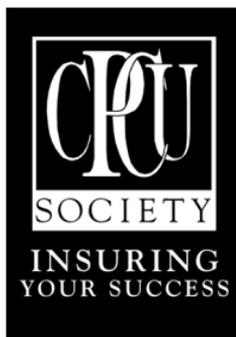


Car Care Corner

Think Twice Before Declining The Rental Car Damage Waiver

(NAPSA)—Many auto renters decline the rental car damage waiver because they think their personal auto policy will cover their use of a rental. While often true, this is not always the case, and you should check with your insurance agent or broker about your policy's coverage before renting a vehicle.



“But, even if your policy includes rentals, there may be costs it doesn't cover,” says Bill Wilson, CPCU, director of the Independent Insurance Agents & Brokers of

America's Virtual University. “For example, the rental company may well use a more expensive way of calculating vehicle damage than your auto policy and you might be stuck paying the difference.”

Also, most policies give the insurance company the right to inspect and appraise damage before repairing or disposing of the vehicle. The rental company is not bound by this and may be eager to rid itself quickly of the auto or return it to service. This can affect whether you're covered. Also, the rental company might insist on immediate payment for damage via credit card surcharge, which could “max out” your card. While most auto policies cover the rental company's loss of income, its “loss of use” calculation might

be hundreds of dollars more than your policy's limits. Further, the rental agreement might make you responsible for various “administrative” charges, such as towing, storage and appraisal, usually not covered by auto policies.

Before you rent a car, consult with your insurance agent or broker—and think twice before you rely solely on your auto policy to protect you. Ⓢ

“Most alarmingly, rental car companies frequently charge for ‘diminished value’—the loss of resale value because of damage to the vehicle—typically not covered by auto policies. Such charges of \$5,000 to \$8,000 are not uncommon,” says Wilson. Further, auto policies usually do not cover damages to motorcycles, RVs and other vehicles, and offer very limited coverage for damage to rented trailers. Additionally, coverage extends only to the U.S. and Canada; policies have deductibles; and insurance company payment to the rental car company may result in future premium surcharges for you.

So before you rent, consult with your insurance agent or broker—and think twice before you rely solely on your auto policy to protect you.

You can learn more about auto insurance by contacting an agent or broker with the CPCU designation or you can go to www.cpcusociety.org and access the Agent & Broker Locator.