

Does My Personal Auto Policy Cover Me When I Rent a Car or Truck?

There are two types of rentals ... the "I Have To" and the "I Want To" situations. The "I Have To" situation is when your car is inoperable due to an accident, theft or repairs. The "I Want To" situation is when you rent a car on vacation or a special occasion.

"I Have To"

With the "I Have To" situation, the rented vehicle is treated as if it is your own car: Your Personal Auto Policy (MAP) defines YOUR AUTO as

- A. "The vehicle or vehicles described on the Coverage Selections Page.
- B. "Any auto while used as a temporary substitute for the described auto while that auto is out of normal use because of a breakdown, repair, servicing, loss or destruction ..."

The **GOOD** news is that ALL of the coverages on your MAP will respond in the same way they would to damages to your own car. The **BAD** news is that may NOT be enough to make the rental car company happy.

Generally, a rental firm is looking for replacement cost (of a NEW vehicle) and loss of use (the value of the rental of the

vehicle while it is disabled due to the damage that occurred while you had the vehicle).

It **MIGHT** make sense to purchase the coverage offered by the rental firm ... BUT make sure you read the contract so you know exactly what the Loss Damage Waiver (LDW) actually cover!

"I Want To"

With the "I Want To" situation, the rented car is NOT considered YOUR AUTO. As a result, not all coverages would respond in the same way as they would in the "I Have To" situation. The following coverages would apply in the following manner:

- A. Bodily Injury and Property Damage apply as long as you are legally responsible for the accident while using an auto you own, borrow or rent.
- B. Medical Payments coverage follows you and household members while occupying autos owned by others.

In the case of Bodily Injury and Property Damage, the vehicle owner's policy would have to pay its limits before your policy would respond.

The types of vehicles you can use and have your Bodily Injury, Property Damage and Medical Payments respond in the event of an accident are very broad. In BOTH the "I Want To" and "I Have To" situations, there are some policy exclusions. Your Collision,

Limited Collision and Comprehensive coverages will follow only for "non-owned private passenger type autos. If you rent a car, van or SUV, these "physical damage" coverages would respond. Physical damage coverages would NOT respond to, for example, a rented motorcycle, motor home or moving truck.

Under what is commonly referred to as the "regular use exclusion," some of your MAP coverages will NOT respond for a vehicle owned by or regularly used by you or a household member, and your policy also might not respond if a vehicle is rented for an extended period of time. Be sure to contact your agent or company for complete details.

In the event of a total loss or theft of a rented vehicle ("I Want To" or "I Have To"), the MAP will pay for the actual cash value (ACV) of the damaged, destroyed or stolen vehicle. As a result, you may end up paying out-of-pocket for the difference between the vehicle's ACV and replacement cost as well as the loss of revenue because the vehicle cannot be rented during the time it is disabled. Be sure to read the rental agreement because each rental firm's contract is slightly different! Again, it might make sense to purchase the CDW or LDW offered.

Some Other Important Considerations:

1. Your MAP is **NOT** worldwide! Your policy covers losses that occur in the United States (including Puerto Rico and U.S. territories and possessions) and Canada.
2. Some rental companies limit where the vehicle may be operated. Operating the car beyond those limitations is a violation of the contract. The MAP would **NOT** respond because the vehicle was not being operated with the permission of the owner.
3. Most rental companies require all drivers of the vehicle to be declared (and paid for) at the time of the rental. Use by an unauthorized person would **NOT** be covered under the MAP.
4. Most rental consider the rental contract **VOID** when anyone is driving under the influence in the rental car.
5. Some folks rely on their credit card to cover damages to a rental vehicle. Be sure to read your credit card contract to determine if there are any limitations!

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Am I Covered When I Rent a Car or Truck?

