

The [Garage Liability policy](#) is one of the most misunderstood types of [business insurance policies](#)

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It is a unique type of policy and many seasoned professional insurance agents don't really understand it well.

Attached to the

[garage liability policy](#)

, one often finds a coverage called garagekeepers insurance.

At

[Clinard Insurance Group in Winston Salem, NC](#)

we understand this form very well and in part 2 of my blogs on garagekeepers insurance I hope to continue to clear up some of the confusion about this policy form.

As we discussed in the my last blog, the garagekeepers form is a coverage that can be added to the garage form and it allows for protection for the your clients vehicles, left in your care while you are repairing them. This coverage includes both comprehensive and collision coverages for those vehicles.

When purchasing this coverage, there are 2 more choices you will need to consider. The first is the question of Direct coverage, verses Legal Liability coverage.

If you purchase direct coverage, then your policy will pay the claims for collision and

comprehensive coverage for your client's vehicles whether you are at fault in the loss or not.

If you choose legal liability coverage, then these claims will only be covered if your

[repair or body shop](#)

can be found to be legally liable for the loss.

Of course the direct coverage will be a bit more expensive but you may choose it so that you can quickly pay the damages caused to any of your client's cars.

The second question that you will want to answer is whether or not you want to purchase Primary or Excess coverage on your garagekeepers coverage. Primary coverage means that your insurance policy will pay, first dollar on the covered loss, while excess coverage will only kick in and pay when there is no coverage on your client's insurance policy, or if the limits of your client's policy are not high enough to cover the loss.

Of course the primary option is more expensive but it may generate better client relationships if you are paying the claim and not forcing them to file on their own

[personal auto insurance](#)

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At [Clinard Insurance Group in Winston Salem, NC](#) , we write over 300 [garage policies](#) in 4 different states and we can help you make sure that your policy is set up correctly so that you can have the best possible protection at the lowest possible price.

Give us a call, toll free at 877-687-7557, or visit us on the web by

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The source material for this article can be found at [The Insurance Answer Guy](#) .