

# GARAGE GUIDELINES

## 2013 Change Speedway

Update	Effective Date	Pg. #	Description
1/8/13	1/1/13	33 35 19-20 21, 35	Removed Minimum Earned Premium Scheduled Auto Class Code Changes Add GKL Binding Authority for Heavy Vehicles Without Fenced Lot Clarify Scheduled Autos
1/25/13	6/1/12	18	Valet Special Event – add detailed rater instructions to Fuel for Thought
2/18/13	3/15/13	21 26 33	Updated Credit Authority – New and Renewal -10% Area of Operations – New York Service Garage Non-admitted Changed Inactive Spouse – non-admitted only – to .50 rating units for furnished
3/6/2013	5/1/13	3-6 13 27 36	Included Risk Occupancy code for property. Added Property Pit Stop. Amended New Business submit list to show property authority level. Required Information updated to show when Property Inspection required.
5/7/13	1/1/13	41	Update G1525 Hail Exclusion, no longer Admitted only
7/26/13	7/26/13	30	Updated Weather Restriction to Binding Authority

### Garage Underwriting

#### Contacting us:

#### Sending Policies, Endorsements and Documentation by eMail

All to [denverpolicies@colonyspecialty.com](mailto:denverpolicies@colonyspecialty.com)

#### Sending Submissions

All to [tr@colonyspecialty.com](mailto:tr@colonyspecialty.com)

#### Claims by eMail

All [claimreporting@colonyspecialty.com](mailto:claimreporting@colonyspecialty.com)

#### Phone and eMail

800-456-8458 (CO) 877-251-3422 (AZ)

Direct Phone and eMail for each Underwriter is listed in a separate document on the Colony Website by Regional Team.

### Garage Products

#### Products Available

Garage Coverage Form plus additional Garage Coverage Endorsements.  
Property coverage is available on non-admitted Policies.

#### Preface

Colony Management Services provides both non-admitted and admitted facilities for the following types of Garage business:

- Dealers involved in the selling and servicing of “autos”.
- Service operations engaged in repairing, towing, servicing, salvaging and valet parking of “autos”.

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### **Policy Issuance**

See Garage Policy Issuance Guidelines

### **General Information & Procedures Manual**

See separate document













## RISK SELECTION TABLE


<b>Key:</b>	<b>A</b> = Acceptable for coverages and limits within your binding authority
	<b>R</b> = Refer to company – Comments may send you to the Pit Stop for additional information
	<b>U</b> = Unacceptable
<b>OCC (Property Hazard Occupancy Code):</b>	<b>O</b> = Office only (dealers with no service/repair operations)
	<b>L</b> = Low hazard (retail service ops such as brakes, auto glass, etc)
	<b>M</b> = Medium hazard (all other, & dealer with, service/repair)
	<b>H</b> = High hazard (paint/body shops, machine shops, fiberglass, etc)
	<b>U</b> = unacceptable, follows Garage class
	= Go to "Pit Stop" – may be able to quote with an Inspection and no referral

Primary Garage Operations	Key	OCC	Comments	Questionnaire
<b>For Garage Operations not listed in this table</b>	<b>R</b>		<b>Call us to discuss</b>	
Accessories Sales with Installation	A	L	Add Related Operations form to cover other exposures	
Airbag Installation, Service, and Replacement	R	L	Acceptable in "Body & Paint Shops"	
Alarm Installation	A	L		
Antique / Classic Auto Dealers	A	O/M		
Antique / Classic Auto Restoration		H	Liability – Acceptable GKL - Go to Antique/Classic Auto Pit Stop	
Auto Auctions		L	Go to Auto Auction Pit Stop	Auto Auction
Auto Battery Installation	A	L		
Auto Brokers	A	O	Liability only	
<b>Auto Custom Building (example - Kit Cars)</b>	<b>U</b>	<b>U</b>		
Auto Parts Sales with Installation	A	L	Add Related Operations form to cover other exposures	
Auto Pawn		O/M	Go to Auto Pawn Pit Stop - Decline if Title Pawn only	
Bedliner Installation	A	M		
Boat Sales & Service (no in-water or marina exposures)		O/H	Go to Boat Sales & Service Pit Stop. <b>Property Occ Code High if any fiberglass repair.</b>	Motorcycle, Watercraft & Off-Road Vehicle
Body & Paint Shops (Including Paintless Dent Repair)	A	H	Separate ventilated paint room; Laser, digital, or optical frame straightening device; Decline if Fiberglass over 25%; Should carry	

			Workers Compensation Insurance.	
Boom Truck & Bucket Truck Sales & Service		M	Go to Heavy Vehicle Pit Stop	Heavy Vehicle & Equipment
Brake Shops	A	L		
Breathalyzer Ignition Installation	U	L		
Bus Sales and Service	U	M	If incidental - Go to Heavy Vehicle Pit Stop	Heavy Vehicle & Equipment
Camper, RV, Motor Home Sales and Service		O/M	Go to RV Pit Stop	Recreational Vehicle
Car Wash full service	A	L		
Car Wash self service	U	U	Refer if incidental	
Construction Equipment Sales and Service		O/M	Go to Heavy Vehicle Pit Stop	Heavy Vehicle & Equipment
Convenience Stores with Self Serve Gas Pumps	U	U		
Detailing (Shop or Mobile)	A	L	Includes Mobile Power Wash. Refer incidental building exposure	
Drive-Away Contractors	U	U		
Electric Car Sales & Service	R	O/M	Copy of Manufacturer's contract with Dealership required	
Emergency Vehicle Sales and Service		O/M	Go to Emergency Vehicle Pit Stop	Emergency Vehicle & Equipment
Farming Equipment Sales and Service		O/M	Go to Heavy Vehicle Pit Stop	Heavy Vehicle & Equipment
Engine Shut-Off Devices (Non-Alcohol Related)	A	L	With GPS, for dealers who finance autos	
Forklift Sales and Service	U	O/M	If incidental, complete HVQ as "Other". Refer if no service of lifting apparatus	Heavy Vehicle & Equipment
Frame Modification (lengthen or shorten between front and rear wheels)	U	U		
Franchised Dealers	U	U	New Car, Truck, Commercial Trailer Dealers	
Fuel Conversion	R	H	Get details of conversion process and types of vehicles (fleet or individual autos) Decline if conversion kit is Manufactured outside US with no US base. Decline all Nitrous or Propane conversion	
Gasoline Stations with full service or repair	A	H	Add Related Operations form to cover other exposures	
Gasoline Stations self serve and no repair	U	U		
Glass-Auto (Shop or Mobile)	A	L	No residential/commercial building work	
Golf Cart Sales & Service	A	O/M		
Harley-Davidson Sales and Service (must be exclusively a Harley shop)	A	O/M	With central station alarm; Add Related Operations form to cover other exposures	Motorcycle, Watercraft & Off-Road Vehicle
Hired Auto ("if any" basis)	A	N/A	If any actual exposure, submit with supplement	Hired Auto
Horse Trailer Sales and Service		O/M	Go to Horse Trailer Pit Stop. <b>Property occupancy code High if any welding.</b>	
Hydraulic Service on Truck Bodies	R	M	Mechanics must be ASE Certified with 5 years experience in this specialization.	Heavy Vehicle & Equipment
Internet Sales (over 15%)	R	O	Must have website address on application	
Kentucky Used Auto Dealers		O/M	Specific Authority Required. Go to	KY Auto Dealers

			Kentucky Auto Dealers Pit Stop	
Lights (Boogey, LED)	A	L		
Lift Kits		M	Go to Lift Kits Pit Stop	
Logging Truck Sales & Service	U	U	If incidental - Go to Heavy Vehicle Pit Stop	Heavy Vehicle & Equipment
<b>Low Speed Vehicle Sales &amp; Service</b>	A	O/M		
Manufactured Housing Sales and Service	U	U		
Mechanics - Mobile (Both fleet and non-fleet service)	A	M/H	Property occupancy code High if any welding.	
Mechanics – Shop - Auto Repair or Service	A	M/H	Property occupancy code High if any welding.	
Mobility Equipment Sales and Installation (Cars & Vans)		O/M	Go to Mobility Pit Stop Property occupancy code High if any welding.	
Motorcycle, Dirt Bike, Dune Buggy, All Terrain Vehicle, Quad & Snowmobile, Moped & Motorized Scooter – Sales & Service		O/M	Go to Motorcycle Pit Stop	Motorcycle, Watercraft & Off-Road Vehicle
Motor Home, RV, Camper Sales and Service		O/M	Go to RV Pit Stop	Recreational Vehicle
Muffler Shops	A	L	Property occupancy code High if any welding.	
Oil/Lube Shops including Mobile operations	A	H	Refer if New Venture	
Parking Lots or Structures - Public (Self park for an hourly, daily or monthly fee; <u>not</u> for storage)	A	L	With controlled access & theft barriers; Garagekeepers for Legal Liability only	
Repo Storage Lots (Liability and Garagekeepers Legal)	A	O	Scheduled autos/trucks, Drive-away repo and On-Hook must be written elsewhere. No Broadened Coverage. See Approved Endorsement Wording for mandatory CA2507 Repo Exclusion	
Roadside Assistance (Mechanical or Tire; applies to work on “customer’s autos”, but <u>not</u> on autos owned by the insured)	A	L	If there is an “auto club” affiliation obtain copy of contract	
RV, Motor Home, Camper Sales and Service		O/M	Go to RV Pit Stop	Recreational Vehicle
Salvage Yards		M	Go to Salvage Yard Pit Stop	Salvage Yard
Self-Service (DIY) Repair Shops	U	U		
Semi-Trailer Sales & Service Refer to Truck/Tractor guide for referral classes.	A	O/M	Go to Heavy Vehicle Pit Stop	Heavy Vehicle & Equipment
Stereo Installation	A	L	With central station alarm if quoting Property	
Storage Facilities	R	O/M	Go to Storage Facility Pit Stop	Storage Facility
Structural Rebuilders (from Salvage Title)	U	U	If incidental - Go to Structural Rebuilders Pit Stop	
Tank Trailer Cleaning (Internal)	U	U		
Tires - Sales & Service		N/A	Go to Tire Sales and Service Pit Stop. If over 25% - Decline Risk. Restriction does not include Roadside Assistance or Motorcycle/ATV risks	
Tow Truck Operators		O/M	Go to Tow Truck Pit Stop	Tow Truck Operator
Tow Truck Operators (If not covering Trucks & On-Hook)	A	O/M	Tow Truck Operator Questionnaire required	Tow Truck Operator
Transmission Shops	A	M		
Travel Trailer Sales and Service		O/M	Go to RV Pit Stop	Recreational Vehicle
Truck Stops (Rural)	R	H	Go to Truck Stop Pit Stop	

Truck Tractor Sales (used)	A	O	Complete #1 on Heavy Vehicle Questionnaire. If Repair Ops, Go to Heavy Vehicle Pit Stop	Heavy Vehicle & Equipment
Truck/Truck Tractor Service/Repair. (26,000 GVW or greater)		M/H	Go to Heavy Vehicle Pit Stop	Heavy Vehicle & Equipment
Upholstery Shops	A	H		

Used Car/Truck Dealers	A	O/M	Must be a Licensed Dealer; Refer if Internet Sales are more than 15% of total sales. Must have website on application See also KY Auto Dealers above	
Utility Trailer Manufacturers (dual axle, 2000# payload capacity)	R	H		
Utility Trailer Sales and Service	A	O/M	With theft protection	
Utility Vehicles (Farm or Commercial Use only; and not rented) Sales & Service	A	O/M	Add Related Operations form to cover other exposures	
Vacuum Truck Sales and Service	A	O/M	Decline if Haz Mat or internal tank cleaning	
Valet Parking Services (Site specific; no special events using on-street parking)		O	Valet Parking Questionnaire required for each location. Go to Valet Pit Stop	Valet Parking
Van Conversion	R	H	Go to Van Conversion Pit Stop	
Vehicle Safety & Smog Inspection Stations	A	M	No Repair	
Vehicle Wraps	A	H	With documented training for product used	
Wholesale Auto Dealers	A	O	Must document they take possession for DOL	
Window Tinting Shops	A	L	Refer incidental building exposure	



# PIT STOPS

Many of our classes no longer require a referral if the risk meets our guidelines! Follow the traffic lights by tracking the applicant's information in the **Go, Refer and Stop columns**. If everything's a green light, check the **GO Qualifiers** and then take off! "GO Qualifiers" are the mandatory items we need if you bind.

