRAM – CG 21 31 SCHEDULE**

## **Description And Location Of Operation(s):**

### **A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

- 1.** This insurance does not apply to "bodily injury" or "property damage":
  - a.** Arising out of your ongoing operations; or
  - b.** Included in the "products-completed operations hazard" at the location described in the Schedule of this endorsement, but only if you are enrolled in as a "controlled (wrap-up) insurance program" with respect to the "bodily injury" or "property damage" described in Paragraphs 1.a. and 1.b. above at such location(s).
- 2.** This exclusion applies whether or not the consolidated (wrap-up) insurance program:
  - a.** Provides coverage identical to that provided by this Coverage Part; or
  - b.** Has limits adequate to cover all claims.
- 3.** However, this exclusion does not apply if the "controlled (wrap-up) insurance program" in which you are enrolled with respect to the "bodily injury" or "property damage described in Paragraph A.1 above at the locations described in the Schedule of this endorsement has been cancelled, nonrenewed or otherwise no longer applies for reasons other than the exhaustion of all available limits, whether such limits are available on a primary, excess or on any other basis. You must advise us of such cancellation, nonrenewal or termination as soon as practicable.

## **Watch out for – CG 21 54 – EXCLUSION—DESIGNATED OPERATIONS COVERED BY A CONTROLLED (WRAP-UP) INSURANCE PROGRAM**

# **COMMUNICABLE DISEASE EXCLUSION**

## **– CG 21 32**

### **A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

#### **2. Exclusions**

This insurance does not apply to:

#### **Communicable Disease**

"Bodily injury" or "property damage" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b. Testing for a communicable disease;
- c. Failure to prevent the spread of the disease; or
- d. Failure to report the disease to authorities.

### **B. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

#### **2. Exclusions**

This insurance does not apply to:

#### **Communicable Disease**

"Personal and advertising injury" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b. Testing for a communicable disease;
- c. Failure to prevent the spread of the disease; or
- d. Failure to report the disease to authorities.

## **EXCLUSION – DESIGNATED PRODUCTS – CG 21 33 SCHEDULE**

### **Designated Product(s):**

This insurance does not apply to "bodily injury" or "property damage" included in the "products-completed operations hazard" and arising out of any of "your products" shown in the Schedule.

## **EXCLUSION – DESIGNATED WORK – CG 21 34 SCHEDULE**

### **Description of your work:**

This insurance does not apply to "bodily injury" or "property damage" included in the "products-completed operations hazard" and arising out of "your work" shown in the Schedule.

# **EXCLUSION – COVERAGE C – MEDICAL PAYMENTS – CG 21 35 SCHEDULE**

## **Description and Location of Premises or Classification:**

With respect to any premises or classification shown in the Schedule:

1. Section I – Coverage C – Medical Payments does not apply and none of the references to it in the Coverage Part apply: and
2. The following is added to Section I – Supplementary Payments:
  - h. Expenses incurred by the insured for first aid administered to others at the time of an accident for "bodily injury" to which this insurance applies.

## **FROM CGL Insuring Agreement**

- (2)** Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

# CONTRACTUAL LIABILITY LIMITATION

## – CG 21 39

The definition of "insured contract" in the DEFINITIONS Section is replaced by the following:

"Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement.

➤ eliminates Paragraph f. from definition

**f. 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 party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.**

# CGL POLICY – CONDITIONS

## 7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

## EXCLUSION – INTERCOMPANY PRODUCTS SUITS – CG 21 41

This insurance does not apply to any claim for damages by **any Named Insured against another Named Insured** because of "bodily injury" or "property damage" arising out of "your products" and included within the "products-completed operations hazard."

## EXCLUSION – CROSS SUITS LIABILITY – CG 40 10

- A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverages – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

### Cross Suits

Any claim made or "suit" brought by any Named Insured under this Policy against another Named Insured under this Policy for damages because of "bodily injury" or "property damage".

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

This insurance does not apply to:

### Cross Suits

Any claim made or "suit" brought by any Named Insured under this Policy against another Named Insured under this Policy for damages because of "personal and advertising injury".



# **LIMITATION OF COVERAGE TO DESIGNATED PREMISES OR PROJECT – CG 21 44 SCHEDULE**

**Premises:**

**Project:**

This insurance applies only to "bodily injury", "property damage", "personal and advertising injury" and medical expenses arising out of:

1. The ownership, maintenance or use of the premises shown in the Schedule and ***operations necessary or incidental to those premises***; or
2. The project shown in the Schedule.

**Just how ambiguous the limitation of liability coverage to specific premises can be was illustrated** in the case of *Brewer & Co. v. Marine Indem. Ins. Co. of Am.*, 347 P.3d 163 (Hawaii 2015). Following the collapse of a dam in 2006 and resulting claims for bodily injury and property damage, the owner of the dam brought suit **against the corporation that had sold the dam and surrounding property to him**. The allegations contained in this suit were that the seller had been **negligent in arranging maintenance and repair work on the dam** and, therefore, was legally responsible for the collapse. At the time of the injury and damage, the **seller was insured under a general liability policy that had been endorsed to limit coverage to injury or damage "arising out of the ownership, maintenance or use of the premises shown in the above Schedule"**. **Listed as a scheduled premises was the seller's business headquarters.** The dam itself and the land it was on were not in the schedule. On that basis, the seller's liability insurer denied coverage. The resulting litigation ultimately made its way on appeal to the **Hawaii Supreme Court, which ruled that the seller's negligence in maintaining the dam before it was sold caused injury and damage "arising out of the ownership, maintenance or use" of the seller's business office.**

The **court emphasized** that no "designated premises" endorsement (other than one, perhaps, that specifically limits coverage to liability for injury or damage that occurs at the designated premises) **can convert a CGL policy into a premises liability policy**. That principle, enunciated by the Hawaii court in interpreting the phrase "arising out of the ownership, maintenance or use of the premises," would seem to be even more applicable in interpreting the scope of liability that arises out of "operations necessary or incidental" to the scheduled premises.

## **As a result, LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION – CG 21 44 04 17**

# EMPLOYMENT-RELATED PRACTICES EXCLUSION

## – CG 21 47

### **A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

### **B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

# CGL POLICY – POLLUTION EXCLUSION

**This insurance does not apply to:**

(1) “Bodily injury” or “property damage” arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, or escape of “pollutants”:

**Paragraph (a)** - at or from any premises, site, or location which is or was at any time owned or occupied by, or rented or loaned to, **any** insured.

