

The Commercial Auto policy, specifically the Business Auto Coverage Form (CA 00 01 10 13), emphasizes the necessity of thoroughly reading the entire policy to understand the rights, duties, and limitations of coverage. The terms "you" and "your" refer to the Named Insured, while "we," "us," and "our" denote the insurance provider. Section I categorizes covered autos by symbols indicating the scope of coverage, which includes any auto, owned autos, private passenger autos, and hired or non-owned autos, with coverage extending to newly acquired autos under certain conditions. Liability coverage also includes specific trailers, mobile equipment, and temporary substitute autos. Section II outlines Covered Autos Liability Coverage, which compensates for damages due to bodily injury or property damage from the ownership, maintenance, or use of a covered auto, with the insurer obligated to defend insured parties against lawsuits until the coverage limit is exhausted. Insured parties include the Named Insured and others using covered autos with permission, though exclusions apply for certain individuals and circumstances.

Exclusions include expected or intended injuries, contractual liabilities, workers' compensation obligations, and injuries to employees arising from their employment. Property damage involving the insured's care, custody, or control, as well as injuries from handling property or mobile equipment operations, are also excluded. Coverage ceases once contracted work is completed or abandoned, and pollution-related claims are excluded unless they arise from normal operational pollutants. Additionally, the policy excludes damages from war, military action, or organized racing activities. The limit of insurance specifies the maximum payout for damages and covered pollution costs from a single accident, treating all related injuries or damages from continuous exposure as one accident. Physical damage coverage includes comprehensive and collision coverage, with exclusions for wear and tear, nuclear hazards, and racing-related losses. For physical damage claims, the insurer pays the lesser of the actual cash value or repair/replacement cost, subject to a deductible for each covered auto, and requires prompt notification of accidents and compliance with appraisal processes for disputes.

The policyholder must cooperate with the insurer during claims investigations, authorize access to medical records, and submit to examinations by chosen physicians. In the event of theft or loss, the insured must notify the police, take steps to prevent further damage, allow the insurer to inspect the vehicle before repairs, and provide sworn statements when requested. Legal action against the insurer can only commence after full compliance with policy terms and a written agreement regarding the insured's obligation to pay. For loss payment related to physical damage, the insurer may repair, replace, or pay for the damaged property, including applicable sales tax, with recovery rights transferring to the insurer if the insured receives payment. The policy remains in effect despite the insured's bankruptcy, but any fraud or misrepresentation voids coverage. If the insurer revises the policy to provide more coverage without additional premium, the insured automatically receives that coverage.

The policy provides primary insurance for owned vehicles and excess coverage for non-owned vehicles, with premiums based on estimated exposures and adjusted according to actual exposures. Coverage applies to accidents and losses occurring during the policy period within specified territories, including the U.S., its possessions, Puerto Rico, and Canada, with conditions for vehicles leased or rented without a driver. In cases of multiple policies applying to the same accident, the maximum limit of insurance is capped at the highest limit of any single policy. Definitions clarify terms such as "accident," "auto," "bodily injury," and "loss," establishing the scope of coverage and exclusions, including limitations on pollution-related claims. The policy also defines "mobile equipment" and specifies the types of vehicles and equipment covered, including those not classified as self-propelled but providing mobility to permanently attached equipment. "Pollutants" are defined as irritants or contaminants, while "property damage" refers to damage to or loss of use of tangible property. The term "suit" encompasses civil proceedings related to claims for bodily injury, property damage, or covered pollution costs, including arbitration and alternative dispute resolution processes. Lastly, a "temporary worker" is defined as a substitute for a permanent employee on leave or to address short-term workload needs, and "trailer" includes semitrailers.