Several of the Pit Stops have a **Refer** column and others are still **Referral Classes**. By using caution at the yellow light, you can easily see when to submit the risk. **If the column says to See Fuel For Thought, then be sure to provide this information with your submission, either in your cover letter or within the applications.** The **Qualifiers** tell you what information we need to get you back on the road quickly.

There are a few classes with no referral aspects at all. You're either going to **GO** or you're going to **STOP**! When you get that "STOP" light, we give you clear direction to decline all or part of the risk on our behalf.

The **Fuel for Thought** provides general information and insight on our underwriting appetite as well as specific guidance for your referrals. If you're not sure how to handle a particular risk, give us a call!

## ANTIQUE/CLASSIC AUTO RESTORATION - GARAGEKEEPERS

		<b>GO</b>	<b>REFER</b>	<b>STOP</b>
1	Does Insured take photos of the vehicle when it comes to the shop?	Yes	No – Refer with details of how vehicle condition is initially documented	
2	For restoration, how does Insured track enhancements?	Log book, photos, computer tracking system	Anything else – Provide details	Does not track at all – Decline GKL

### Fuel for Thought:

- ❖ Security is important for higher valued vehicles. Inside a newer building with a central station alarm is best.

### GO Qualifiers:

- ❖ Inspection within 30 days of inception. Must document how enhancements are tracked.
- ❖ Hard Copy Loss Runs within 30 days of inception.

## AUTO AUCTION

		<b>GO</b>	<b>REFER</b>	<b>STOP</b>
1	Are there any mobile auction operations?	No	Yes	
2	Does Insured serve food or beverages?	If yes - Rate related ops or exclude if covered elsewhere		
2b	Does Insured serve alcohol?	Yes and Insured has a Liquor Liability policy in force elsewhere		Yes and Insured has no coverage elsewhere – Decline Liability
3	How are autos transported to auction?	Anybody other than Insured	Insured's drivers <b>See Fuel for Thought</b>	
4	How are autos transported from auction to buyer?	Anybody other than Insured	Insured's drivers <b>See Fuel for Thought</b>	

### Fuel for Thought:

- ❖ We have not previously accepted any road exposure in this class. The details requested on the supplement must be provided for us to consider a referral and price to the exposure when the Insured's drivers are transporting vehicles.

### GO Qualifiers:

- ❖ Auto Auction Questionnaire.

- ❖ Inspection within 30 days of inception.
- ❖ Hard Copy Loss Runs within 30 days of inception.

### AUTO PAWN

		<b>GO</b>	<b>STOP</b>
1	Does Insured take possession of the vehicle?	Yes	No – Decline Risk
2	Is this Insured's entire operation?	Yes	No – Obtain proof of coverage elsewhere and exclude the other operations on a CA2507
3	Is this a Title Pawn operation?	No	Yes – Decline Risk

#### **GO Qualifiers:**

- ❖ Inspection within 30 days of inception to include verification Insured takes possession of all vehicles and no title pawn.
- ❖ Hard Copy Loss Runs within 30 days of inception.

### BOAT SALES AND SERVICE

		<b>GO</b>	<b>REFER</b>	<b>STOP</b>
1	Does Insured repair fiberglass?	Up to 25%		Over 25% - Decline risk
2	Is there any in-water or marina exposure?	No		Yes – Decline risk
3	Lot Security is required for PD or GKL	Can include fence, building, tongue locks	Anything else See Fuel for Thought	

#### **Fuel for Thought:**

- ❖ Requires Symbol 32 on Garagekeepers and Dealer's Physical Damage. See Approved Endorsement Wording for CA9954.
- ❖ Theft protection is key for this class. We prefer a 6' chain link fence with locked gate, or inside a secured building with an alarm. Tongue locks are acceptable for small risks in a rural setting.

#### **GO Qualifiers:**

- ❖ Motorcycle, Watercraft & Off-Road Vehicle Questionnaire.
- ❖ Inspection within 30 days of inception.
- ❖ Hard Copy Loss Runs within 30 days of inception.

### EMERGENCY VEHICLE SALES AND SERVICE

(CLASSIFY AS TRUCK SALES OR SERVICE)

		<b>GO</b>	<b>REFER</b>	<b>STOP</b>
1	Where is work performed?			
2 A	Percentage of work performed – <b>General</b>	Up to 100%		
2 B	Percentage of work performed – <b>Emergency Vehicle Specific</b>	0% or 100% Lights, Sirens, Radios	Any % other than Lights, Sirens, Radios	
3	Qualifications, Experience & Work Performed		See Fuel for Thought	
4	Medical equipment sales and service	If yes, then must be covered elsewhere and excluded on a CA2507		If yes and not covered elsewhere – Decline Liability
5	Durable medical equipment sales and service (power chairs, walkers, etc)	If yes, then must be covered elsewhere and excluded on a CA2507		If yes and not covered elsewhere – Decline Liability
6	Does Insured test drive extra-heavy vehicles off premises?	Yes and at least one driver has CDL		If CDL is required and no drivers are properly licensed - Decline Risk
7	Fabrication exposure?	No	Yes – Provide details	No details – Decline Liability

#### **Fuel for Thought:**



- ❖ If the service work performed is emergency vehicle specific, the detailed information they provide in #3 of the Emergency Vehicle & Equipment Questionnaire is crucial for us to consider the referral and price to the exposure.
- GO Qualifiers:**
- ❖ Emergency Vehicle & Equipment Questionnaire.
- ❖ Inspection within 30 days of inception.
- ❖ Hard Copy Loss Runs within 30 days of inception.

### **HEAVY VEHICLE AND EQUIPMENT SALES AND SERVICE**

	<b>GO</b>	<b>REFER</b>	<b>STOP</b>
<b>1) Operation by Percentage:</b>			
Boom Trucks/ Bucket Trucks	20% or less	Over 20% See Fuel for Thought	
Buses	0 - 25%	Over 25% Service See Fuel for Thought	Over 25% Sales
Construction Equipment	Add Symbol 32 for GKL or PD and attach CA9954		
Cranes	0%	Up to 20%, No Lifting Apparatus	Over 20% or <b>Any</b> Lifting Apparatus - Decline Liability
Farm Equipment	Add Symbol 32 for GKL or PD and attach CA9954		If Safety Guards are permanently removed – Decline Liability
Farm Implements	“As Is” Sales; No service, repair or replacing of cutting tools or blades	Up to 10% cutting tool or blade exposure See Fuel for Thought	Over 10% cutting tool or blade exposure – Decline Liability
Lawn/Tree Service Equipment	“As Is” Sales; No service, repair or replacing of cutting tools or blades	Up to 10% cutting tool or blade exposure See Fuel for Thought	Over 10% cutting tool or blade exposure – Decline Liability
Logging Trucks/Equipment	10% or less with 0% Brakes, Tires or Suspension work on <b>any</b> vehicles		Over 10% or if <b>Any</b> Brakes, Tires or Suspension – Decline Liability
Military & Municipal Vehicles	0%	<b>Any</b> – Provide Hold Harmless portion of Contract with referral	
Refrigerated Vans/Trailers	20% or less on refrigeration unit	Over 20% on refrigeration unit	
Semi-Trailers	No restrictions		
Tank Trailers/Tankers	No cleaning, servicing or repair of internal tank		<b>Any</b> internal tank exposure - Decline Liability
Truck Tractors	No restrictions		
Other	0%	<b>Any</b> - Provide details of vehicles with referral	

<b>2) Where is work performed?</b>	<b>GO</b>	<b>REFER</b>	<b>STOP</b>
Your Shop	No restrictions		
Customer's Yard	No restrictions		
Truck & Travel Center	Minor repairs	Major repairs	
Roadside	Minor repairs	Major repairs	

<b>3) Percentage of work performed – Special Instructions</b>	<b>GO</b>	<b>REFER</b>	<b>STOP</b>
Blades/Cutting Equipment/Chippers	0%	Up to 10% See Fuel for Thought	Over 10% - Decline Liability
Hydraulics – Lifting Apparatus	20% or less, no crane exposure	Over 20% - See Fuel for Thought	Any crane exposure – decline Liability

Refrigeration Unit (Cargo Area)	20% or less	Over 20%	
Snow Plow Repair/Installation	Ok for vehicles up to 10,000 GVW		If any vehicles that maintain public roads – Decline Liability
Structural/Frame Modifications	Frame cutting behind the rear axles only		<b>Any</b> frame cutting between axles – Decline Liability
Internal Tank Repair/Cleaning	0%		<b>Any</b> – Decline Risk
Other	0%	<b>Any</b> – Provide details	

	Remainder of Questionnaire	GO	REFER	STOP
4	5 <sup>th</sup> wheel installation, service or repair?	If yes, must list qualifications		No qualifications – Decline Liability
5	ASE Certified?	If no, must give details of training and required experience		No ASE, no training, no experience requirements – Decline Liability
6	Does Insured test drive extra-heavy vehicles off premises?	Yes and at least one driver has CDL		If CDL is required and no drivers are properly licensed - Decline Risk
7	Fabrication exposure?	No	Yes – Provide details	No details – Decline Liability
8	FMCSA Inspections?	Yes - Both a] and b] must be “yes” and either c] or d] must be “yes”		If GO terms are not met – Decline Liability

#### **Fuel for Thought:**

- ❖ Sections 1, 2 and 3 should each total 100%.
- ❖ Heavier units may involve farther travel for pick-up and delivery. Watch your mileage radius binding authority.
- ❖ Attach CA9954 to define Symbol 32 when covering vehicles used in construction or farming, including attached machinery or equipment. Non-motorized equipment does not meet the definition of an “auto” for Garagekeepers or Physical Damage.
- ❖ For Equipment Dealers or Equipment Service/Repair, be sure to use the new class codes we’ve added in Sparky.
- ❖ **Buckets and Booms:** Our intent is to accept no more than a 20% exposure for bucket truck or boom trucks, including the Lifting Apparatus. However, if the exposure is still incidental and the applicant has excellent experience and loss history, you may refer for an exception with the details of applicant’s expertise, work performed and 3 year hard copy loss runs. There is no exception available for lifting apparatus exposure for cranes.
- ❖ **Buses:** We can consider more than 25% bus service when the work performed is not crucial to the operation of the vehicle. For example, we can typically justify quoting a risk that only washes and details the buses, but someone whose work includes brakes, tires, and suspension would not be approved for an exception.
- ❖ **Farm Implements, Lawn and Tree Service Equipment – Sales, Service, Repair or Replacing of Cutting Tools or Blades:** We most often see this exposure for Equipment Dealers or in Service risks with small engine repair. When this is an incidental part of a Garage operation, there typically is no GL coverage in place elsewhere. This makes it unlikely that excluding the blade exposure on a CA2507 will be successful, so we have to underwrite and price for it. Be sure to document the applicant’s experience and provide 3 year hard copy loss runs with your submission.

#### **GO Qualifiers:**

- ❖ Heavy Vehicle & Equipment Questionnaire.
  - If Dealer, only Question #1 needs to be completed.
- ❖ Risk Inspection within 30 days of inception if referral required.
- ❖ Hard Copy Loss Runs within 30 days of inception if referral required.

## HORSE TRAILER SALES AND SERVICE

		GO	REFER
1	What is the Lot security? (required for PD or GKL)	Fence, building, tongue locks	Anything else – Provide details
2	Is custom work performed such as adding living quarters where I-beams are cut to lengthen the trailer?	No	Yes – Provide details

### **Fuel for Thought:**

- ❖ Because these trailers can have very high values, theft protection is very important. We prefer a 6' chain link fence with locked gate, or inside a secured building with an alarm. Tongue locks are acceptable for small risks in a rural setting.



