

## Coverage For Business Autos

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Many businesses are exposed to the financial consequences of their ownership, use or maintenance of vehicles that are used in their operations. Most coverage needs can be handled by a business auto policy (BAP) or similar form. BAPs may cover a variety of operations, including the following:

- Product or food delivery
- Transporting business products to wholesalers or retailers
- Retail product delivery to consumers
- Carrying persons for short, intermediate or long distance routes
- Picking up customer items for cleaning, repair, storage, etc.

Coverage is flexible. It may be purchased as a separate policy or as part of a package of coverage that can also protect buildings and business property (equipment, furniture, etc.). A BAP generally offers:

**Liability Coverage** - protection for physical injury to other persons or their property because of an accident related to your covered vehicle, including legal defense cost or expense.

**Comprehensive Coverage** - handles loss from any cause except collision. A limited, less expensive option is available. It only protects against a set of specific causes such as fire, lightning, explosion, vandalism and several others

**Collision** – takes care of damage from crashes with another object or overturn of the vehicle

**Towing And Labor Costs** –handles expenses for moving disabled vehicles

**Loss of Use—Rental Vehicle Coverage** – if you damage a rental car, this option helps to reimburse the rental company for income it loses because the vehicle is out of use. Also, there may be limited coverage for injury or damage that you cause to others while using a rented vehicle anywhere in the world.

### **Business Auto Policy Exclusions**

Typically, a business auto (or similar form) will not provide coverage for the following:

- any injury/damage that you expected or intended
- responsibility for damage you assume under a contract
  - losses that should be handled by a Workers Compensation, Disability Benefits or Unemployment Compensation Law
- Bodily Injury to an employee caused by a Fellow Employee
- Damage to property that is in your Care, Custody and Control
- Any bodily injury or property damage that occurs because of Pollution
- Any loss that is related to racing, demolition or stunts

Other items that are not covered are the same as those found with most types of policies, such as Nuclear Hazard or any type of War or Military Action. Racing, Wear and Tear, Freezing, Mechanical or Electrical Breakdown, Blowouts, Punctures or Other Road Damage to Tires are also excluded.

Are you protected against business auto losses? Drive over and discuss your situation with an insurance professional. The trip will be worth it.

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