However, this subparagraph does **NOT** apply to:

**Let’s look at exceptions to premises exclusion!**

- bodily injury caused by smoke, fumes, vapor or soot from the building’s heating or cooling system or equipment used to heat water for personal use
- bodily injury or property damage if named insured is a contractor and:
  - The owner or lessee of the premises, site or location has been added to named insured’s policy as an additional insured for ongoing operations with respect to that additional insured at that premises, site or location; and
  - That premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured
- bodily injury or property damage arising out of heat, smoke or fumes from a “hostile fire” (premises)

# **CGL POLICY – POLLUTION EXCLUSION**

**This insurance does not apply to:**

**Paragraph (b)** - at or from any premises, site or location which is was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste – **“landfill exclusion”**

**Paragraph (c)** - which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste for any insured or any person or organization for whom you may be legally responsible – **“transporter exclusion”**

**These two paragraphs involve waste treatment and disposal – both premises and operations exposures are excluded!**

## CGL POLICY – POLLUTION EXCLUSION

**This insurance does not apply to:**

**Paragraph (d)** - at or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" **are brought** on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does NOT apply to:

**Let's look at operations exceptions to exclusions!**

- BI – Do not take pollutants to site – no intentional discharge – not there to work on - *implied* exception
- BI/PD – Fuels/Lubricants mobile equipment – no intentional discharge
- BI/PD – Take pollutants to site – within building – release of gases/fumes/vapors
- BI/PD – Hostile Fire

## **CGL POLICY – POLLUTION EXCLUSION**

### **This insurance does not apply to:**

**Paragraph (e)** - at or from premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants". –  
**"environmental remediation exclusion"**

**This paragraph involves the "hazardous materials" contractor – must be endorsed to provide coverage – not usually available in standard market**

### **HAZARDOUS MATERIAL CONTRACTORS – CG 22 78**

With respect to the removal, replacement, repair, enclosure or encapsulation of any hazardous material or substance from a building or structure, Paragraph **(1)(e)** under **Exclusion f. of Section I—Coverage A—Bodily Injury and Property Damage Liability** is deleted.

## **CGL POLICY – POLLUTION EXCLUSION**

**Products-completed operations exception**

# **TOTAL POLLUTION EXCLUSION ENDORSEMENT – CG 21 49**

Exclusion **f.** under Paragraph **2.**, **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:  
This insurance does not apply to:

## **f. Pollution**

- (1)** "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- (2)** Any loss, cost or expense arising out of any:
  - (a)** 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
  - (b)** 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".

# **TOTAL POLLUTION EXCLUSION WITH A BUILDING HEATING, COOLING AND DEHUMIDIFYING EQUIPMENT EXCEPTION AND A HOSTILE FIRE EXCEPTION – CG 21 65**

# **TOTAL POLLUTION EXCLUSION WITH A HOSTILE FIRE EXCEPTION – CG 21 55**

# CGL POLICY – LIQUOR LIABILITY EXCLUSION

## c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only **if you are in the business of** manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.



## **AMENDMENT OF LIQUOR LIABILITY EXCLUSION – CG 21 50**

The following replaces Exclusion c. under Paragraph 2. **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

.....*in part*

This exclusion applies only if you:

- (1) Manufacture, sell or distribute alcoholic beverages;
- (2) Serve or furnish alcoholic beverages for a charge whether or not such activity:
  - (a) Requires a license;
  - (b) Is for the purpose of financial gain or livelihood;
- (3) Serve or furnish alcoholic beverages without a charge, if a license is required for such activity;  
or
- (4) Permit any person to bring any alcoholic beverages on your premises, for consumption on your premises.

## **AMENDMENT OF LIQUOR LIABILITY EXCLUSION – EXCEPTION FOR SCHEDULED PREMISES OR ACTIVITIES – CG 21 51 SCHEDULE**

**Description Of Premises Or Activities:**

.....*in part*

However, this exclusion does not apply to "bodily injury" or "property damage" arising out of:

- (i) The selling, serving or furnishing of alcoholic beverages at the specified activity described in the Schedule; or
- (ii) Permitting any person to bring any alcoholic beverages on the premises described in the Schedule, for consumption on the premises described in the Schedule.

## **AMENDMENT OF LIQUOR LIABILITY EXCLUSION – LIMITED EXCEPTION FOR BRING YOUR OWN ALCOHOL – CG 40 09**

.....(in part) May be used instead of CG 21 50 or 21 51

For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered selling, serving or furnishing alcoholic beverages.

# **EXCLUSION – DESIGNATED ONGOING OPERATIONS – CG 21 53**

## **SCHEDULE**

### **Description of Designated Ongoing Operation(s):**

#### **Specified Location (If Applicable):**

The following exclusion is added to paragraph **2.**, Exclusions of COVERAGE A—BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I —Coverages):

This insurance does not apply to "bodily injury" or "property damage" arising out of the ongoing operations described in the Schedule of this endorsement, regardless of whether such operations are conducted by you or on your behalf or whether the operations are conducted for yourself or for others.

Unless a "location" is specified in the Schedule, this exclusion applies regardless of where such operations are conducted by you or on your behalf. If a specific "location" is designated in the Schedule of this endorsement, this exclusion applies only to the described ongoing operations conducted at that "location".

For the purpose of this endorsement, "location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

## **PESTICIDE OR HERBICIDE APPLICATOR— LIMITED POLLUTION COVERAGE – CG 22 64**

With respect to the operations shown in the Schedule, Paragraph **(1)(d)** of Exclusion **f.** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** does not apply *if the operations meet all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government which apply to those operations.*

**CLM** rules mandate the use of endorsement **CG 22 64** on the CGL Policy of any named insured in one of the following classifications:

- 43470    Pest Control Services**
- 43860    Fumigating**
- 91606    Crop Spraying—by contractors**
- 98257    Orchards and Vineyards—operation by contractors**
- 99777    Tree Pruning, Dusting, Spraying, Repairing, Trimming or Fumigating**

# MISDELIVERY OF LIQUID PRODUCTS COVERAGE

## – CG 22 66

Exclusion **g.** of COVERAGE A (Section I) does not apply to "bodily injury" or "property damage" arising out of:

1. The delivery of any liquid product into a wrong receptacle or to a wrong address; or
2. The erroneous delivery of one liquid product for another by an "auto";

if the "bodily injury" or "property damage" occurs after such operations have been completed or abandoned at the site of such delivery.

Operations which may require further service, maintenance, correction, repair or replacement of performance at the wrong address or because of any error, defect or deficiency, but which are otherwise completed, will be deemed completed.

## OPERATION OF CUSTOMERS' AUTOS ON PARTICULAR PREMISES – CG 22 68

- A. Exclusion g. of paragraph 2., Exclusions of COVERAGE A—BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I —Coverages) does not apply to any "customer's auto" while on or next to those premises you own, rent or control that are used for any of the following businesses:
1. Auto Repair or Service Shops;
  2. Car Washes;
  3. Gasoline Stations;
  4. Tire Dealers;
  5. Automobile Quick Lubrication Services.
- B. The following definition is added to the DEFINITIONS Section:
- "Customer's auto" means an "auto" on those premises for the purpose of receiving the services normally provided in connection with those businesses but does not include an "auto" owned by or rented or loaned to any insured.