### **GO Qualifiers**

- ❖ Inspection within 30 days of inception if referral required.
- ❖ Hard Copy Loss Runs within 30 days of inception if referral required.

## **KENTUCKY AUTO DEALERS**

### **\*Note – Specific State and Class Authority Required**

		GO	REFER	STOP
1	Is there a Buy Here-Pay Here Option?	Yes – Insured must transfer title as Loss Payee		If Insured holds title - Decline risk
2	Who Handles the Paperwork? Is buyer's consent obtained?	You Yes		Buyer – Decline risk No consent – Decline risk
3	How often are titles taken to County Clerk's office?	Daily or weekly	Anything else – Provide details	
4	Does Insured get a copy of the Insurance ID card?	Yes		No – Decline risk
5	Does Insured sell over the Internet where vehicles are shipped to buyer?	No	Yes – Provide details	

### **Fuel for Thought:**

- ❖ You must have KY Dealer authority to quote this class of business.
- ❖ If the applicant is not verifying that the buyer has insurance coverage in place before leaving the lot and transferring the titles promptly, then they are placing our policy limits at risk. While it is true that the KY Statutes were updated in this regard, the case law has not been tested.

### **GO Qualifiers**

- ❖ Kentucky Auto Dealers Questionnaire **prior to binding**.
- ❖ Risk Inspection which includes specific verification of title transfer procedures. **If the Inspection does not document the same title transfer procedures as the original Supplement, we may require Direct Notice of Cancellation.**
- ❖ Hard Copy Loss Runs within 30 days of inception.

## LIFT KITS/SUSPENSION MODIFICATION

	<Answer #26 on Garage App>	GO	REFER	STOP
1	Is Lift Kit exposure over 20%?	No	Yes	
2	Does Insured lift over 6 inches?	No		Yes – Decline Liability

### **Fuel for Thought:**

- ❖ Our application asks for percentage of Body Lifts vs. Suspension Lifts to help you underwrite the exposure. Body Lifts are typically two or three inches and do not pose the same concerns as Suspension Lifts.
- ❖ Training and experience for type of lifts being installed are key.

## MOBILITY EQUIPMENT SALES AND INSTALLATION

	<b>&lt;Answer #30 on Garage App&gt;</b>	<b>GO</b>	<b>STOP</b>
1	Does Insured sell power chairs and other durable medical equipment?	Must be covered elsewhere and excluded on a CA2507	If yes and not covered elsewhere – Decline Liability
2	Does Insured install wheel chair ramps in private residences?	If over 20% - Must be covered elsewhere and excluded on a CA2507	If over 20% of operations and not covered elsewhere – Decline Liability

### **Fuel for Thought:**

- ❖ Installation of hand controls in cars and vans is acceptable.
- ❖ Installation of lift gates for wheel chairs is acceptable.
- ❖ If incidental building installation exposure, rate as related operations using new class code 56911 and attach G1507.

### **GO Qualifiers:**

- ❖ Inspection within 30 days of inception.
- ❖ Hard Copy Loss Runs within 30 days of inception.

## MOTORCYCLE, DIRT BIKE & OFF ROAD VEHICLES

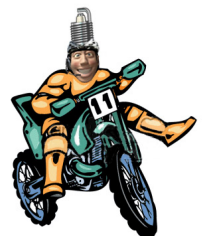
		<b>GO</b>	<b>REFER</b>	<b>STOP</b>
1	Percentage of Operations (See Boat Pit Stop for Watercraft)	Adds up to 100%	If any "Other" - Provide details	If Scooters under 49 CCs – Decline Liability
2	Is inventory stored inside at night with a Central Station alarm?	Yes (does not apply to GKL)	No – Provide details	
3	Does Insured permit off premises test drives?	No	Yes with no specified route – Provide details Yes with route over 1 mile – Provide details	Yes with customers under 21 allowed to drive – Decline Risk Yes but motorcycle license not required – Decline Risk
4	Does Insured permit overnight try-outs?	No		Yes – Decline Risk
5	Is anyone furnished one of these vehicles?	No	Yes – Provide details	
6	Do employees who drive have the required license endorsement?	Yes		No – Decline
7	Are there any Related Operations?	Rate in Sparky and attach G1507		
8	Is there any racing exposure?	None	<b>Any</b> - Provide details	
9	Is customization/alteration work done?	No	<b>Any</b> – Provide details	
10	Does Insured do Trike Conversion?	None	<b>Any</b> – Provide details	
11	Is there any Rental or Loaner exposure?	Must be covered elsewhere and excluded on a CA2507		If not covered elsewhere – Decline Liability

### **Fuel for Thought:**

- ❖ If off premises test drives or another category does not meet our guidelines, we may be able to offer stand-alone Physical Damage and/or Garagekeepers.
- ❖ **RACING:** The Garage Coverage Form (CA0005) Liability coverage has an exclusion for Racing as follows: *Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.*

### **GO Qualifiers:**

- ❖ Motorcycle, Watercraft & Off-Road Vehicle Questionnaire.
- ❖ Inspection required within 30 days of inception.
- ❖ Hard Copy Loss Runs within 30 days of inception.



**GARAGE PROPERTY (BUILDING, CONTENTS, BUSINESS INTERRUPTION, SIGNS)**

Available only as part of a non-admitted Garage Policy

		GO	REFER	STOP
1.	Details for coverage	Must be completed and within your authority	Submit the following: -TIV over \$500,000 any location - Protection class 9 and 10	Decline: -any property coverage in buildings over 35 years old with no updates
2.	Please check all types of protection at premises	Any - if not Special form or if Special and theft excluded.	Submit if no central station alarm and applicant desires Special without theft excluded.	
3.	Is this a vacant building?	No		Yes or unknown – decline property coverage
4.a.	Is there a sprinkler system?	Any		
4.b.	Is contractor responsible for insp?	Yes OR No or unknown - do not apply sprinkler credit		
4.c.	Is sprinkler system maintenance and testing performed at least annually?	Yes OR No or unknown - do not apply sprinkler credit		
5.	Are all flammable materials stored in approved UL listed container?	Yes		No or unknown – decline property coverage
6.	Are all waste material including rags disposed of in self-closing non-combustible containers?	Yes		No or unknown – decline property coverage
7.a.	Are there any paint booths or paint rooms/facilities in the building?	Must be answered.		
7.b.	Are they designed to conform to NFPA Standards?	Yes		No or unknown – decline property coverage
8.a.	Is there any welding done inside the building?	Must be answered.		
8.b.	Are specific safety procedures followed when welding?	Yes		No or unknown – decline property coverage
9.	Loss history	Must be completed.	Submit property when 3 year loss history shows: -any loss over \$5000 in the last 3 years -more than 1 theft loss	

**Fuel for thought:**

- ❖ **Coverage availability is subject to the Weather Restriction section of your Binding Authority.**
- ❖ If the ACORD property application is attached, you will not need question 1 answered on this supplement.
- ❖ Submit any location that is greater than \$500,000 TIV for property.
- ❖ Property located in protection class 9 or 10 can usually turn into a total loss in event of a fire. When submitting, please consider the hazards of paint booths/facilities in building, welding, fiberglass work etc as these present a higher probability of loss due to fire.
- ❖ Requirements for Special Form:
  - Building is less than 35 years old, or older and updated /renovated as follows: roofing, wiring, plumbing and heating in the last 25 years; and in good condition.

- Contents, when Theft is not excluded, a central station alarm system is preferred (CP1211).
- ❖ Deductibles: We offer deductibles per item or per occurrence and the multiple deductible form. Deductible amounts should increase as the total amount of insurance increases.
- ❖ Valuation Actual Cash Value (ACV) on Building and Contents. Replacement Cost (RC) is available **if** Building meets requirements for Special Form. Co-insurance for ACV is 80%, for RC 90%; Monthly Limitation on Income.
- ❖ Business Income and Extra Expense **If** we are covering building or contents, you may add business income and extra expense (same Causes of Loss) for up to 4 consecutive 30 day periods. On the Property Declarations this would be expressed as **1/3 or 1/4 monthly**.
- ❖ Additional Coverages Available:
  - Signs: Complete ACORD 144 Glass & Sign Supplement; use descriptions as shown on application; Signs are eligible for Causes of Loss-Basic Form only.
  - Fences: Fences are eligible for Basic Causes of Loss on an ACV basis only. Rate as a Building and describe on the G1515 under Covered Property as "Fence". Enter the desired Limit of Insurance, show the Valuation as "ACV", the Co-Insurance as "80%", the Cause of Loss as "Basic", and list the same per item Deductible as the building.
  - When underwriting the exposure for fences, keep in mind:
    - Fences are subject to loss caused by Fire, Wind, and physical contact with a vehicle.
    - The Building & Personal Property Coverage Form (CP0010) does provide \$1,000 in coverage for fences, but only for the perils of Fire, Lightning, Explosion, Riot and Aircraft.
    - The Basic Causes of Loss Form will cover those same perils, but specifically excludes loss caused by "vehicles you own or which are operated in the course of your business". This means that damage to a fence caused by a customer's vehicle in the care of the insured is not covered.
- ❖ Automotive Service Tools & Equipment
  - This is our Tool Floater. The rates contemplate mobile or non-owned exposure, so if neither of these conditions exist, rate the tools as contents.
  - Use G1556 to cover unscheduled and/or scheduled Tools & Equipment both on and off premises.
  - The Property Questionnaire is not required if this is the only coverage requested.
  - Examples . . . for **a mobile operation or for employee tools** neither of which is covered by the property form. (Reminder: authority is \$25,000 and Basic or Broad form)

**GO Qualifiers:**

- ❖ Colony Specialty Garage Property Questionnaire with or without the ACORD Property Section (Acord 140)
- ❖ Property specific inspection within 30 days of inception for:
  - TIV per location of greater than \$150,000 per location
  - Any risk with building over 35 years old regardless of updates indicated on application
- ❖ Hard Copy Loss Runs within 30 days of inception.

**RV - MOTOR HOME – CAMPER SALES AND SERVICE**

		<b>GO</b>	<b>REFER</b>	<b>STOP</b>
1	RV Rental exposure	No exposure		Rental units cannot be part of inventory held for sale & must be excluded on a CA2507
2	RV Storage exposure	No exposure	Yes – Provide Storage Facility Questionnaire & copy of Storage Agreement with referral	
3	LPG Sales exposure	No exposure	Yes - If storage tank is less than 25' to building or vehicles	Decline risk if: -There are no collision barriers -They don't have "No Smoking" signs posted -Anyone other than qualified employees fill the tanks
4	Is there a kitchen appliances or heating/cooling systems repair exposure?	25% or less, technicians are trained and qualified		Over 25% – Decline Liability
5	Is there a trailer hitch installation exposure?	25% or less Hitches are bolted on, or any welding is by a certified welder		Over 25% - Decline Liability
6	Trade Shows attendance	3 times a year or less	If more than 3 times a year – Provide details	
7	Related Operations	Rate in Sparky and attach G1507		
8	Max Limit per Vehicle	\$50,000 or less	Over \$50,000 with good lot security, key control and loss history	Over \$50,000 with poor lot security, key control and/or loss history - Decline GKL and Physical Damage

**Fuel for Thought:**

- ❖ If rental units are part of the inventory for sale, it is difficult for claims adjusters to separate them out at the time of loss.
- ❖ Appliances, heating and cooling systems present a fire and explosion exposure which is magnified in these units since they aren't just used for transportation.
- ❖ The employees who perform welding and the appliance, heating and cooling repairs must be qualified with solid experience.

**GO Qualifiers:**

- ❖ Recreational Vehicle Questionnaire.
- ❖ Inspection within 30 days of inception.
- ❖ Hard Copy Loss Runs within 30 days of inception.

