

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW MEXICO CHANGES

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, New Mexico, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

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

A. Changes In Covered Autos Liability Coverage

1. The **Care, Custody Or Control** Exclusion B.6. contained in the Business Auto and Motor Carrier Coverage Forms is replaced by the following:

6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to:

- a. Liability assumed under a sidetrack agreement; or
- b. "Property damage" to or "covered pollution cost or expense" involving a motor vehicle you do not own if it is loaned:
 - (1) Without a fee to the "insured" by a licensed automobile dealer for demonstration purposes, as a temporary substitute vehicle for that person's vehicle while it is being serviced or repaired, or as a promotional courtesy vehicle or courtesy vehicle; or

- (2) With a fee to the "insured" by a licensed automobile dealer or with or without a fee by anyone else for demonstration purposes, as a temporary substitute vehicle for that person's vehicle while it is being serviced or repaired, or as a promotional courtesy vehicle or courtesy vehicle and the vehicle is provided under a written statement, signed by the "insured", which contains the following language:

PRIMARY LIABILITY ASSIGNMENT

In consideration of the vehicle owner entrusting the motor vehicle elsewhere described to me, I agree that my vehicle insurance or self-insurance coverage shall be primarily responsible for any loss or damage caused by or to the motor vehicle.

2. The **Care, Custody Or Control** Exclusion 4.f. contained in the Auto Dealers Coverage Form is replaced by the following:

f. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving:

- (1) Property owned, rented or occupied by the "insured";
- (2) Property loaned to the "insured";
- (3) Property held for sale or being transported by the "insured"; or
- (4) Property in the "insured's" care, custody or control.

But this exclusion does not apply to:

- (a) Liability assumed under a sidetrack agreement; or
- (b) "Property damage" to or "covered pollution cost or expense" involving a motor vehicle you do not own if it is loaned:
 - (i) Without a fee to the "insured" by a licensed automobile dealer for demonstration purposes, as a temporary substitute vehicle for that person's vehicle while it is being serviced or repaired, or as a promotional courtesy vehicle or courtesy vehicle; or
 - (ii) With a fee to the "insured" by a licensed automobile dealer or with or without a fee by anyone else for demonstration purposes, as a temporary substitute vehicle for that person's vehicle while it is being serviced or repaired, or as a promotional courtesy vehicle or courtesy vehicle and the vehicle is provided under a written statement, signed by the "insured", which contains the following language:

PRIMARY LIABILITY ASSIGNMENT

In consideration of the vehicle owner entrusting the motor vehicle elsewhere described to me, I agree that my vehicle insurance or self-insurance coverage shall be primarily responsible for any loss or damage caused by or to the motor vehicle.

B. Changes In Conditions

1. The following is added to the **Other Insurance** Condition in the Auto Dealers and Business Auto Coverage Forms and the **Other Insurance – Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form:

When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to an "auto" and:

- a. One Coverage Form or policy provides coverage to a Named Insured who is a licensed automobile dealer; and
- b. The other Coverage Form or policy provides coverage to a person who is not engaged in that business; and

a person described in Paragraph **b.** is operating an "auto" owned by the business described in Paragraph **a.** which was loaned without a fee to that person for demonstration purposes, as a temporary substitute for that person's vehicle while it is being serviced or repaired, or as a promotional courtesy vehicle or courtesy vehicle, then the liability insurance provided by that person's Coverage Form or policy is primary and the liability insurance provided by the Coverage Form or policy issued to a business described in Paragraph **a.** is excess.

2. Paragraph **5.b.** of the **Other Insurance** Condition in the Auto Dealers and Business Auto Coverage Forms and Paragraph **5.f.** of the **Other Insurance – Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form do not apply to a covered "auto" that has been provided under a written Primary Liability Assignment contained in Subsection C of Section 23, Chapter 59A, Article 32 NMSA, which has been signed by an "insured".

C. Changes In Definitions

The definition of "insured contract" is revised to include a written Primary Liability Assignment contained in Subsection C of Section 23, Chapter 59A, Article 32 NMSA where a motor vehicle is loaned with a fee to the "insured" by a licensed automobile dealer, or with or without a fee by anyone else, for demonstration purposes, as a temporary substitute for that person's vehicle while it is being serviced or repaired, or as a promotional courtesy vehicle or courtesy vehicle, and that vehicle is provided under the Primary Liability Assignment signed by the "insured".