# LIMITED CONTRACTUAL LIABILITY COVERAGE FOR PERSONAL AND ADVERTISING INJURY – CG 22 74 SCHEDULE

## Designated Contract Or Agreement:

*In part....*

**A.** With respect to the contract or agreement designated in the Schedule above, Subparagraph **e.** of Paragraph **2. Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

### **2. Exclusions**

This insurance does not apply to:

#### **e. Contractual Liability**

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement.

This exclusion does not apply to:

- (1)** Liability for damages that the insured would have in the absence of the contract or agreement; or
- (2)** Liability for "personal and advertising injury" if:
  - (a)** The liability pertains to your business and is assumed in the designated contract or agreement shown in the Schedule in which you assume the tort liability of another. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
  - (b)** The "personal and advertising injury" occurs subsequent to the execution of the designated contract or agreement shown in the Schedule; and
  - (c)** The "personal and advertising injury" arises out of the offenses of false arrest, detention or imprisonment.

# **EXCLUSION – CONTRACTORS – PROFESSIONAL LIABILITY – CG 22 79**

The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability and Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

1. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional services by you or on your behalf, but only with respect to either or both of the following operations:
  - a. Providing engineering, architectural or surveying services to others in your capacity as an engineer, architect or surveyor; and
  - b. Providing, or hiring independent professionals to provide, engineering, architectural or surveying services in connection with construction work you perform.

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 "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any professional services by you or on your behalf with respect to the operations described above.

2. Subject to Paragraph 3. below, professional services include:
  - a. Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
  - b. Supervisory or inspection activities performed as part of any related architectural or engineering activities.
3. Professional services do not include services within construction means, methods, techniques, sequences and procedures employed by you in connection with your operations in your capacity as a construction contractor.

# SNOW PLOW OPERATIONS COVERAGE

## – CG 22 92

Within the "*products-completed operations hazard*", Exclusion g. under **Section I – Coverage A – Bodily Injury And Property Damage Liability** does not apply to any "auto" used for snow plow operations.



# **LAWN CARE SERVICES – LIMITED POLLUTION COVERAGE – CG 22 93**

Paragraph **(1)(d)** of Exclusion **f.** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** does not apply to the application of herbicides or pesticides by an insured on lawns under your regular care.

For use with Class Code 97050—Lawn Care Services

# **EXCLUSION – DAMAGE TO WORK PERFORMED BY SUBCONTRACTORS ON YOUR BEHALF – CG 22 94**

Exclusion I. of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

## **2. Exclusions**

This insurance does not apply to:

### **I. Damage To Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

❖ Watch out for **EXCLUSION – DAMAGE TO WORK  
PERFORMED BY SUBCONTRACTORS ON YOUR  
BEHALF – DESIGNATED SITES OR OPERATIONS  
– CG 22 95**

# **WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION) – CG 24 04 SCHEDULE**

## **Name Of Person(s) Or Organization(s):**

The following is added to Paragraph 8. Transfer Of Rights Of Recovery Against Others To Us of Section IV – Conditions:

We waive any right of recovery against the person(s) or organization(s) shown in the Schedule above because of payments we make under this Coverage Part. Such waiver by us applies only to the extent that the insured has waived its right of recovery against such person(s) or organization(s) prior to loss. This endorsement applies only to the person(s) or organization(s) shown in the Schedule above.

# **WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION) – AUTOMATIC – CG 24 53**

The following is added to Paragraph 8. Transfer Of Rights Of Recovery Against Others To Us of Section IV – Conditions:

We waive any right of recovery against any person or organization, because of any payment we make under this Coverage Part, to whom the insured has waived its right of recovery in a written contract or agreement. Such waiver by us applies only to the extent that the insured has waived its right of recovery against such person or organization prior to loss.

# CGL POLICY – DEFINITIONS

## *In part*

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) 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.

# PRODUCTS/COMPLETED OPERATIONS HAZARD REDEFINED – CG 24 07

## SCHEDULE

### Description of Premises and Operations:

With respect to "bodily injury" or "property damage" arising out of "your products" manufactured, sold, handled or distributed:

1. On, from or in connection with the use of any premises described in the Schedule, or

2. In connection with the conduct of any operation described in the Schedule, when conducted by you or on your behalf,

Paragraph a. of the definition of "Products—completed operations hazard" in the DEFINITIONS Section is replaced by the following:

"Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" that arises out of "your products" if the "bodily injury" or "property damage" occurs after you have relinquished possession of those products.

# BOATS – CG 24 12

## SCHEDULE

### **Description of Watercraft:**

### **Additional Premium:**

1. Exclusion **g.** of **COVERAGE A** (Section I) does not apply to any watercraft owned or used by or rented to the insured shown in the Schedule.
2. **WHO IS AN INSURED** (Section II) is amended to include as an insured any person or organization legally responsible for the use of any such watercraft you own, provided the actual use is with your permission.

# **AMENDMENT OF PERSONAL AND ADVERTISING INJURY DEFINITION – CG 24 13**

With respect to Coverage B Personal And Advertising Injury Liability, Paragraph 14.e. of the Definitions section does not apply.

## **FROM CGL POLICY DEFINITIONS**

- 14.** "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- a.** False arrest, detention or imprisonment;
  - b.** Malicious prosecution;
  - c.** The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  - d.** Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - e.** Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - f.** The use of another's advertising idea in your "advertisement"; or
  - g.** Infringing upon another's copyright, trade dress or slogan in your "advertisement".

# **CONTRACTUAL LIABILITY – RAILROADS**

## **– CG 24 17**

### **SCHEDULE**

#### **Scheduled Railroad:**

#### **Designated Job Site:**

With respect to operations performed for, or affecting, a Scheduled Railroad at a Designated Job Site, the definition of "insured contract" in the Definitions section is replaced by the following:

#### **9. "Insured Contract" means:**

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. 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 party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
- (2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (1) above and supervisory, inspection, architectural or engineering activities.