## SALVAGE YARDS

		GO	REFER	STOP
1	Is the yard fenced and gated?	Yes	No – Provide details	
2	Are customers allowed in yard?	No		If employees do not accompany customers or if customers can pull their own parts - Decline Liability
3	Are uncrushed vehicles stacked more than 2 high?	No or 3 high with a rack		If 3 high or more without a rack - Decline Liability
4	Do you stack crushed Vehicles more than 5 high?	No or 5 high max	Over 5 high - Provide photos of stacks	
5	Is there a crusher?	No	Yes - Lot is unfenced, but crusher is in a protected area – Provide details	Yes - crusher is exposed - Decline Liability
6	Are there any Related Operations?	Rate in Sparky, attach G1507		
7	Is there a Dealer Exposure?	No		If state requires a Dealer's license and Insured does not have one - Decline Liability

### **Fuel For Thought:**

- ❖ When the lot is unfenced, our concern is the attractive nuisance exposure. This concern is magnified when there is a crusher on the premises. Your referral needs to tell us if anything else exists to keep people out when the yard is closed. In rural settings this may include 'natural barriers' such as rivers and dense woods.

### **GO Qualifiers:**

- ❖ Salvage Yard Questionnaire.
- ❖ Inspection within 30 days of inception. Must include verification of answers on Questionnaire.
- ❖ Hard Copy Loss Runs within 30 days of inception.

## STORAGE FACILITIES/LOTS

	CAUTION: REFERRAL CLASS	REFER	DECLINE
1-3	Open Lot Storage – Is lot fenced, gated and well lit?	Yes If "other", provide details	No lot security present – Decline GKL
4-9	Building Storage – What is Building Condition, Construction and Protection Class?	Building is newer, or if older has been updated. Protection Class 1-8 Sprinkler, CSA preferred	Decline GKL if: Building is over 35 years old with no updates Protection Class 9 or 10
10	Storage Agreement attached?	Must provide with referral	No Agreement – Decline risk
11	Does Insured keep a copy of the keys?	If yes, keys are kept locked up	Keys are not locked up – Decline Risk
12	How is access to premises controlled?	Must provide with referral	No control – Decline Risk
13	What types of winterization operations does Insured perform?	If applicable, Provide details	
14	Does Insured repair or service vehicles?	If Yes Service section of Garage Application must be completed	
15	Does Insured take vehicles off premises?	If yes, Provide details	

### **Fuel for Thought:**

- ❖ Lot/building security and condition are key to this class. The GKL limits they need as well as whether the risk is in a metropolitan or rural location will all influence our comfort level with the information presented on the questionnaire.
- ❖ **Garagekeepers (Comp and SCOL) are offered only on a legal liability basis.**



**Qualifiers:**

- ❖ Storage Facility Questionnaire.
- ❖ Written Storage Agreement.
- ❖ Inspection within 30 days of inception. Must include verification of answers on Questionnaire.
- ❖ Hard Copy Loss Runs within 30 days of inception.

**STRUCTURAL REBUILDERS**

		GO	STOP
1	Is rebuilding wrecked cars that have a salvage title 25% or less of the operation?	Yes	If No - Decline Liability
2	Does Insured repair Salvage Title vehicles prior to sale?	No	Answer #21 on Garage Application. If structural repairs are over 25% - Decline Liability

**Fuel for Thought:**

- ❖ We define “structural repair” as frame and major body work”. Emphasis should be on cosmetic or mechanical work.

**TIRE SALES AND SERVICE**

(APPLIES TO OTHER THAN ROADSIDE ASSISTANCE AND MOTORCYCLE RISKS)

	Answer #31 on Garage App	GO	REFER	STOP
	What percentage of total operation is tires? (from #23)	25% or less		Over 25% - Stop here and Decline Liability
a	What percentage of your work is Service only, no Sales?	If any, provide description		
b	What percentage of tires are Specialty, Off-Road, Racing, and/or Construction/Farm Equipment?	0%	Any – provide details	
c	Does Insured perform quality control to verify proper installation, tightened lug nuts & matched tire sizes?	Yes		No – Decline Liability
d	What percentage of Tires sold are New Tires? Used Tires?	New – Any Used – 25% or less	Over 25% Used	
e	Does Insured sell new tires manufactured more than 3 years ago?	No		Yes – Decline Liability
f	For vehicles without dual axles, when selling less than 4 tires, are the newest always installed on the rear axle?	Yes		No – Decline Liability
g	Does Insured sell used tires manufactured over 4 years ago, or with less than 4/32 of useable tread depth?	No		Yes – Decline Liability
h	If risk sells used tires, what method does Insured use to mark them?	Specific identifiable mark of any kind		Does not mark – Decline Liability

### **Fuel for Thought:**

- ❖ We no longer write risks that are 100% Tire Sales or Service. Restriction does not include Roadside Assistance or Motorcycle/ATV risks.
- ❖ **RACING: The Garage Coverage Form (CA0005) Liability coverage has an exclusion for Racing as follows: *Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.***

### **GO Qualifiers:**

- ❖ Complete answers to #31 of the Garage Application.
- ❖ Attach Retread Exclusion to Policy.
- ❖ Risk Inspection within 30 days of inception. Must confirm answers on Application regarding Tires.
- ❖ Hard Copy Loss Runs within 30 days of inception.

**TOW TRUCKS (SCHEDULED AUTOS WITH ON-HOOK) – SEE AREA OF OPERATIONS**

**CHART**

**(4 UNITS OR FEWER – FOR HIRE TOWING)**

		<b>GO</b>	<b>REFER</b>	<b>STOP</b>
1	What is mileage radius?	300 miles or less		Over 300 miles - Decline Auto and On-Hook
2	Transporter Tags used?	No	Yes - Refer with Details	
3	Any Hold Harmless Agreements & Waiver of Subrogation executed?	None	If Agreement or Waiver is questionable	Cannot require Insured to be responsible for anyone's negligence except their own
4	Does Insured tow Tractor Trailer Rigs?	Yes		
5	Is there any Repo exposure?	No		Yes - Decline Auto and On-Hook. <b>Attach CA2507 to exclude "Any act of repossession including wrongful repossession."</b>
6-7	What is Lot Security and Key Control?	Good theft protection and key control	Unfenced storage lot, no key control	We don't cover theft if keys are left in/on the vehicle
8	Does Insured subcontract out their towing work?	No		If Sub-Contractors' insurance isn't primary – Decline Auto and On-Hook
9	Does Insured monitor Police scanners?	No		Yes – Decline Auto and On-Hook
10- 11	What is vehicle maintenance & condition?	Regular Maintenance, at least Good Condition	Anything else	
12	Describe Accident Reporting procedures	Owner or employee calls police	Anything else	
13-15	Drivers & Hiring Practice Information	Drivers at least 21 with 2 years experience		Anything else – Decline Auto and On-Hook

**Fuel for Thought:**

- ❖ This Pit Stop is a guide for risks that just tow for hire and do not have any repair or dealer exposure.
- ❖ For fleet risks (5 or more units), consider an MC policy if you have Colony Specialty Auto authority.
- ❖ A "Set" of Transporter Plates is actually one plate. In some states, this consists of a front and back plate with the same number and in other states it is just the back plate.

➤ **Garagekeepers and On-Hook – For Hire Tow Truck Class**

- ❖ Garagekeepers coverage must also be written if providing On-Hook.
- ❖ On-Hook Limit must be lower than or equal to the Garagekeepers Limit.
- ❖ Mono-line On-Hook coverage is not available.

**GO Qualifiers:**

- ❖ Garage Tow Truck Operator Questionnaire.
- ❖ Inspection within 30 days of inception.
- ❖ Hard Copy Loss Runs within 30 days of inception.

## TRUCK STOPS (RURAL)

	<b>CAUTION – REFERRAL CLASS</b>	<b>REFER</b>	<b>DECLINE</b>
1	Are garage ops self service only?	No	Yes – Decline
2	Are there repair operations?	Refer to Heavy Vehicle Pit Stop	Refer to Heavy Vehicle Pit Stop

### **Fuel for Thought:**

- ❖ Detailed description of what services are provided and all related operations is required to underwrite the risk.
- ❖ Typically most pump gas and sell groceries; others have mechanics on duty, truck washes, tire service; restaurants, sleeping rooms and showers. We have the ability to rate as related operations and attach the G1507.

### **Qualifiers:**

- ❖ ACORD Property and CGL applications.
- ❖ Inspection within 30 days of inception.
- ❖ Hard Copy Loss Runs within 30 days of inception.

**VALET PARKING SERVICES**

		<b>GO</b>	<b>REFER</b>	<b>STOP</b>
1	Name of business Insured provides valet service for			
1a	Is the Insured an entity other than a valet service?	Yes - GL ops must be covered elsewhere and excluded on a CA2507		If Yes and GL ops are not covered elsewhere - Decline Liability
1b	Address of business where Insured provides valet service		Address required to underwrite off premises parking exposure	
1c	Type of business parked for?			
1d	When does Insured provide valet service?	Set days and hours every week		Special events only – Decline Risk
2	Is the parking lot on premises?	Yes	No – Referral may be needed based on answers to #5	
3	Is there any street parking?	No		Yes – Decline Risk
4	What are the off premises parking lot addresses? <b>See Fuel for Thought</b>		Address required to underwrite off premises parking exposure	
5	What is the off premises parking lot driving exposure?	*Parking lot is no more than 500 feet away *Street driven on or across is not over 2 lanes wide	Off Premises Parking where: *Parking lot is over 500 feet away *Street driven on or across is over 2 lanes wide	
6	How many spaces are reserved for valet parking?	Answer supports separate valet parking & adequate staffing at location		
7	If self parking is permitted, is it separate?	Yes		No – Decline Risk
8	Is a 3-part ticket used?	Yes		No – Decline Risk
9	What is their Key Control?	Kept in locked cabinet		Not locked up – Decline GKL
10	Does Insured refuse to give an obviously intoxicated customer their car keys? If Yes, do they suggest or provide alternate transportation?	Yes		If No to either - Decline Liability
11	Is the lot manned or fenced with gate controlled access?	Yes	If No - Refer	
12	Is Insured required to provide premises security for other than valet ops?	If yes, must be covered elsewhere and excluded on a CA2507		If Yes and not covered elsewhere - Decline Liability
13	Does Insured valet at special events ( <b>not</b> at scheduled locations)?	<b>Yes – See Valet Parking Special Event Pit Stop</b>		If yes and events will involve street parking or other unacceptable attributes – Decline Risk If risk <b>ONLY</b> valets at special events and has no permanent location – Decline Risk
14 - 15	Hiring Practices	All employees are over 18, MVRs are checked	Anything else	

## VALET PARKING SERVICES continued

### **Fuel for Thought (Valet):**

- ❖ For off premises parking, the referral must provide complete addresses for both the business (podium location) and the parking lot. If the parking lot is over 500 feet away and/or they drive on or across a street that's more than 2 lanes wide to get there, these addresses are crucial for us to underwrite the risk. When the lot is off premises in a metropolitan area with congested traffic, the parking lot must be nearby.
- ❖ When the parking lot is off premises, list that address as the location on the policy not the podium address. Coverage will extend to the podium address because of the definition of "Garage Operations". The true 'lot' exposure is at the parking lot address.
- ❖ **Garagekeepers coverage is available on a legal liability basis only for this class.**

### **GO Qualifiers**

- ❖ Valet Parking Questionnaire.
- ❖ Quote Subject to:
  - Any location not listed on the policy must be referred to you in advance with a completed Valet Parking Questionnaire.
  - Any Special Event not listed on the policy must be referred to you in advance with a completed Valet Parking **Event** Questionnaire. (See Special Event Pit Stop Below)
  - Any new employee must be reported as hired with MVR.
- ❖ Inspection within 30 days of inception. Must include verification of answers on Questionnaire.
- ❖ Hard Copy Loss Runs within 30 days of inception.

