

Sec. 38a-334-5. Minimum provisions for bodily injury liability and property damage liability

(a) **Coverage.** The insurer shall undertake to pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages because of bodily injury or property damage caused by accident and arising out of the ownership, maintenance or use of a motor vehicle owned or long-term leased by the named insured. The policy shall designate by explicit description or by appropriate reference the motor vehicles to which this coverage applies.

(b) **Defense, settlement, supplementary payments.** The insurer shall defend the insured against any suit seeking damages covered by the policy, and may make such settlement of any claim or suit as it deems expedient, but the insurer shall not be obligated to defend any suit after the exhaustion of its liability by payment of judgments or settlements. The insurer shall pay, in addition to the policy limits, all expenses incurred by the insurer, premiums on attachment and appeal bonds, court costs, interest on judgments until the insurer has offered to pay its portion of the judgment, the cost of bail bonds, not to exceed one hundred dollars per bond, all expenses incurred by the insured for first aid to others at the time of the accident and other reasonable expenses, other than loss of earnings, incurred by the insured at the insurer's request. The insurer shall, upon request of the named insured, issue or arrange for the issuance of a bond which shall not exceed the aggregate limit of bodily injury coverage for the purpose of obtaining release of an attachment.

(c) **Exclusions.** The insurer's obligation to pay and defend may be made inapplicable:

- (1) To liability assumed under contract;
- (2) to intentionally caused injury or damage;
- (3) to any obligation of the insured to provide workers' compensation or disability benefits or to cover liability of an employer for employee injuries;
- (4) to the use of a motor vehicle as a public or livery conveyance;
- (5) to bodily injury or property damage resulting from the radioactive, toxic explosive or other hazardous properties of source, special nuclear or byproduct material, each as defined in the Atomic Energy Act of 1954, as amended;
- (6) while the private passenger motor vehicle is used for towing a trailer, designed for use with other than a private passenger motor vehicle which is owned or hired by the insured and not covered by like insurance in the same company;
- (7) to damage to property (A) owned or transported by the insured or (B) rented to or in the care, custody or control of the insured or as to which the insured is for any purpose exercising physical control, other than property damage to a residence or private garage by a private passenger motor vehicle covered by this insurance;
- (8) to the operation of a motor vehicle by an individual or individuals specifically named by endorsement accepted by the insured, the form of which has been accepted for filing by the insurance commissioner;
- (9) to liability arising out of pollution or contamination;
- (10) to bodily injury or property damage due to war, whether or not declared, civil war, insurrection, rebellion or revolution, or to any act or condition incident to any of the foregoing;
- (11) to bodily injury or property damage arising out of the ownership, maintenance, use,

loading or unloading of any

(A) haulaway, tank truck or tank trailer or any automobile used therewith owned, hired or held for sale by the named insured;

(B) motor vehicle

(i) while being used in any prearranged or organized racing, speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity, or

(ii) while rented to others by the named insured unless to a salesman for use principally in the business of the named insured, or

(iii) while being used by the insured as a public or livery conveyance or for carrying property for a charge.

(12) To bodily injury to any passenger while occupying a motorcycle.

(d) **Insured.** The insurance afforded shall apply for the benefit of the named insured and any other person or organization using the motor vehicle within the scope of his permission from the named insured, except as follows:

(1) As respects loading or unloading of a motor vehicle, only the named insured, a lessee or borrower of the motor vehicle, or an employee of the named insured or of such lessee or borrower or organization must be an insured;

(2) the insurance as respects any person or organization other than the named insured need not apply:

(A) To any person or organization, or to any agent or employee hereof, employed or otherwise engaged in operating a motor vehicle sales agency, repair shop, service station, storage garage or public parking place with respect to any accident arising out of the maintenance or use of a motor vehicle in connection therewith;

(B) to any employee other than an employee of the named insured with respect to bodily injury sustained by a fellow employee injured in the course of his employment;

(C)

(i) to any person other than an employee of the named insured while engaged in the business of his employer with respect to bodily injury to any fellow employee of such person injured in the course of his employment;

(ii) to the owner or lessee (of whom the named insured is a sublessee) of a hired motor vehicle or the owner of a non-owned motor vehicle or any agent or employee of any such owner or lessee;

(iii) to an executive officer of the named insured with respect to a motor vehicle owned by him or by a member of his household;

(iv) to a motor vehicle while used with any trailer owned or hired by such person or organization and not covered by like insurance in the company (except a trailer designed for use with a private passenger motor vehicle and not being used for business purposes with another type motor vehicle), or a trailer while used with any motor vehicle owned or hired by such person or organization and not covered by like insurance in the company;

(D)

(i) to a non-owned motor vehicle used in the conduct of any partnership or joint venture of which the insured is a partner or member and which is not designated in this policy as a named insured, or

(ii) if the named insured is a partnership, to a motor vehicle owned by or registered in

the name of a partner thereof. The insurance shall apply separately with respect to each insured against whom claim is made or suit is brought, provided the inclusion of more than one insured shall not operate to increase the limits of the insurer's liability.

(e) **Limits of liability.** The limit of the insurer's liability shall not be less than the applicable limits for bodily injury and property damage liability specified in subsection (a) of section 14-112 of the general statutes. Said limits may be stated separately with respect to bodily injury and property damage, or a single limit of liability may be stated, provided it shall not be less than the sum of the separate limits for bodily injury and property damage resulting from any one accident as specified in said subsection (a). The limits may be stated as applicable regardless of the number of insureds, persons or organizations sustaining bodily injury or property damage, claims made or suits brought or motor vehicles to which the policy applies. The insurance for the liability specified in subsection (a) of section 14-112 of the general statutes may be written subject to deductible amounts per claim or per accident, provided an appropriate premium consideration shall be allowed and the deductible provisions shall be clearly stated in the policy and provided the insurer shall make full payment of all losses regardless of reimbursement by the insured.

(f) **Subrogation.** The insurer shall be subrogated to any rights of recovery of the insured against third parties except as restricted by section 38a-336b of the General Statutes.

(g) **Other insurance.** The policy may provide for proration of loss with other insurance or may provide that insurance for persons or organizations other than the named insured does not apply if such person or organization has other insurance applicable to the loss with limits of liability not less than those specified in subsection (a) of section 14-112 of the General Statutes.

(Amended November 1, 2000)

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