❖ **Watch out for LIMITED CONTRACTUAL LIABILITY – RAILROADS – CG 24 27 – does not apply to sole negligence of railroad**



# AMENDMENT OF INSURED CONTRACT

## DEFINITION – CG 24 26

The definition of "insured contract" in the Definitions section is replaced by the following:

"Insured contract" means:

.....***in part***

f. 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 party to pay for "bodily injury" or "property damage" to a third person or organization, ***provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf.*** However, such part of a contract or agreement shall only be considered an "insured contract" to the extent your assumption of the tort liability is permitted by law. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

# DESIGNATED CONSTRUCTION PROJECT(S)

## GENERAL AGGREGATE LIMIT – CG 25 03

### SCHEDULE

#### **Designated Construction Project(s): ALL**

- A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A, and for all medical expenses caused by accidents under Section I – Coverage C, which can be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. A separate Designated Construction Project General Aggregate Limit applies to each designated construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
  2. The Designated Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage C regardless of the number of:
    - a. Insureds;
    - b. Claims made or "suits" brought; or
    - c. Persons or organizations making claims or bringing "suits".
  3. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the Designated Construction Project General Aggregate Limit for that designated construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project General Aggregate Limit for any other designated construction project shown in the Schedule above.
  4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Construction Project General Aggregate Limit.
- B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A, and for all medical expenses caused by accidents under Section I – Coverage C, which cannot be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
  2. Such payments shall not reduce any Designated Construction Project General Aggregate Limit.
- C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Construction Project General Aggregate Limit.
- D. If the applicable designated construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.
- E. The provisions of Section III – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

# DESIGNATED LOCATION(S) GENERAL AGGREGATE LIMIT – CG 25 04 SCHEDULE

## Designated Location(s): ALL

- A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A, and for all medical expenses caused by accidents under Section I – Coverage C, which can be attributed only to operations at a single designated "location" shown in the Schedule above:
1. A separate Designated Location General Aggregate Limit applies to each designated "location", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
  2. The Designated Location General Aggregate Limit is the most we will pay for the sum of all damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage C regardless of the number of:
    - a. Insureds;
    - b. Claims made or "suits" brought; or
    - c. Persons or organizations making claims or bringing "suits".
  3. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the Designated Location General Aggregate Limit for that designated "location". Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Location General Aggregate Limit for any other designated "location" shown in the Schedule above.
  4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Location General Aggregate Limit.
- B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A, and for all medical expenses caused by accidents under Section I – Coverage C, which cannot be attributed only to operations at a single designated "location" shown in the Schedule above:
1. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
  2. Such payments shall not reduce any Designated Location General Aggregate Limit.
- C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Location General Aggregate Limit.
- D. For the purposes of this endorsement, the Definitions Section is amended by the addition of the following definition:
- "Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
- E. The provisions of Section III – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

# DESIGNATED PROJECT(S) PRODUCTS- COMPLETED OPERATIONS AGGREGATE LIMIT – CG 25 45

## Designated Project(s): ALL

- A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A because of "bodily injury" and "property damage" included in the "products-completed operations hazard" which can be attributed only to "your work" at a single designated project shown in the Schedule above:
1. A separate Designated Project Products-Completed Operations Aggregate Limit applies to each designated project, and that limit is equal to the amount of the Products-Completed Operations Aggregate Limit shown in the Declarations.
  2. The Designated Project Products-Completed Operations Aggregate Limit is the most we will pay for the sum of all damages under Coverage A because of "bodily injury" and "property damage" included in the "products-completed operations hazard", regardless of the number of:
    - a. Insureds;
    - b. Claims made or "suits" brought; or
    - c. Persons or organizations making claims or bringing "suits".
  3. Any payments made under Coverage A for damages shall reduce the Designated Project Products-Completed Operations Aggregate Limit for that designated project. Such payments shall not reduce the Products-Completed Operations Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Project Products-Completed Operations Aggregate Limit for any other designated project shown in the Schedule above.
  4. The limits shown in the Declarations for Each Occurrence continue to apply. However, instead of being subject to the Products-Completed Operations Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Project Products-Completed Operations Aggregate Limit.
- B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A because of "bodily injury" and "property damage" included in the "products-completed operations hazard" which cannot be attributed only to "your work" at a single designated project shown in the Schedule above:
1. Any payments made under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" shall reduce the amount available under the Products-Completed Operations Aggregate Limit; and
  2. Such payments shall not reduce any Designated Project Products-Completed Operations Aggregate Limit.
- C. Any payments for damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", will reduce the General Aggregate Limit, and will not reduce the Products-Completed Operations Aggregate Limit nor any Designated Project Products-Completed Operations Aggregate Limit.
- D. If the applicable designated project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same project.
- E. The provisions of Section III – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

# DESIGNATED LOCATIONS(S) PRODUCTS- COMPLETED OPERATIONS AGGREGATE LIMIT – CG 25 46

## Designated Location(s): ALL

- A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A because of "bodily injury" and "property damage" included in the "products-completed operations hazard" which can be attributed only to:
- Operations at; or
  - "Your products" manufactured, sold, handled or distributed at, from or in connection with;
- a single designated project shown in the Schedule above:
- A separate Designated Location Products-Completed Operations Aggregate Limit applies to each designated "location", and that limit is equal to the amount of the Products-Completed Operations Aggregate Limit shown in the Declarations.
  - The Designated Location Products-Completed Operations Aggregate Limit is the most we will pay for the sum of all damages under Coverage A because of "bodily injury" and "property damage" included in the "products-completed operations hazard", regardless of the number of:
    - Insureds;
    - Claims made or "suits" brought; or
    - Persons or organizations making claims or bringing "suits".
  - Any payments made under Coverage A for damages shall reduce the Designated Location Products-Completed Operations Aggregate Limit for that designated "location". Such payments shall not reduce the Products-Completed Operations Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Location Products-Completed Operations Aggregate Limit for any other designated "location" shown in the Schedule above.
  - The limit shown in the Declarations for Each Occurrence continue to apply. However, instead of being subject to the Products-Completed Operations Aggregate Limit shown in the Declarations, such limit will be subject to the applicable Designated Location Products-Completed Operations Aggregate Limit.
- B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A because of "bodily injury" and "property damage" included in the "products-completed operations hazard" which cannot be attributed only to:
- Operations at; or
  - "Your products" manufactured, sold, handled or distributed at, from or in connection with;
- at a single designated project shown in the Schedule above:
- Any payments made under Coverage A for damages shall reduce the amount available under the Products-Completed Operations Aggregate Limit; and
  - Such payments shall not reduce any Designated Location Products-Completed Operations Aggregate Limit.
- C. Any payments for damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", will reduce the General Aggregate Limit, and will not reduce the Products-Completed Operations Aggregate Limit nor any Designated Location Products-Completed Operations Aggregate Limit.
- D. For the purposes of this endorsement, the **Definitions** section is amended by the addition of the following definition:
- "Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
- E. The provisions of Section III – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

## **EXCLUSION – EARTH MOVEMENT – CG 40 04**

**A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to "bodily injury" or "property damage" arising out of "earth movement" that is:

1. Caused by or alleged to have been caused by, in whole or in part; or
2. Aggravated by or alleged to have been aggravated by;  
"your work".