## VALET PARKING SPECIAL EVENT QUESTIONNAIRE

		GO	REFER	STOP
1	What is the nature of the Special Event?			
1a	What is address of the Special Event?	Required to underwrite off-premises parking		
1b	Provide date(s) and	Date(s) required for	Over 3 days	
1c	duration of event?	endorsement. Any duration up to 3 days		
2	What type of venue is the Event location?	Any venue except private residences with street parking	Private residence with street parking	If alcohol is likely to be served, pay special attention to #9
3	For other than private residences, is the parking lot on premises?	Yes	No – Referral may be needed based on answers to #4	
4	What is the off premises parking lot driving exposure? <b>See Fuel for Thought</b>	*Parking lot is less than 500 feet away *Street driven on or across is less than 2 lanes wide	*Parking lot is over 500 feet away *Street driven on or across is over 2 lanes wide	
5	How many spaces are reserved for valet parking?	Answer supports separate valet parking & adequate staffing for Event		
6	What Garagekeepers Limits are required for the event?	<b>Up to \$1,000,000 (This GKL authority is only for valet special events)</b>	Over \$1,000,000	
7	If self parking is permitted, is it separate?	Yes		No – Decline Event
8	What is their Key Control?	Kept in locked cabinet		Not locked up – Decline Event
9	Does Insured refuse to give an obviously intoxicated customer their car keys? If Yes, do they suggest or provide alternate transportation?	Yes		If No to either - Decline Event

**VALET PARKING SPECIAL EVENT QUESTIONNAIRE continued**

10	Is the lot manned or fenced with gate controlled access?	Yes	No – Refer with details	
11	Is Insured required to provide premises security for other than valet ops?	If yes, must be covered elsewhere and excluded on a CA2507		If Yes and not covered elsewhere - Decline Event
12	Will Insured be hiring additional employees for this event?	Yes – names and MVRs must be provided	MVRs with more than 2 moving violations	

**Fuel for Thought (Valet – Special Events):**

- ❖ Special Events must be referred to you in advance for approval and endorsed onto the policy.
- ❖ Special Events are rated in Sparky using the information provided on the Valet Special Event Questionnaire.
  - Create an Endorsement on the policy
  - The Endorsement is effective the date the event begins and expires the date the event ends. For a 1 day event, the expiration date is the following day. This determines the “number of days” for the price calculation.
  - Add a location, choose class code 7812/122105 and Get Coverages
    - Update payroll if additional employees were hired for the event
    - Update Garagekeepers limits if they want something different than what is currently on the policy
    - Check boxes for the desired Garagekeepers coverage
    - Calculate and finalize Endorsement as usual
- ❖ Deductibles should be the same at all locations. When endorsing a Special Event onto the policy, the deductible for the event will be the same as the current deductible on the policy, because if you change the deductibles at the top of the screen it changes them for all locations, not just the event.
- ❖ For Special Event endorsements, we require use of the language provided in the Policy Issuance Guidelines in the Approved Endorsement Wording section.
- ❖ Garagekeepers coverage is available on a legal liability basis only for this class.

**GO Qualifiers**

- ❖ Valet Parking Special Event Questionnaire.
- ❖ Any employee newly hired for the Special Event must be reported with MVR.
- ❖ Endorsement adding Special Event to policy

**VAN CONVERSION**

	<b>CAUTION – REFERRAL CLASS</b>	<b>REFER</b>	<b>DECLINE</b>
	Does work involve seating upgrades, upholstery, audio/visual system upgrades?	Yes	Decline if work is <b>structural</b> or if modifying <b>safety</b> features such as airbags, seat belts, etc.

**Fuel for Thought:**

- ❖ We define “structural repair” as frame and major body work”.

**Qualifiers:**

- ❖ Company Garage Application with details of work performed.
- ❖ Inspection within 30 days of inception.
- ❖ Hard Copy Loss Runs within 30 days of inception.





## BINDING AUTHORITY

**When binding Garage coverage, we require that you get** a completed signed Colony Garage Application (G1603) and, if applicable, supplemental Questionnaire(s), Business Auto Section (ACORD 127), Property Section (ACORD 140), and a signed State approved UM/UIM/PIP selection/rejection form from your retail producer.

**When submitting** a new risk for our consideration, be aware that our rule of service is “first in” (see “First In” Rule).

COVERAGE	DESCRIPTION	VEHICLE TYPE	LIMITS
<b>Liability</b>	Each accident & Scheduled Autos	Auto, Other Than Auto	\$1,000,000 (Aggregate up to 3Xs the Each Accident Limit)
<b>Garagekeepers and On-Hook</b>	Legal Liability for Specified Causes of Loss or Comprehensive and Collision; Primary Insurance for Specified Causes of Loss and Collision.	Cars, Pickups, SUVs & Vans – <b>With Fully Fenced and Gated Lot</b>	Garagekeepers: Per Lot: \$500,000 Each Location \$1,000,000 Valet Special Events Per Any One Vehicle: \$50,000 - any deductible \$51,000 - 75,000 – minimum \$1000 deductible
		Trucks & Semi-Trailers, Equipment, RVs, Emergency Vehicles – <b>With Fully Fenced and Gated Lot</b>	Per Lot: \$1,000,000 Each Location Per Any One Vehicle: \$75,000 - any deductible \$75,001 - 100,000 - minimum \$1000 deductible
		Cars, Pickups, SUVs & Vans – <b>Without Fully Fenced and Gated Lot</b>	\$250,000 Each Location \$50,000 Any One Vehicle
		Trucks & Semi-Trailers, Equipment, RVs, Emergency Vehicles – <b>Without Fully Fenced and Gated Lot</b>	\$150,000 Each Location \$75,000 Any One Vehicle
Exception - New Mexico Garagekeepers for risks with Tow Service (For Hire or as part of the service provided): Primary Insurance for SCOL or Comprehensive and Collision with a \$1000 per vehicle deductible with <u>documented</u> theft barriers at storage location. Limit authority for this coverage is the same as stated above.			
<b>Dealers Physical Damage</b>	Specified Causes of Loss or Comprehensive and Collision (Non Reporting Only)	Cars, Pickups, SUVs & Vans – <b>With Fully Fenced and Gated Lot</b>	Per Lot: \$500,000 Each Location Per Any One Vehicle: \$50,000 - any deductible \$51,000 - 75,000 – minimum \$1000 deductible
		Cars, Pickups, SUVs & Vans – <b>Without Fully Fenced and Gated Lot</b>	\$50,000 Each Location \$50,000 Any One Vehicle
		Trucks & Semi-Trailers, Equipment, RVs, Emergency Vehicles – <b>With Fully Fenced and Gated Lot</b>	Per Lot: \$500,000 Each Location Per Any One Vehicle: \$75,000 - any deductible \$75,001 - 100,000 – minimum \$1000 deductible
		Trucks & Semi-Trailers, Equipment, RVs, Emergency Vehicles – <b>Without Fully Fenced and Gated Lot</b>	\$150,000 Each Location \$75,000 Any One Vehicle



<b>Auto Physical Damage</b>	Specified Causes of Loss or Comprehensive and Collision	For scheduled <b>service</b> units	\$150,000 Each Location
			\$50,000 Any One Unit
<b>Hired Auto</b>			"if any" basis. Monoline coverage not available.
<b>Medical Payments</b>			\$5,000
<b>Fire Legal Liability</b>			\$250,000
<b>Uninsured Motorist (non-stacked)/Underinsured Motorist</b>	<b>Note: Not available on Service risks unless policy includes a Scheduled Auto</b>		Up to \$1,000,000 each "accident" for UM, UIM or UM/UIM combined. Limit for UM may not be greater than Garage Liability "each accident" limit. <b>Single Limit</b> BI, PD or BIPD
<b>PIP</b>			Basic with no Deductible
<b>Property</b>	Non-admitted only		\$500,000 TIV per location (Building, Contents, Business Income, Fence, Sign)
<b>Tool Floater</b>	Automotive Service Tools & Equipment		\$25,000 Stated Amount, Broad Form (See Property Section of Guidelines)

**See also Exceptions to Binding Authority for additional information**



## EXCEPTIONS TO BINDING AUTHORITY



- **Seasonal Coverage:** Physical Damage and Garagekeepers are not available on a seasonal basis. Coverage must be written for the entire policy term.
- **Primary and Non-Contributory Language:** Now available only for Non-Admitted repair risks using the G1600. Must submit to us with details of the entity's interest in the insured's business.
- **Scheduled Autos:** Do not schedule vehicles that go over 300 miles or have a GVW or GCW over 45,000 pounds on a Garage policy. Scheduled Autos may only be written on a Garage policy in states where our Dealer, Service and Scheduled Auto Coverages are all written as 100% Admitted or as 100% Non-Admitted. For all other states, vehicles must be scheduled on a Commercial Auto policy with a BA or MC prefix. Follow the Commercial Auto guidelines based on the use of the vehicle. The Area of Operations Chart indicates where the Scheduled Autos need to be written for each state. The GA policy prefix is no longer available.
- **Property Coverage:** You may not write a stand-alone Property policy without also writing a companion Garage Service or Dealers policy. Reminder: Property is only available on Non-Admitted policies.
- **Garagekeepers:** We only offer Legal Liability for Parking Lots or Structures - Public, Storage Facilities, and Valet Parking. This applies to both Comprehensive and Specified Causes of Loss.
- **Credit Authority:** New Business and Renewals 10% for all coverages including property.
- **New Venture Credit Authority:**  
You are permitted to consider some credit for new ventures without a referral under the following conditions:
  - ❖ The Start Tab in Sparky must show the Business Start Date as "0 to 12 months ago" or "13 to 24 months ago" as appropriate.
  - ❖ Acceptable justification for use of the credit:
    - **Service risks:** Documented details of experience in similar service/repair operations.
    - **Dealer risks:** Documented details of experience as an owner or manager of a car dealership where responsibilities included transferring titles and handling odometer statements.
  - ❖ Credit you may consider:
    - **Three to Nine** years documented experience: 5% credit
    - **Ten or more** years documented experience: 10% credit

**NOTE: If the application does not document the experience, or just says "X years", this will be considered a violation of your binding authority. A one time Inspection is required on all New Ventures unless risk is 100% mobile.**

New Ventures are defined as:

- Risks that have been in business for 0-12 months at the inception of the policy; OR
- Risks that have been in business for 13-24 months at the inception of the policy.

No continuous insurance for the past 3 years is defined as:

- Risks that have operated without insurance in place for 0-36 months at policy inception; OR
- Risks that have had insurance, but experienced one or more lapses in coverage over the last 36 months at policy inception;

## NEW BUSINESS SUBMIT LIST

- Any Applicant developing a policy premium of \$15,000 or more.
- Applicants with less than 3 years prior related garage experience.
- If the sum of limits for Garagekeepers, Physical Damage, Building, Contents, Income, Fences, Signs and Tools is more than \$1,500,000.
- Mono-line Garagekeepers or Dealers Physical Damage.
- Any account with a Liability Deductible.
- Direct Primary Comprehensive Garagekeepers Coverage.
- Pick-up and Delivery of customers' vehicles more than 5 times a week or over a 15 mile radius.
- Loss History with either a 50% loss ratio in any of the last 3 years, more than 2 losses in any one year, or a single loss over \$10,000 in the last 3 years.
- Young drivers (under 21) furnished an auto for regular use with a completed Young Driver Questionnaire (ACORD 93).
- Senior drivers furnished an auto for their regular use when the Medical Statement (**required** - ACORD 92) lists any combination of vision problems, hearing problems or major illnesses.
- Dealer Drive-Away operations greater than 300 road miles.
- Covered "Auto" Symbol 21 (any auto) requests for Dealers for Sole Proprietors and Partnerships (except NV).
- False Pretense Endorsement requests when test drives are not accompanied by an insured.
- **Property with TIV per location over \$500,000.**
- Aggregate Wind/Hail/Flood Deductibles (\$25,000 or \$50,000).
- Scheduled Autos 30 years and older.

## FIRST IN RULE

The "First In" rule applies to all submit business. If you want to be "First In", you must provide us with a complete submission. This means that sending an ACORD application isn't going to "block" the market for you.

