

Garage Liability

Mind the Gap

If your business handles customer vehicles, you need more than commercial general liability coverage to protect yourself from incidents that occur on your premises. Standard commercial general liability insurance usually will not cover damage to vehicles your business does not own. Businesses such as:

- Non-franchised used car dealers
- Valet services
- Wholesale auto dealers and brokers
- Motorcycle dealers and repair
- RV dealers and repair
- Heavy truck dealers and repair
- Auto repair operations
- Full service car washes

require garage insurance to protect against common bodily injury and property damage claims.

Basic Garage Liability: coverage for general business operations and related claims

If you run a garage or shop, customers visit. Basic garage liability covers your business for policy-specified amounts of medical expenses if a customer falls while on the premises. Similarly, like all businesses you need protection in the event of unfair hiring practices litigation brought by an employee, or dishonesty coverage if your employee steals or damages a customer's car. Do you manufacture or sell products? Garage liability extends to these, including property damage as a result of faulty parts installed in a customer's vehicle.

What if there is an accident while your employee (or yourself) are driving a business-related vehicle—basic garage liability covers damage to the other parties. Be aware, however, that such claims are subject to limits: individual accident, and an aggregate. If your employees drive company vehicles off the premises auto insurance coverage will be necessary—this may result in a higher premium.

Garage-keeper's Insurance: coverage for damage to customers' autos and property

Garage-keepers 'buys back' coverage lost through the care, custody or control exclusion in basic garage insurance. Garage-keeper's specifically covers property damage to vehicles while in "care, custody or control" of the business and is what will protect you if a customer's car is in the building when a fire breaks out. It also applies when an employee test drives a customer's car. Limits and deductibles are applied per vehicle, which can add up quickly if an incident damages several cars at once.

Bottom line: get the insurance necessary to minimize your garage's financial exposure.

To determine optimum coverage, premiums and deductibles, our agents will take into account the number of employees and their driving records, the exact nature of your business, the location, level of on-site security—every garage is different. To discuss your situation and what your business actually needs, contact us today at xxxxxxxxxxxxxxxxxxxxxxxx.