**B. The following definition is added to the Definitions section:**

"Earth movement" means:

1. Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
2. Landslide, including any earth sinking, rising or shifting related to such event;
3. Mine subsidence, meaning subsidence of a man-made mine whether or not mining activity has ceased; or
4. Earth sinking, rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

## **EXCLUSION – EARTH MOVEMENT – COMPLETED OPERATIONS – CG 40 05**

## **EARTH MOVEMENT – EXCLUSION FOR DESIGNATED OPERATION(S) OR PROJECTS(S) – CG 40 06**

# EXCLUSION – HIRED AUTO LIABILITY – CG 40 11

With respect to “hired autos”, the following provisions supersede any provisions to the contrary:

- A. The following exclusion is added to Paragraph **g. Aircraft, Auto Or Watercraft**, Paragraph 2.

**Exclusions of Section I – Coverages, Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

**g. Aircraft, Auto Or Watercraft**

“Bodily injury” or “property damage” arising out of the maintenance, use or entrustment to others of any “hired auto”.

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 “occurrence” which caused the “bodily injury” or “property damage” involved the maintenance, use or entrustment to others of any “hired auto”.

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

“Hired auto” means any “auto”:

1. Leased to, for or by any insured; or
2. Hired or borrowed for or by any insured.

# PREMIUM AUDIT NONCOMPLIANCE CHARGE

## – CG 99 09

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
ELECTRONIC DATA LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK LIABILITY COVERAGE PART

### SCHEDULE

<b>Total Advance Premium:</b>	<b>\$</b>
<b>Audit Noncompliance Charge Factor:</b>	
<b>Number Of Written Attempts To Obtain Audit Information:</b>	
<b>Reassessment Charge:</b>	<b>\$</b>

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Paragraph 5.c. of the **Premium Audit** Condition under **Section IV – Conditions** is replaced by the following:

- c. The first Named Insured must keep records of the information we need for premium computation and send us copies at such times as we may request. If the first Named Insured fails to comply with this request at the close of an audit period, an Audit Noncompliance Charge will be assessed, and notice will be sent to the first Named Insured.

The additional charge will be determined by multiplying the Total Advance Premium by the Audit Noncompliance Charge Factor indicated in the Schedule of this endorsement. (The following example is for illustration purposes only.)

Example:

Total Advance Premium: \$25,000  
Audit Noncompliance Charge Factor: 1  
Audit Noncompliance Charge: \$25,000

**(1) We will only assess the Audit Noncompliance Charge:**

- (a)** For audits conducted after the end of the policy period; and  
**(b)** When we have made the number of written attempts indicated in the Schedule of this endorsement to obtain audit information from the first Named Insured.

The due date for the Audit Noncompliance Charge is the date shown as the due date on the bill

**(2) Subsequent Compliance And Reassessment Charge**

- (a)** The first Named Insured may notify us in writing, prior to the due date on the bill for the Audit Noncompliance Charge, that the Named Insured agrees to comply with the audit request.  
**(b)** A Reassessment Charge may apply if this charge is indicated in the Schedule.  
**(c)** The first Named Insured must comply with the audit within 30 days of our receipt of the written notification described in Paragraph **(2)(a)** above, and then the Audit Noncompliance Charge will no longer apply. If a Reassessment Charge is indicated in the Schedule of this endorsement, that charge will remain applicable.  
**(d)** If the first Named Insured fails to comply with the premium audit after 30 days of our receipt of the notification described in Paragraph **(2)(a)** above, a subsequent notice will be sent to the first Named Insured indicating that the Audit Noncompliance Charge and the Reassessment Charge (if applicable) will be final. The due date for the Audit Noncompliance Charge and the Reassessment Charge is the date shown as the due date on the bill.



# **CGL POLICY – A LAST LOOK!**

## **EXCLUSION j. – DAMAGE TO PROPERTY**

- Commonly referred to as care, custody **or** control exclusion  
**Coverage A – Exclusion**

**Damage To Property** excludes “property damage” to:

- Property owned/rented/occupied by named insured...
- Premises named insured sells, gives away or abandons...
- Loaned to named insured...
- Personal property in the CCC of the insured...
- That particular part of real property...
- That particular part of any property.... – faulty work

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section **III – Limits Of Insurance**.

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs **(3)**, **(4)**, **(5)** and **(6)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph **(6)** of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

**Try to secure insurer specific endorsements that modify Exclusion j**

# SUSPENSION OF INSURANCE – CA 02 40

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

<b>Named Insured:</b> <b>Endorsement Effective Date:</b> <b>Reinstatement Effective Date (optional):</b>
--

## SCHEDULE

Coverage (Check all that apply)	All Covered "Autos"	All Covered "Autos" You Own	Covered "Autos" Listed Below
Covered Autos Liability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Auto Medical Payments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Uninsured Motorists	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Underinsured Motorists (Indicate only when coverage is not included in Uninsured Motorists Coverage.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Collision	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other Auto Coverage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other Auto Coverage:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Covered Autos:</b>			
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.			

- A. Except for maintaining or testing covered "autos" on your property, the coverages and "autos" indicated in this endorsement are suspended as of the Endorsement Effective Date indicated in the Schedule.
- B. If you suspended coverage for at least 30 consecutive days, you will be entitled to a refund of premium.
- C. The coverages indicated in the Schedule will remain suspended until the Reinstatement Effective Date if provided in the Schedule or, if no date is provided, the end of the policy period.

# **WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION) – CA 04 44**

## **SCHEDULE**

**Name(s) Of Person(s) Or Organization(s):**

The Transfer Of Rights Of Recovery Against Others To Us condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract *with that person or organization.*

# **WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION) – AUTOMATIC WHEN REQUIRED BY WRITTEN CONTRACT OR AGREEMENT – CA 04 43**

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."

# GOLF CARTS AND LOW-SPEED VEHICLES – CA 04 45

Named Insured:
Endorsement Effective Date:

## SCHEDULE

Coverages	Covered "Auto" Vehicle Numbers	Limit of Insurance	Premium
Covered Autos Liability		\$ _____ Each "Accident"	\$
Auto Medical Payments		\$ _____ Each Person	\$
Personal Injury Protection Or Equivalent No-fault Coverage		Separately Stated In Each P.I.P. Endorsement	\$
Uninsured Motorists		\$ _____ Each "Accident"	\$
Underinsured Motorists (When Not Included In Uninsured Motorists Coverage)		\$ _____ Each "Accident"	\$

Vehicle No.	Description Of Vehicles That Are Covered "Autos"

- A.** This endorsement provides only those coverages where a premium is shown in the Schedule. Each of these coverages applies only to the vehicles shown as covered "autos" in the Schedule.
- B.** The vehicles described in the Schedule will be considered covered "autos".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## PRIMARY AND NONCONTRIBUTORY – OTHER INSURANCE CONDITION

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

BUSINESS AUTOCOVERAGE 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 the **Other Insurance** Condition in the Business Auto Coverage Form and the **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form and supersedes any provision to the contrary:

This Coverage Form's Covered Autos Liability Coverage is primary to and will not seek contribution from any other insurance available to an "insured" under your policy provided that:

1. Such "insured" is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to such "insured".

- B.** The following is added to the **Other Insurance** Condition in the Auto Dealers Coverage Form and supersedes any provision to the contrary:

This Coverage Form's Covered Autos Liability Coverage and General Liability Coverages are primary to and will not seek contribution from any other insurance available to an "insured" under your policy provided that:

1. Such "insured" is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to such "insured".

# MOBILE EQUIPMENT – CA 20 15

Named Insured:  
Endorsement Effective Date:

## SCHEDULE

Coverages	Covered "Auto" Vehicle Numbers	Limit Of Insurance	Premium
Covered Autos Liability		\$_____ Each Accident	\$
Auto Medical Payments		\$_____ Each Person	\$
Personal Injury Protection Or Equivalent No-fault Coverage		Separately Stated in Each P.I.P. Endorsement	\$
Uninsured Motorists		\$_____ Each "Accident"	\$
Underinsured Motorists (Indicate Only When Coverage Is Not Included in <b>Uninsured Motorists Coverage</b> .)		\$_____ Each "Accident"	\$
Comprehensive		\$_____ Deductible For Each Covered Auto, For Loss Caused By Theft Or Mischief Or Vandalism OR \$_____ Deductible For All Perils For Each Covered Auto	\$
Collision		\$_____ Deductible For Each Covered Auto	\$
Specified Causes Of Loss		\$_____ Deductible For Each Covered Auto For Loss Caused By Theft Or Mischief Or Vandalism OR \$_____ Deductible For All Perils For Each Covered Auto	\$

Vehicle No.	Description Of Vehicles That Are Covered "Autos"

- A.** This endorsement provides only those coverages where a premium is shown in the Schedule. Each of these coverages applies only to the vehicles shown as covered "autos".
- B.** The vehicles described in the Schedule will be considered covered "autos" and not "mobile equipment".
- C.** Covered Autos Liability Coverage does not apply to "bodily injury", "property damage" or "covered cost or expense" resulting from the operation of any machinery or equipment that is on, attached to or part of any of these vehicles.

# SNOWMOBILES – CA 20 21

Named Insured:	
Endorsement Effective Date:	

## SCHEDULE

Coverages	Vehicle No.	Limit Of Insurance	Premium
Covered Autos Liability		\$ _____ Each Accident	\$ _____
Auto Medical Payments		\$ _____ Each Person	\$ _____
Uninsured Motorists		\$ _____ Each Accident	\$ _____
Underinsured Motorists (When Not Included In Uninsured Motorists Coverage)		\$ _____ Each Accident	\$ _____
Other (Nonphysical Damage) Auto Coverage:		\$ _____	\$ _____
<b>Total Premium</b>			<b>\$ _____</b>

Indicate below with an "X" which, if any, exclusion is deleted.

☐ Exclusion 1.  
☐ Exclusion 2.  
☐ Exclusion 3.

Vehicle No.	Description Of "Snowmobiles" Which Are Covered "Autos"

- A.** This endorsement provides only those coverages where a premium is shown in the Schedule or in the Declarations. **Each of these coverages applies only to the "snowmobiles" shown as covered "autos".**
- B.** The **following exclusions are added:**  
 For the vehicles shown in the Schedule, this insurance does not apply to:  
 1. The covered "auto" while rented or leased to others by you.  
 2. "Bodily injury", under Covered Autos Liability Coverage, to anyone "occupying" or towed by the covered "auto".  
 3. "Loss", under Physical Damage Coverage, to the covered "auto" resulting from breaking through ice.
- C.** **Exclusion 1., 2. or 3. above may be deleted by indicating with an "X" in the above Schedule. Refer to the Schedule or to the Declarations.**
- D.** The premium stated in the Schedule or in the Declarations applies for the period of coverage and will not be refunded if you cancel this insurance.
- E. Additional Definitions**  
 As used in this endorsement:  
 "Occupying" means in, upon, getting in, on, out or off.  
 "Snowmobile" means a land motor vehicle which is:  
 1. Designed for use on ice and snow, and mainly off public roads; and  
 2. Propelled only by mechanical means other than airplane-type propellers or fans.  
 "Snowmobile" also includes a trailer designed to be towed by a vehicle described above.

## FELLOW EMPLOYEE COVERAGE – CA 20 55

The **Fellow Employee** Exclusion contained under the **Covered Autos Liability Coverage** does not apply.

## FELLOW EMPLOYEE COVERAGE FOR DESIGNATED EMPLOYEES/POSITIONS – CA 20 56

Named Insured:

Endorsement Effective Date:

### SCHEDULE

Name Of Person(s), Job Title(s) Or Position(s):

The **Fellow Employee** Exclusion contained under the **Covered Autos Liability Coverage** does not apply to the "employee(s)", job title(s) or position(s) named or listed in the Schedule.



# COVERAGE FOR CERTAIN OPERATIONS IN CONNECTION WITH RAILROADS – CA 20 70

Named Insured:

Endorsement Effective Date:

## SCHEDULE

Scheduled Railroad	Designated Job Site

With respect to the use of a covered "auto" in operations for or affecting a railroad designated in the Schedule at a Designated Job Site, the two exceptions contained in the definition of "insured contract" relating to construction or demolition operations performed within 50 feet of a railroad do not apply.

❖ **When using CG 24 17, always use CA 20 70**

# GARAGEKEEPERS COVERAGE – CA 99 37

Named Insured:	
Endorsement Effective Date:	

## SCHEDULE

Location Number	Address Where You Conduct Garage Operations (Main Location)		
Coverages	Limit Of Insurance And Deductible		Premium
Comprehensive	\$	Limit Of Insurance	\$
	\$	Deductible For Each Customer's Auto For Loss Caused By Theft Or Mischief Or Vandalism	
	\$	Maximum Deductible For Loss Caused By Theft Or Mischief Or Vandalism In Any One Event	
	OR		
	\$	Limit Of Insurance	
	\$	Deductible For All Perils For Each Customer's Auto	
	\$	Maximum Deductible For All Loss In Any One Event	
	Specified Causes Of Loss	\$	
\$		Deductible For Each Customer's Auto For Loss Caused By Theft Or Mischief Or Vandalism	
\$		Maximum Deductible For Loss Caused By Theft Or Mischief Or Vandalism In Any One Event	
OR			
\$		Limit Of Insurance	
\$		Deductible For All Perils For Each Customer's Auto	
\$		Maximum Deductible For All Loss In Any One Event	
Collision		\$	Limit Of Insurance
	\$	Deductible For Each Customer's Auto	
Total Garagekeepers Premium For All Locations			\$

### Direct Coverage Options

Indicate below with an "X" which, if any, Direct Coverage Option is selected.