In order for a Garage submission to be complete, the following information is required:

- A completed Colony Specialty application, including:
  - detailed description of operations
  - current owner/employee list
  - completed loss history or the loss runs
- A completed Questionnaire, if required for class

## RENEWAL BINDING AUTHORITY

Your **Policy Expiration Report** is emailed to your office monthly. The accounts appearing on the report are within **120 days** of their policy expiration date to allow for any state notification requirements. You are responsible for reviewing your report in a timely fashion to ascertain that all policies with **any** of the characteristics shown below are submitted to the company for review and possible approval of the up-coming renewal:

- Accounts with a current loss ratio of 50% or greater
- Accounts where you want to apply schedule credit in excess of your in-house credit authority
- Accounts with an increase in hazard, change in operations or increase in limits outside of your binding authority
- For accounts that required a submission, if there is a change in operations or increase in limits outside of what was previously approved

When contacting us concerning the review of an account or possible renewal conditions, please submit the following to our Transportation submission e-mail address of [tr@colonyspecialty.com](mailto:tr@colonyspecialty.com):

- Cover letter advising us of your overall opinion of the account with renewal recommendations
- Renewal application with any applicable supplements/questionnaires
- Expiring Policy Number
- Colony Rater (Sparky) quote number

Note: You are not required to provide updated loss runs from prior carriers at renewal.

## RELATED OPERATIONS

### Additional Coverage for Related Operations (G1507)

Use this endorsement to provide coverage for get more premium for exposures that are not generally part of "garage operations". Classify and rate from the following list:

Automobile Parts & Supplies Stores 10071  
(For items sold over the counter without installation)

Building or Premises-Lessors Risk 61217  
(For space rented to tenants at the insured's garage location)

Car Washes-Self Service 10368  
(For drive thru and manual car washes used by customers)

Concessionaires-NOC 11168  
(For food & drink snack bars at Auctions)

Gasoline Stations-Self Service 13454  
(For Gas sold from self serve pumps)

Grocery Stores-NOC 13673  
(For Mini-Mart facility in the insured's garage location)

Hotels & Motels 45193  
(For beds & showers at a Truck Stop)

Machine Shops-NOC 97220  
(For machining work done for other garages)

Mobility/Adaptability Ramp/Accessory Construction 56911  
(For incidental building exposure)

Restaurants 16901  
(For food & drink prepared by the insured)

Stores-NOC 18437  
(For clothing, equipment & supplies sold at the insured's garage location)

Vacant Land 49451  
(For land owned by the insured's business, but not in use)

Welding 99969  
(For offsite welding repair, usually related to agriculture businesses)

## WEATHER RESTRICTIONS TO BINDING AUTHORITY

**You may not** place us at risk for Dealer's Physical Damage, Primary Comprehensive Garagekeepers, or Commercial Property in areas of your marketplace that have a history of catastrophic loss caused by **Wind, Hail or Flood**, unless you are excluding those causes of loss. **Regardless, Direct Primary Comprehensive coverage is outside your binding authority (see Your Garage Binding Authority).**

### **Garage Dealers Physical Damage Restrictions:**

- A. The Wind/Hail/Flood **Exclusion** is required anywhere in the state of Florida and as follows for risks located in AL, GA, LA, MS, NC, SC, TX or VA:
  - Within **75** miles of the Eastern U.S. Coast
  - On any off shore or barrier island located off the Eastern U.S. Coast
  - Within **75** miles from the Gulf, any bay or inter-coastal water
  - On any off shore or barrier island off the Gulf Coast
- B. For risks located in CT, MD, ME, NH, NJ, PA or RI the **Exclusion** in A above applies, except that any reference to a mileage radius is changed to within 25 miles.
- C. **A minimum Wind/Hail/Flood Deductible of \$1,000 per vehicle with no maximum deductible** is required for risks located in the following states that are not subject to A or B above:
  - AL, AR, CO, CT, GA, IN, KS, LA, MD, ME, MO, MS, NC, NH, NJ, OK, PA, RI, SC, TX or VA

### **Garagekeepers Coverage Restrictions:**

- A. Garagekeepers Comprehensive coverage is not available on a **Direct Primary** basis anywhere in Florida and as follows for risks located in AL, GA, LA, MS, NC, SC, TX or VA:
  - Within **75** miles of the Eastern U.S. Coast
  - On any off shore or barrier island located off the Eastern U.S. Coast
  - Within **75** miles from the Gulf, any bay or inter-coastal water
  - On any off shore or barrier Island off the Gulf Coast
- B. For risks located in CT, MD, ME, NH, NJ, **NY**, PA or RI, the restriction in A above applies, except that any reference to a mileage radius is changed to within 25 miles.
- C. Garagekeepers Comprehensive coverage is not available on a **Direct Primary** basis anywhere in AR, CO, IN, KS, MO, or OK.

### **Property Coverage Restrictions:**

- A. For Building, Contents and Income, the Wind/Hail **Exclusion** is required for risks located anywhere in Florida, and as follows for risks located in AL, GA, LA, MS, NC, SC, TX or VA:
  - Within **75** miles of the Eastern U.S. Coast
  - On any off shore or barrier island located off the Eastern U.S. Coast
  - Within **75** miles from the Gulf, any bay or inter-coastal water
  - On any off shore or barrier Island located off the Gulf Coast
- B. For risks located in CT, MD, ME, NH, NJ, **NY**, PA or RI, the restriction in A above applies, except that any reference to a mileage radius is changed to within 25 miles.
- C. **For risks located in AR, MO or OK the Wind/Hail Deductible is a mandatory \$2500 deductible.**
- D. For Building, Contents and Income, the Wind/Hail **Deductible** should increase from \$500 to \$2,500 when there is substantial weather risk (applies to areas where the exclusion or mandatory \$2500 deductible is not required).

### **Suspension of your binding authority for severe weather and wildfires**

When the National Weather Service issues a Tornado Warning, Tropical Storm / Hurricane Watch or Warning your binding authority is automatically suspended for the duration of that watch or warning. When there is imminent danger from Wildfire, your binding authority is automatically suspended until that wildfire is fully contained. During such events, you may not bind us on Physical Damage, Primary Garagekeepers, Commercial Property, or make changes to existing policies that add a location, or add Causes of Loss, or increase the Limits of Insurance.

**AREA OF OPERATIONS BY STATE**

STATE	Insuring Company		
	DEALER	SERVICE	SCHEDULED AUTO
Alabama	CIC NON-Admitted	CIC NON-Admitted	CIC NON-Admitted
Alaska	CIC NON-Admitted	CIC NON-Admitted	CIC NON-Admitted
Arizona	CIC NON-Admitted	CIC NON-Admitted	CIC NON-Admitted
Arkansas	CIC NON-Admitted	CIC NON-Admitted	CIC NON-Admitted
California	CIC NON-Admitted	CIC NON-Admitted	CIC NON-Admitted
Colorado	CIC NON-Admitted	CIC NON-Admitted	Issue on BA or MC policy
Connecticut	AIC Admitted	CIC NON-Admitted	Issue on BA or MC policy
Delaware	<b>Not Doing Business</b>		
District of Columbia	<b>Not Doing Business</b>		
Florida	CIC NON-Admitted	CIC NON-Admitted	Not Available
Georgia	CIC NON-Admitted	CIC NON-Admitted	Issue on BA or MC policy
Hawaii	<b>Not Doing Business</b>		
Idaho	CIC NON-Admitted	CIC NON-Admitted	CIC NON-Admitted
Illinois	AMIC Admitted	AMIC Admitted	AMIC Admitted
Indiana	CIC NON-Admitted	CIC NON-Admitted	CIC NON-Admitted
Iowa	AMIC Admitted	AMIC Admitted	AMIC Admitted
Kansas	AMIC Admitted	AMIC Admitted	AMIC Admitted
Kentucky	AMIC Admitted	CIC NON-Admitted	Issue on BA or MC policy
Louisiana	CIC NON-Admitted	CIC NON-Admitted	CIC NON-Admitted
Maine	AIC Admitted	CIC NON-Admitted	Issue on BA or MC policy
Maryland	AMIC Admitted	CIC NON-Admitted	Issue on BA or MC policy
Massachusetts	<b>Not Doing Business</b>		
Michigan	AMIC Admitted	CIC NON-Admitted	Issue on BA or MC policy
Minnesota	AMIC Admitted	CIC NON-Admitted	Issue on BA or MC policy
Mississippi	CIC NON-Admitted	CIC NON-Admitted	CIC NON-Admitted
Missouri	CIC NON-Admitted	CIC NON-Admitted	CIC NON-Admitted
Montana	CIC NON-Admitted	CIC NON-Admitted	Issue on BA or MC policy
Nebraska	CIC NON-Admitted	CIC NON-Admitted	Issue on BA or MC policy
Nevada	AMIC Admitted	CIC NON-Admitted	Issue on BA or MC policy
New Hampshire	AIC Admitted	AIC Admitted	AIC Admitted
New Jersey	AMIC Admitted	CIC NON-Admitted	Issue on BA or MC policy
New Mexico	CIC NON-Admitted	CIC NON-Admitted	Issue on BA or MC policy
New York	Not Available	CIC NON-Admitted	Issue on BA or MC policy
North Carolina	AMIC Admitted	CIC NON-Admitted	Issue on BA or MC policy
North Dakota	CIC NON-Admitted	CIC NON-Admitted	Issue on BA or MC policy
Ohio	CIC NON-Admitted	CIC NON-Admitted	CIC NON-Admitted
Oklahoma	CIC NON-Admitted	CIC NON-Admitted	CIC NON-Admitted
Oregon	CIC NON-Admitted	CIC NON-Admitted	Issue on BA or MC policy
Pennsylvania	AMIC Admitted	CIC NON-Admitted	Issue on BA or MC policy
Rhode Island	CIC NON-Admitted	CIC NON-Admitted	CIC NON-Admitted
South Carolina	AMIC Admitted	CIC NON-Admitted	Issue on BA or MC policy
South Dakota	CIC NON-Admitted	CIC NON-Admitted	Issue on BA or MC policy
Tennessee	AMIC Admitted	CIC NON-Admitted	Issue on BA or MC policy
Texas	CIC NON-Admitted	CIC NON-Admitted	CIC NON-Admitted
Utah	CIC NON-Admitted	CIC NON-Admitted	Issue on BA or MC policy
Vermont	Not Available	CIC NON-Admitted	Not Available
Virginia	CSIC NON-Admitted	CSIC NON-Admitted	CSIC NON-Admitted
Washington	CIC NON-Admitted	CIC NON-Admitted	Issue on BA or MC policy
West Virginia	AMIC Admitted	CIC NON-Admitted	Issue on BA or MC policy
Wisconsin	CIC NON-Admitted	CIC NON-Admitted	Issue on BA or MC policy
Wyoming	CIC NON-Admitted	CIC NON-Admitted	CIC NON-Admitted

AMIC = Argonaut Midwest Insurance Company  
AIC = Argonaut Insurance Company

CIC = Colony Insurance Company  
CSIC = Colony Specialty Insurance Company

## EVALUATING APPLICANT INFORMATION

### GARAGE APPLICATION (G1603 – 0212)

Business Trade Name Important to list the DBA, LLC, Corporation names


Years this business entity has been in operation: If less than 3 years, explain in detail prior experience and any Specialized Training or Certification: Include owner's prior employers and duties.