☐ **Excess Insurance**

If this box is checked, Garagekeepers Coverage remains applicable on a legal liability basis. However, coverage also applies without regard to your or any other "insured's" legal liability for "loss" to a "customer's auto" on an excess basis over any other collectible insurance regardless of whether the other insurance covers your or any other "insured's" interest or the interest of the "customer's auto's" owner.

☐ **Primary Insurance**

If this box is checked, Garagekeepers Coverage is changed to apply without regard to your or any other "insured's" legal liability for "loss" to a "customer's auto" and is primary insurance.

**A. This endorsement provides only those coverages:**

1. Where a Limit of Insurance and a premium are shown for that coverage in the Schedule; and
2. For the location shown in the Schedule.

## **B. Coverage**

1. We will pay all sums the "insured" legally must pay as damages for "loss" to a "**customer's auto**" or "**customer's auto**" left in the "insured's" care while the "insured" is attending, servicing, repairing, parking or storing it in your "garage operations" under:
  - a. Comprehensive Coverage  
From any cause except:
    - (1) The "customer's auto's" collision with another object; or
    - (2) The "customer's auto's" overturn.
  - b. Specified Causes Of Loss Coverage  
Caused by:
    - (1) Fire, lightning or explosion;
    - (2) Theft; or
    - (3) Mischief or vandalism.
  - c. Collision Coverage  
Caused by:
    - (1) The "customer's auto's" collision with another object; or
    - (2) The "customer's auto's" overturn.
2. We will 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 "loss" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends for a coverage when the Limit of Insurance for that coverage has been exhausted by payment of judgments or settlements.

### C. Exclusions

1. This insurance does not apply to any of the following:

**a. Contractual**

Liability resulting from any contract or agreement by which the "insured" accepts responsibility for "loss". But this exclusion does not apply to liability for "loss" that the "insured" would have in the absence of the contract or agreement.

**b. Theft**

"Loss" due to theft or conversion caused in any way by you, your "employees" or by your stockholders.

**c. Defective Parts**

Defective parts or materials.

**d. Faulty Work**

Faulty "work you performed".

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

**a.** Tape decks or other sound-reproducing equipment unless permanently installed in a "customer's auto".

**b.** Tape decks or other sound-reproducing equipment unless permanently installed in a "customer's auto".

**c.** Sound-receiving equipment designed for use as a citizens band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the "customer's auto" manufacturer for the installation of a radio.

**d.** 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.

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

**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.

### D. Limits Of Insurance And Deductibles

1. Regardless of the number of "customer's autos", "insureds", premiums paid, claims made or "suits" brought, the most we will pay for each "loss" at each location is the Garagekeepers Coverage Limit Of Insurance shown in the Schedule for that location. Prior to the application of this limit, the damages for "loss" that would otherwise be payable will be reduced by the applicable deductibles for "loss" caused by:

**a.** Collision; or

**b.** With respect to Garagekeepers Coverage Comprehensive or Specified Causes Of Loss Coverage:

**(1)** Theft or mischief or vandalism; or

**(2)** All perils.

2. The maximum deductible stated in the Schedule for Garagekeepers Coverage Comprehensive or Specified Causes Of Loss Coverage is the most that will be deducted for all "loss" in any one event caused by:

**a.** Theft or mischief or vandalism; or

**b.** All perils.

3. To settle a claim or "suit", we may pay all or any part of the deductible. If this happens you must reimburse us for the deductible or that part of the deductible that we paid.

### E. Additional Definitions

As used in this endorsement:

1. "Customer's auto" means a land motor vehicle, "trailer" or semitrailer lawfully within your possession for service, repair, storage or safekeeping, with or without the vehicle owner's knowledge or consent. A "customer's auto" also includes any such vehicle left in your care by your "employees" and members of their households who pay for services performed.

2. "Loss" means direct and accidental loss or damage and includes any resulting loss of use.

3. "Garage operations" means the ownership, maintenance or use of locations for the purpose of a business of selling, servicing, repairing, parking or storing "customer's autos" and that portion of the roads or other accesses that adjoin these locations. "Garage operations" also includes all operations necessary or incidental to the performance of garage operations.

4. "Work you performed" includes:

**a.** Work that someone performed on your behalf; and

**b.** The providing of or failure to provide warnings or instructions.

# EXCLUSION OR EXCESS COVERAGE HAZARDS OTHERWISE INSURED – CA 99 40

Named Insured:

Endorsement Effective Date:

## SCHEDULE

Designation Or Description Of Covered "Autos" You Own:

When you do not want **Covered Autos Liability Coverage** to apply to the covered "autos" you own that are designated in this endorsement because you have other insurance, the following provision indicated by an "X" in the [ ]† will apply:

[ ] **Covered Autos Liability Coverage** does not apply.

[ ] **Covered Autos Liability Coverage** does not apply to "bodily injury" or "property damage" occurring before the other insurance ends.

Date other insurance ends: \_\_\_\_\_

[ ] **Covered Autos Liability Coverage** does not apply to "bodily injury" or "property damage" occurring before the other insurance ends except to the extent damages exceed the limits of the other insurance.

However, the most we will pay is the difference between the Limit of Insurance for Covered Autos Liability Coverage in this Coverage Form and the limits of the other insurance, if this Coverage Form's limits are higher.

Date other insurance ends: \_\_\_\_\_ and Limits of Insurance: \$ \_\_\_\_\_

# **POLLUTION LIABILITY — BROADENED COVERAGE FOR COVERED AUTOS — BUSINESS AUTO AND MOTOR CARRIER COVERAGE FORMS — CA 99 48**

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

A. Covered Autos Liability Coverage is changed as follows:

1. Paragraph a. of the Pollution Exclusion applies only to liability assumed under a contract or agreement.
2. With respect to the coverage afforded by Paragraph A.1. above, Exclusion B.6. Care, Custody Or Control does not apply.

B. Changes In Definitions

For the purposes of this endorsement, Paragraph D. of the Definitions Section is replaced by the following:

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. 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
- b. 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".

Paragraphs a. and b. 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:

- (1) 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
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

# **COVERED AUTO DESIGNATION SYMBOL**

## **– CA 99 54**

Section I – Covered Autos in the Business Auto Coverage Form is amended by adding the following:

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols may be used (in addition to the numerical symbols described in the Coverage Form) to describe the "autos" that may be covered "autos". The entry of one of these symbols next to a coverage on the Declarations will designate the only "autos" that are covered "autos".

### **Symbol Description Of Covered Auto Designation Symbols**

For use with the Business Auto Coverage Form

**10 =**

## **BAP – A LAST LOOK!**

- I **suggest** to you that hired and non-owned coverage not be written as an endorsement to a CGL Policy or a BOP.
- Should be written as a BAP with symbols 8 and 9!
- WHY?
  - May subject the coverage to aggregate limits when written as an endorsement
  - May not permit you to “tailor” significant coverages
    - **Hired Auto Physical Damage Coverage**
    - **Employee Hired Autos – CA 20 54**
    - **Employees As Insureds – CA 99 33**
    - **Volunteer Hired Autos – CA 04 39**
    - **Non-Ownership Liability Coverage For Volunteers – CA 05 24**

And, watch out for:

**PUBLIC OR LIVERY PASSENGER CONVEYANCE  
EXCLUSION – CA 23 44 11 16**

**PUBLIC OR LIVERY PASSENGER CONVEYANCE  
AND ON-DEMAND DELIVERY SERVICES  
EXCLUSION – CA 23 45 11 16**



# **VOLUNTARY COMPENSATION AND EMPLOYERS LIABILITY COVERAGE ENDORSEMENT – WC 00 03 11**

## **A. How This Insurance Applies**

This insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury includes resulting death.

1. The bodily injury must be sustained by an employee included in the group of employees described in the Schedule.
2. The bodily injury must arise out of and in the course of employment necessary or incidental to work in a state listed in the Schedule.
3. The bodily injury must occur in the United States of America, its territories or possessions, or Canada, and may occur elsewhere if the employee is a United States or Canadian citizen temporarily away from those places.
4. Bodily injury by accident must occur during the policy period.
5. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.

## **B. We Will Pay**

We will pay an amount equal to the benefits that would be required of you if you and your employees described in the Schedule were subject to the workers compensation law shown in the Schedule. We will pay those amounts to the persons who would be entitled to them under the law.

## **C. Exclusions**

This insurance does not cover:

1. any obligation imposed by a workers compensation or occupational disease law, or any similar law.
2. bodily injury intentionally caused or aggravated by you.

## **D. Before We Pay**

Before we pay benefits to the persons entitled to them, they must:

1. Release you and us, in writing, of all responsibility for the injury or death.
2. Transfer to us their right to recover from others who may be responsible for the injury or death.
3. Cooperate with us and do everything necessary to enable us to enforce the right to recover from others.

If the persons entitled to the benefits of this insurance fail to do those things, our duty to pay ends at once. If they claim damages from you or from us for the injury or death, our duty to pay ends at once.

## **E. Recovery From Others**

If we make a recovery from others, we will keep an amount equal to our expenses of recovery and the benefits we paid. We will pay the balance to the persons entitled to it. If the persons entitled to the benefits of this insurance make a recovery from others, they must reimburse us for the benefits we paid them.

## **F. Employers Liability Insurance**

Part Two (Employers Liability Insurance) applies to bodily injury covered by this endorsement as though the State of Employment shown in the Schedule were shown in Item 3.A. of the Information Page.

### **Schedule**

Employees

State of Employment

Designated Workers  
Compensation Law

# **WORKERS COMPENSATION FOR WORKERS IN FOREIGN COUNTRIES Permanent OR Temporary**

Even though Workers Compensation Insurance is provided, this coverage does not provide for:



Endemic Diseases



Repatriation Expenses

**Endemic diseases are defined as those diseases indigenous to a particular geographic area.**

**Repatriation expenses are those expenses incurred to transport an injured employee back to the USA for treatment.**

## WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT – WC 00 03 13

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. **(This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)**

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

### Schedule

# **ALLOCATING FAULT AND DAMAGES**

**Every state employs one of four basic systems for allocating fault and damages:**

- 1. Pure Contributory Negligence Rule/Defense**
- 2. Pure Comparative Fault System**
- 3. Modified Comparative Fault System**
- 4. Slight/Gross Negligence Comparative Fault System**

**“Contributory negligence” refers to the negligent conduct of the plaintiff.**

# JOINT AND SEVERAL LIABILITY

The rule of “joint and several liability” makes each of multiple defendants liable for the entirety of the plaintiff’s loss, regardless of each defendants’ degree of fault. For example, a defendant who is only 5 percent at fault might end up paying the entirety of the plaintiff’s damages – especially if the other defendants are insolvent. **States follow one of three approaches to joint and several liability.**

- 1. Pure Joint and Several Liability**
- 2. Modified Joint and Several Liability**
- 3. Pure Several Liability**

# CONTRIBUTION

Contribution is a method distributing loss among tortfeasors by requiring others to pay a proportionate share to one who has discharged their joint liability.

❖ **If there is joint and several liability, there is a right of contribution if a tortfeasor must pay the share of another – usually established by statute**

Example: right of contribution; accrual; pro rata share.

- (a) The right of contribution exists among joint tortfeasors.
- (b) A joint tortfeasor is not entitled to a money judgment for contribution until he or she has by payment discharged the common liability or has paid more than his or her pro rata share thereof.
- (c) A joint tortfeasor who enters into a settlement with the injured person is not entitled to recover contribution from another joint tortfeasor whose liability to the injured person is not extinguished by the settlement.
- (d) When there is such a disproportion of fault among joint tortfeasors as to render inequitable an equal distribution among them of the common liability by contribution, the relative degrees of fault of the joint tortfeasors shall be considered in determining their pro rata shares.

❖ **May not apply to certain causes of action**

# INDEMNIFICATION

**Indemnity** is an obligation by a person (**indemnitor**) to provide compensation for a particular loss suffered by another person (**indemnatee**).

- ❖ May be implied or expressed
- ❖ May vary by degree of responsibility
- ❖ May not be enforceable – varies by jurisdiction
  - ☐ Common law
  - ☐ Statutes

## **STATUTES OF LIMITATIONS**

A statute of limitations is the deadline for filing a lawsuit. Most lawsuits **MUST** be filed within a certain amount of time following the accrual of a right of action against another. In general, once the statute of limitations on a case “runs out”, the legal claim is not valid any longer. The period of time during which a lawsuit can be filed varies depending on the type of legal claim.

## **STATUTES OF REPOSE**

A statute of repose provides a date upon which the action no longer exists, whether it has accrued by that date or not; it entirely cuts off a person's right of action even before it accrues. It is a stricter deadline than a statute of limitations because it may not be tolled by fraud, discovery of injury, etc. A statute of repose is neither an avoidance nor a defense to a cause of action because the cause of action does not exist once the period of duration is passed. While a statute of limitations allows a party to avoid suit, a statute of limitations does not affect the validity of the claim; however, once the period of duration under a statute of repose is expired, there is no suit to avoid, because the statute of repose extinguishes the cause of action, and failure to plead the statute of repose as an affirmative defense could not resurrect a cause of action that no longer exists. A statute of repose bars an action after a specified period of time has run from the occurrence of some event other than the injury or damage which gave rise to the claim.



# **PUNITIVE DAMAGES**

- Insurance professional's "need to know":
  - Three questions
    - Are they recoverable?
      - Statutory limitations?
    - Are they insurable?
      - Directly assessed?
      - Vicariously assessed?
    - Are they covered?

# **CONCLUSION**

## **IDEAS/COMMENTS/QUESTIONS**