### GENERAL UNDERWRITING INFORMATION





1. Describe Your Operations: Type of business needed for rating and coverage requirement purposes. Add related operations for Retail Sales or exclude if covered elsewhere.
2. What percentage by type of vehicle do you sell or service? This information is needed to determine class of business and which supplements, if any, are required.
3. Are you involved in any additional business operations other than what is described above: If the 'other business' is not related to garage operations, or is not acceptable, verify the exposure is covered elsewhere and exclude.
4. If more than 4 locations, use additional page.
5. What other businesses use your location(s)? Used to determine 'shared lot' exposure for other garage risks.
6. Do you pick-up and deliver customers' vehicles? If more than 5 times per week, or over 15 mile radius, this is a referral. See Exceptions to Binding Authority.
7. How many Transporter (Non-Dealer) Plates do you have? If any transporter plates, please be sure question 6 is completed. Rate for plates and add coverage using the CA2027. If Wrecker for Hire, this is a referral.
8. What is your lot security: If none then prefer GKL at Legal Liability. Submit DOL to your underwriter if total limit is over \$50,000 with no theft barriers (see your Binding Authority). If 'Other' then description must be provided.
9. Where are vehicle keys kept when the lot is closed? Prefer in key cabinet or taken home. If 'left in vehicle' be sure to explain to applicant that coverage for DOL or GKL will be denied in the event of a theft loss.
10. Rating Exposure Basis: List ALL Owners, Employees and Drivers: (Cannot be blank or "n/a") It is important, for rating purposes and for underwriting purposes, that we get information on all owners and employees regardless of driving status or job duties.
11. DEALERS ONLY or SERVICE WITH SCHEDULED AUTOS: List ALL Family and non-family members (except customers) and indicate if furnished an auto for personal use or if they may be provided an auto for regular use, but not regularly furnished: It is important for rating and underwriting purposes, that we get information on all family members that may drive/transport vehicles even if they are not considered 'employees' or active in the business. NOTE: Be wary of "family auto policies". Compare number of furnished drivers to number of vehicles sold (#19).
12. DEALERS ONLY or SERVICE WITH SCHEDULED AUTOS: Have all members of your household been disclosed on this application? If answered no, and no explanation given, please get name and age of household members not disclosed.
13. DEALERS ONLY or SERVICE WITH SCHEDULED AUTOS: Have all drivers, such as children away from home or in college, who may operate your vehicles on a regular or infrequent basis, been listed on this application? If no, need name and driver information for any such driver.
14. Prior Carrier Information: Must be completed unless this is a new venture.
15. Loss History for last 3 Years: If any losses within last 36 months, you must provide a copy of the loss runs. If loss runs are unavailable, the loss history section of the application must be completed in detail.



## Sales Questions

16. Who drives or transports vehicles to your lot? Any answer is acceptable, but if Contract Drivers is marked, they must either be listed on the employee list, or provide details of insured's hiring practices including age and what makes an MVR unacceptable.
17. Do you drive or transport newly acquired autos more than 300 road miles (50 miles for KS, KY, NH, MD, ME or WV) from point of purchase to your lot? If yes, submit to your underwriter with details of who drives, and what is furthest destination point.
18. How many vehicles do you sell per year? Be wary of "family auto policies". Compare number of drivers furnished (#10 and #11) to number of vehicles sold annually.
  - a) What percentage is sold "sight unseen" over the internet where customer does not come to lot to conclude purchase and pick up vehicle? If over 15% of total vehicles sold, submit with website address.
  - b) How many vehicles do you sell per year on consignment? If any, attach Consignment Agreement.
19. How many dealer plates do you have? Needed for rating purposes.
20. Do you repossess vehicles? If yes, need to add the Repossession Exclusion for dealers.
21. Do you repair "salvage titled" vehicles prior to sale? See Structural Rebuilders Pit Stop 
22. Do you always ride along on test drives? If No, we cannot offer False Pretense coverage. You should also question under what circumstance they would allow an unaccompanied test drive.

## Service Questions

23. What percentage of your work is?... This section is important to determine eligibility and the need for any required supplements or referral. Details must be provided for Custom/Fabrication, Performance Enhancement or 'Other'.
24. Do you sell gasoline? If yes, and self service gas only with no repair operations, decline risk. For incidental Self Service, add Related Operations for Gas Sales.
25. Do you sell Liquefied Petroleum Gas (LPG)? If yes, then the storage tank should be at least 25 feet away from the building and any vehicles. Refer to us if that is not the case. Decline the risk if: a) there are no collision barriers; b) they don't have "No Smoking" signs posted; or c) Anyone other than qualified employees fill the tanks.
26. If you install Lift Kits - See Lift Kits Pit Stop 
27. Racing: The Garage Coverage Form (CA0005) Liability coverage has an exclusion for Racing as follows: *Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.*
28. If you paint, do you have a spray paint booth or room? Separate well-ventilated area is required.
29. Do you tow for hire? See Tow Truck Operator Pit Stop. 
30. Mobility Equipment – See Mobility Equipment Sales and Service Pit Stop 
31. Tires – See Tire Pit Stop 

**Coverage Requested: We do require this section to be completed, and that the coverages requested match those written. Please get a revised, signed application that mirrors coverages bound.**

## DRIVER QUALIFICATIONS

**Every Driver must have a valid State issued (US) driver's license. Owners and their spouses may not be excluded as drivers.** This applies to anyone with ownership interest in the business.

**All Drivers** should have a minimum of two (2) years experience driving similar vehicles.

A commercial driver's license (**CDL**) is required for owners, and sales or service employees who drive extra-heavy trucks, truck tractors and semi-trailers away from garage premises on any public roadway.

For **Dealers**, drivers must be scheduled when an auto is either available or furnished to them for regular use, and when drivers are under the age of twenty one (21). Remember to refer furnished young drivers to us with the Young Driver Questionnaire.

**Drivers meeting the standards above are acceptable unless their records show any of the following within the last 36 months (using the violation date):**

- 1] Any incidence of alcohol or drug abuse while operating a vehicle within the last 36 months;
- 2] Any conviction of hit and run, vehicular manslaughter, or use of a vehicle for felonious purposes;
- 3] More than one (1) at fault accident (every accident is considered at fault, unless you provide an accident report that proves otherwise);
- 4] More than three (3) **moving** violations including "Using Hand Held Cell While Driving";
- 5] Any combination of at fault accidents and moving violations totaling more than three (3) incidents;
- 6] Any **major** violation; for example: Careless Driving, Reckless Driving, Contest or Street Racing, and Permitting an Unlicensed Driver to Drive.

**MVRs** must be reviewed for both the frequency and severity of activity by the Agency underwriter. If the MVR shows recent improvement, we may be able to consider an exception on a referral basis.

**Senior drivers:** If a senior driver is furnished a car, we require the ACORD 92 Medical Statement along with the MVR. If there is any combination of vision problems, hearing problems or major illnesses, refer to us prior to binding.

### WHEN MVRs ARE REQUIRED

	PROVIDE MVRs WITH NEW BUSINESS POLICY EXCEPT RISKS IN "NO MVR" CATEGORY, THEREAFTER AS FOLLOWS:	Annually	Every Other Year	No MVR
<b>DEALER</b>				
	Proprietors, Partners, Officers and their Spouses		X	
	Salespersons, General Managers, Service Managers, and any Employee whose principal duty involves the operation of autos.		X	
	All Other Employees, including mechanics, clerical		X	
	Contract drivers		X	
	Under age 21 furnished an auto	X		
	Senior Drivers furnished an auto	X		
	Each Employee of a Trailer Dealer		X	
	Restricted Drivers	X		
	New employees - order when hired			
<b>SERVICE</b>				
	Service/Repair with no scheduled auto or pick-up and delivery			X
	Service/Repair with scheduled auto or pick-up and delivery		X	
	Valet		X	
	Restricted Drivers	X		
	New employees - order when hired unless no MVR is required for risk			

## ELECTRONIC MVR ORDERING INSTRUCTIONS

### I. Reimbursement for Bound Accounts

**A. What we pay for:**

The company will pay for bound business written on **admitted** paper.

**B. What the general agent pays for:**

The general agent is required to pay for bound business written on **non-admitted** paper. The general agent will be billed directly from the MVR vendor for all MVRs ordered using the electronic system. The policy fee charged should be large enough to include the cost of MVRs.

**NOTE: WE DO NOT REIMBURSE FOR MVR'S ORDERED ON QUOTES**

### II. MVR Vendor

All electronic MVRs **must** be ordered through **Insurance Information Exchange (IIX)** using the information shown in the charts below.

IIX Bill Codes	
Code	Description
G75	Admitted Business
G32	Non-Admitted Business

### III. Ordering Instructions

#### **AGENTS WITH AN IIX ACCOUNT NUMBER**

- A. Enter the appropriate bill code for the type of business being written; refer to the charts above.
- B. Enter the **policy number** and then the insured's name in the comment field. The **policy number is mandatory** and must be entered **first** in order for the MVR to match in our system.
- C. Enter the policy number and name without any spaces or miscellaneous characters to separate the policy number and insured name.
- D. For the insured name, please use the "DBA". If no "DBA", enter the last name, then first name.
- E. Use the 90-day vault or archive option.

#### **AGENTS WITHOUT AN IIX ACCOUNT NUMBER**

- A. IIX will be given the name and phone number of all existing Colony Transportation agents (automobile and garage) who do not currently have an IIX account number. A member of the IIX sales/marketing team will contact your office exclusively for the purpose of setting up an IIX account number to order electronic MVRs with Colony.
- B. Within a day of setting up your account number, IIX will notify us that you are ready to start ordering MVRs electronically.
- C. Refer to the instructions provided above for "AGENTS WITH AN IIX ACCOUNT NUMBER", for full details on how to order an electronic MVR.

## REQUIRED INFORMATION

Policy Issuance New and renewal policies, endorsements and cancellations are due in our office within **thirty (30) calendar days** after the effective date of the coverage.

Inspections: It is your responsibility to order and review an inspection for each location listed on the policy, and to follow up on any discrepancies and recommendations. We will reimburse you for inspections on Admitted business. Send the bill to [invoices@argogroupus.com](mailto:invoices@argogroupus.com).

We require inspections as follows:

- 1] New Business:
  - a) All New Ventures unless the operation is 100% mobile
  - b) **When property TIV per location is greater than \$150,000 OR building age is greater than 35 years, send a property inspection**
  - c) Risks listed in the Risk Selection Table as Refer to Company
  - d) Risks listed as a Pit Stop class
  - e) When requested by your Underwriter
- 2] Renewal Business:
  - a) Every three (3) years if the last report was by US Reports when:
    - o **When property TIV per location is greater than \$150,000 OR building age is greater than 35 years, send a property inspection**
    - o Risks listed in the Risk Selection Table as Refer to Company
    - o Risks listed as a Pit Stop class
    - o When requested by your Underwriter
  - b) Every two (2) years if the last report was done by a company other than US Reports when:
    - o **When property TIV per location is greater than \$150,000 OR building age is greater than 35 years, send a property inspection**
    - o Risks listed in the Risk Selection Table as Refer to Company
    - o Risks listed as a Pit Stop class
    - o When requested by your Underwriter
- 3] Scheduled Autos: A Vehicle Inspection is required on any Scheduled Auto over 20 years old. If there is physical damage coverage on the Auto, include photos.

### New Business

#### **The policy must be sent to us with these documents:**

- 1] A completed Colony Garage Application with applicable Questionnaire(s). A Questionnaire is required when there is an entry of 10% or more in #2 of the Garage Application.
- 2] When the Loss Section of application says "see loss runs" then the loss runs must accompany the policy
- 3] Signed UM/PIP Selection/Rejection Form for Dealers or risks with Scheduled Autos only - if required by State
- 4] MVRs – See chart on Driver Qualifications page; We will reimburse you for MVRs on Admitted business. Send the bill to [invoices@argogroupus.com](mailto:invoices@argogroupus.com).
- 5] The date on which you ordered an Inspection (if required)
- 6] Garage Rating Worksheets
- 7] TRIA Notice **if** policy covers Property
- 8] Hard copy loss runs on every risk you are required to Refer to Company for approval or as stated in the Pit Stops

### Renewal Business

#### **The policy must be sent to us with these documents:**

- 1] Updated completed Colony Garage Application or Colony Renewal Application with applicable Questionnaire(s). A Questionnaire is required when there is an entry of 10% or more in #2 of the Garage Application/Renewal Application.
- 2] Updated signed UM/PIP Selection/Rejection Form for Dealers or risks with Scheduled Autos only - if required by State
- 3] MVRs – See chart on Driver Qualifications page; We will reimburse you for MVRs on Admitted business. Send the bill to [invoices@argogroupus.com](mailto:invoices@argogroupus.com).
- 4] The date on which you ordered an updated Inspection (if required)
- 5] Garage Rating Worksheets
- 6] TRIA Notice **if** policy covers Property
- 7] You are not required to provide updated loss runs from prior carriers at renewal

**Any required documentation other than Inspections that does not accompany the policy is due in our office within thirty (30) calendar days after the effective date of the policy. Inspections are due within sixty (60) days.**

## PRICING AND CLASSIFICATION

**Garage Rating** is done on-line in Colony Rater, under the Garage-Sparky tab. **Schedule Rating** may apply to Garage & Auto Liability (excluding Med Pay, UM, UIM, and PIP), Garagekeepers, and Dealer & Auto Physical Damage.

Premiums are subject to the following Minimums:

Minimum Policy Premium is \$500.

Minimum Property Premium is \$250.

### Garage Liability Dealers

Rating Units: Minimum Rating Units is 1.5 per policy

<b>Employees and Non-Employees</b>	<b>Furnished</b>	<b>Not Furnished Full-Time</b>	<b>Not Furnished Part-Time</b>
<b>Active</b> Proprietors, Partners, Officers and their Spouses	1.0 Rating Units	.75 Rating Units	.50 Rating Units
<b>Inactive</b> Proprietors, Partners, Officers and Spouses	1.0 Rating Units	n/a	n/a
<b>NONADMITTED ONLY – Inactive Spouses</b>	.50	n/a	n/a
Salespersons, General Managers, Service Managers, and any Employee whose principal duty involves the operation of autos. This includes those restricted to Minimum Financial Responsibility Limits.	1.0 Rating Units	.50 Rating Units	.25 Rating Units
All Other Employees, including clerical, mechanics	1.0 Rating Units	.40 Rating Units	.20 Rating Units
Contract drivers	1.0 Rating Units	.25 Rating Units	.25 Rating Units
Under age 21 furnished an auto	2.0 Rating Units	n/a	n/a
Each Employee of a Trailer Dealer	1.0 Rating Units	.45 Rating Units	.45 Rating Units

Garage Liability Service Payroll: Minimum Payroll is \$7800 per policy  
Basis is \$5,200 for every active owner and employee. Use \$2,600 for employees working less than 20 hours per week.

### Maximum Limit Per Vehicle (MLPV)

There is now a section in both the Garagekeepers and Physical Damage areas of the Declarations Page which shows a Stated Amount per Vehicle in all states except KS and NH, and for Admitted risks in KY, MD, ME, NH and WV. These sections will default to a \$50,000 Stated Amount MLPV and show the premium as included (INCL).

Charges for an increased limit above \$50,000 only apply to Dealer's Physical Damage and only to the following classes: Car Dealers, Dealers with Salvage Operations, Auctions and Wholesalers. The additional premium charge is rated under the Misc. Tab in Sparky.

For Service risks and the remaining Dealer classes, the Stated Amount Limit can be increased as per your Binding Authority, or higher with approval from your Transportation Underwriter.

## INSTRUCTIONS FOR SCHEDULE DEBITS / CREDITS

### **Schedule Debits and Credits**

- Debits and credits apply to all coverages (not applicable in Uninsured Motorists unless otherwise noted).
- Schedule Debits/Credits must be supported by a schedule worksheet. When applying schedule debits or credits, the schedule worksheet form needs to be attached to the policy. Reason for debit / credit must be documented on the form. Please refer to state rate pages for the maximum debit/credit for your state. Note: Maximum credits may require Company approval.
- Some states require schedule debit / credit worksheets even when no modification has been applied. Please refer to your state's regulation regarding Schedule Rating Plans.

### **Use of Plan**

The Schedule Rating Plan is used when risk characteristics are not reflected in the standard rating. The plan may be applied only for those characteristics outlined. It may not be used to offset a rating error or for competitive purposes.

### **Documentation**

Schedule mods must be documented in the individual underwriting file. This will consist of a signed worksheet, which describes the risk characteristics of the filed plan and the amount of debit or credit assigned for each. In completing the worksheet:

- Mods may be applied only for the reasons filed in the plan
- Space is provided at each section of the worksheet for a narrative description of the reasons for the modification.
- The narrative should be completed every time a modification is used.
- A narrative must also be given to justify a change in the amount of debit or credit from one year to the next.
- If the mod applies to a specific vehicle (or driver where applied due to non-verifiable Motor Vehicle Report), identify it on the worksheet.

### **Justification**

Modifications must be appropriate and be substantiated in the underwriting file via the application, risk inspection, photographs, agent's observation, formal safety, maintenance or training program details, etc. Examples:

- A debit for old equipment should only be applied to the unit(s) that are old rather than to all equipment.
- A credit for a safety program would not be justified if the application or inspection states the insured does not have a safety program in place. If a safety program does exist, the details of the plan should be documented in the underwriting file.

If a 10% credit for liability is applied and a 5% debit for physical damage is applied on the same risk, each should be explained on the worksheet in the narrative section

**GARAGE CLASSIFICATION CODES**

<b>DEALER CLASSES</b>	<b>ISO CLASS CODE</b>	<b>COMPANY CLASS CODE</b>		
Antique/Classic Auto Dealer	7351	122005		
Auction	7351	122739		
Boat Dealer	7344	122006		
Car Dealer	7351	122000		
Car Dealer w/ Salvage Operations	7351	122113		
Commercial Trailer Dealer	7354	122001		
Equipment Dealer	7351	122007		
Franchised Motorcycle Dealer	7321	122742		
Non-Franchised Motorcycle Dealer	7351	122742		
RV Dealer	7344	122009		
Truck Dealer	7351	122001		
Wholesaler	7351	122740		
<b>SERVICE &amp; REPAIR CLASSES</b>	<b>ISO CLASS CODE</b>	<b>COMPANY CLASS CODE</b>		
Antique/Classic Auto Service/Repair	7808	122015		
Boat Service/Repair	7808	122016		
Car Service/Repair	7808	122100		
Equipment Service/Repair	7808	122017		
Motorcycle Service/Repair	7808	122748		
Repossesors	7925	122114		
RV Service/Repair	7808	122010		
Salvage Yards	7808	122113		
For Hire Wreckers	7815	122104		
Truck Service/Repair	7808	122101		
Valet	7812	122103		
Valet Special Events (Mid-Term Changes)	7812	122105		
<b>SCHEDULED AUTOS</b>	<b>NON-FLEET</b>		<b>FLEET</b>	
<b>SERVICE USE (by GVW)</b>	<b>Local</b>	<b>Intermediate</b>	<b>Local</b>	<b>Intermediate</b>
Parts or Roadside 0 to 10,000	01199	01299	01499	01599
Parts or Roadside 10,001 to 20,000	21199	21299	21499	21599
Tow Trucks Not for Hire 10,001 to 20,000	23103	23203	23403	23503
Tow Trucks Not for Hire 20,001 to 45,000	33103	33203	33403	33503
<b>COMMERCIAL USE (by GVW)</b>				
Tow Trucks for Hire 10,001 to 20,000	23103	23203	23403	23503
Tow Trucks for Hire 20,001 to 45,000	33103	33203	33403	33503
<b>TRAILERS AND DOLLIES</b>				
All	68199	68299	68499	68599
<b>PRIVATE PASSENGER</b>				
All	7391	7391	7398	7398
<b>REGISTRATION PLATES (Not Dealer)</b>	Code as 7929			

**NOTE:** Scheduled Autos may only be written on a Garage policy in states where our Dealer, Service and Scheduled Auto Coverages are all written as 100% Admitted or as 100% Non-Admitted. For all other states, vehicles must be scheduled on a Commercial Auto policy with a BA or MC prefix. Follow the Commercial Auto guidelines based on the use of the vehicle. The Area of Operations Chart indicates where the Scheduled Autos need to be written for each state. The GA policy prefix is no longer available.

## OPTIONAL GARAGE COVERAGES

### Additional Coverage for Related Operations (G1507)

The purposes of this endorsement are: 1] to provide coverage for and 2] to get more premium for exposures that are not generally part of garage operations. Available classes are listed in your Binding Authority.

### Additional Insured – No Charge

(CA2509) Landlord, (CA2048) Designated, (CA2047) Leased Equipment, (CA2001) Leased Autos, (CA2049) Franchisor

(G1600) Designated - Primary and Non-Contributory: Available only for Non-Admitted Garage repair Risks on a referral basis. Charge is \$250 per entity with no maximum.

Broadened Coverage-Garages (CA2514) – Charge is 5% of Garage Liability Premium

### Buy-Back Schedules

On-Hook for Garagekeepers (G1505 and various versions or G1526 in KS, KY, MD, ME, NH, WV) . Available limits \$50,000 or \$100,000 per vehicle. The limit for each truck cannot be more than the Garagekeepers limit or less than the maximum limit per vehicle (MLPV).

Drive-Away Road Miles for Dealers Physical Damage-Collision (G1505, G1517 and various versions of each)

Charge is \$50 for each additional 100 miles 1] in excess of 50 road miles in KS, KY, MD, ME, NH & WV where G1517 is used for Dealers; and 2] in excess of 300 road miles in all other States where G1505 is used for Dealers. Maximum additional premium is \$500.

### Value Limitation for Dealers Physical Damage (G1505A and various versions)

- This only applies to Car Dealers, Auctions, Dealers with Salvage and Wholesalers.
- The maximum vehicle limit available is \$750,000.

### Drive Other Car Coverage-Broadened for Named Individuals (CA9910)

Charge is \$50 per individual.

Available when Named Insured is a Corporation, you may use this endorsement to provide coverage for officers for Liability only at Financial Responsibility Single Limit.

### Errors and Omissions for Auto Dealers (G1551, G1551NH):

Charge is \$300 per policy

\$25,000 Liability Limit Per Occurrence/\$100,000 Aggregate; \$1000 Deductible

Extends Liability coverage to include damages arising out of error or omission in compliance with Federal, State or local statutory provisions:

- o Requiring disclosure of credit terms to consumers obtaining credit to purchase an “auto”
- o Requiring disclosure of the odometer reading to consumers who purchase an “auto”
- o Requiring title registration on an “auto” sold by the insured
- o Requiring disclosure of terms and conditions applying to credit life insurance, credit disability insurance, auto liability insurance, auto physical damage insurance or an extended warranty plan sold by the insured to cover an “auto” sold by the insured

### False Pretense (CA2503)

Refer to Company if test drives are not accompanied. Maximum Limit is \$25,000.

Charge is \$0.18 per hundred of the total physical damage limit.

Fire Legal Liability (CA2510) Charge is \$0.20 per hundred of limit.

Garagekeepers-Additional Coverage for Wreckers in Oklahoma (G1521)

- o Legal Liability for Personal Property in a Customer’s Auto.
- o Charge is \$200 for the endorsement.



Identity Recovery Coverage Endorsement (G1569 – not available in NC or NH)

Charge is \$9 per policy

- Additional Coverage under Physical Damage section:
  - Case Management Service for up to 12 months for any one “identity theft”
  - Expense Reimbursement with a \$15,000 limit

Plate Coverage (other than Dealer Plates): Plates are scheduled on CA2027.

Property (Non-Admitted only: Building, Contents, and Business Income forms

- Signs and Fences may be covered for Basic Form only.
- Automotive Service Tools & Equipment (Tool Floater) (G1556)
- Terrorism Limited Coverage (UIL0959) TRIA Notice Required

Stop Gap Employers Liability in OH, WA, and WY (Non-Admitted only: (G1519)

Waiver of Transfer of Rights of Recovery (G1512) Charge is \$150 each - \$750 maximum

Wind/Hail/Flood Deductible for Dealers Physical Damage (Admitted G1524)

Wind, Hail, Flood Deductible - \$50,000 Aggregate (G1524A)

Refer to company

Wind, Hail, Flood Deductible - \$25,000 Aggregate (G1525B)

Refer to company

Wind/Hail/Flood Exclusion for Dealers Physical Damage (G1525)