



# Insurance Damage & Theft

protection programme

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## Quality Assured

BVRLA Members take care of their customers by providing value for money service with honesty and integrity. They also have to abide by a rigid Code of Conduct which includes inspections by the Association using independent inspectors CarsQA for cars and the Freight Transport Association for Commercial Vehicles.

## Insurance Regulation

The majority of products sold by BVRLA Members fall outside the scope of Financial Services Authority regulation. However, Members do follow the spirit of the insurance mediation regulations when providing 'insurance related

products'. If you are not happy with any aspect of their service, Members are happy to investigate further.

## Conciliation Service

Disputes between customers and Members that cannot be resolved easily can be referred to the BVRLA by the customer and/or the Member involved. Details should be submitted in writing. A complaint form is available on the BVRLA website, [www.bvrla.co.uk](http://www.bvrla.co.uk) in the Quality Assured section. The form and any relevant correspondence should be sent to; The Director General BVRLA River Lodge Badminton Court Amersham HP7 0DD.

# Introduction

Insurance and damage protection terms may be seen as complicated and confusing, especially if you are unused to renting vehicles. This guide explains some of the terms used when renting a vehicle and also includes some general points on the type of cover you may be offered. The guide also explains the circumstances in which you may still be responsible even if you have insurance or a damage/theft protection programme.

## What's covered under a damage and theft protection programme?

Under the terms of a rental agreement, the rental customer is normally held responsible for any damage caused to the rental vehicle, no matter how small. However, by accepting the rental company's damage and theft protection programme, which may be referred to as Collision Damage Waiver (CDW) or Theft Protection Waiver (TPW), the amount you are responsible for can be reduced.

In general, the rental company's damage and theft protection programme will help to reduce your liability. There are additional products, which can normally be purchased at the rental desk, sometimes called super collision damage, super theft protection waiver or extended liability waiver, which reduce your liability further or in some cases remove it altogether.

# What will appear on your rental agreement?

The rental agreement will show exactly what insurance or damage protection options you have been offered, and which you have accepted or declined. This includes the amount for which you are still responsible, called the 'responsibility amount' or 'excess'. It is important to understand that you, the renter, are responsible for this amount in the event that the vehicle is returned damaged or found in a damaged state when collected, regardless of fault or if the damage arises directly because of your negligence. If you are not certain about anything, you should ask the rental company before you accept the terms and conditions of the rental agreement.

## Third party liability and insurance

All rental vehicles must have third party liability insurance cover in place. The minimum legal limit for third party property damage liability is £250,000, third party death or injury liability is unlimited, although some rental companies may decide to provide cover for more than the £250,000.

## Collision and loss damage waiver

You are liable for any loss or damage caused to the rental vehicle until you return it or it is collected and has been fully inspected by a member of staff. In order to protect yourself against this liability, the rental company may offer you collision or loss damage cover, details of which will be shown on the rental agreement.

By accepting to pay an extra daily charge, you will limit what you are responsible for to the 'responsibility amount' or excess amount shown.

## Theft waiver

This provides cover if the rental vehicle is stolen or someone damages it while attempting to steal it. By accepting to pay an extra daily charge, you will limit what you are responsible for to the 'responsibility amount' or excess amount indicated.

## Personal belongings insurance

You are responsible for belongings carried or left in a rental vehicle. You can add this insurance to the personal accident insurance, but you may equally be offered it as a separate insurance option. Personal belongings insurance provides cover for loss or damage to your personal belongings and those of your passengers. There may be specific exclusions, for example computer equipment, so it is important to check what is covered. The rental company can give you details of this insurance and the rental agreement itself will show any amount which you will have to pay.

## Personal accident insurance

Personal accident insurance will provide cover for the person driving the rental vehicle in the event of his, or her, personal injury or death. The rental company can give you details of this insurance and the rental agreement itself will show any amount which you will have to pay. Passengers in the rental vehicle are covered by the third party motor insurance that will be in place.

## Comprehensive insurance

Comprehensive insurance normally only covers private motor vehicles and is not usually associated with rental vehicles. The rental company may offer a 'comprehensive protection package' that describes a wide range of insurance cover. In this case, the rental company will be able to give you details of exactly what is included in this package and the rental agreement itself will show any excess or responsibility amount which you may have to pay.

## Your own insurance

In some circumstances, the rental company may allow the rental vehicle to be covered by your own motor insurance policy, if they are satisfied that it has the appropriate level of cover. If this arrangement is acceptable, the rental company will need evidence of your motor insurance and will have to agree to the amount of cover you arrange, the type of policy and the insurer you have chosen. If the rental company accepts this arrangement, it will be shown on the front of the rental agreement.

Whilst comprehensive insurance policies sometimes include third party motor vehicle cover for the main policy holder to drive any vehicle, this is generally not accepted by the rental company for cover of the rented vehicle.

# Frequently Asked Questions

## Who may drive the rental vehicle?

Only the person named and any authorised drivers named on the rental agreement may drive the vehicle. You must not let anyone else drive the vehicle as you will not be able to rely on the motor insurance cover if there is an accident or any loss. In addition, the driver may also be prosecuted by the police for driving without valid motor insurance.

## For what period is the motor insurance collision or damage cover valid?

Any cover is only valid between the dates and times agreed as the rental period as specified on the rental agreement. If you want to extend the rental period and associated cover, the rental company must agree to this prior to the expiry of the rental period agreed.

## Am I covered to drive the vehicle everywhere?

You will not be covered to drive the vehicle everywhere. For example you may only be insured to drive in England, Scotland and Wales. It is important to check with the rental company and ensure you obtain specific permission and any appropriate extra cover and relevant travel documentation. Ask the rental company to provide more information if you intend to take the vehicle abroad.

## Can the vehicle be used for any type of use?

The vehicle is normally covered only for use in public places. Unless you have obtained written prior consent from the rental company, the vehicle must never be taken off road or used for racing or used as a taxi.

## What should I do if the vehicle is involved in an accident?

You must follow any specific instructions given by the rental company and if you are in any doubt about the action to

take, contact them to check. However in general terms you should report any theft or attempted theft to the police. You should also call the police if you are involved in an accident where anyone is injured. If you have an accident, you must not admit responsibility. You should obtain the names and addresses of everyone involved, including witnesses. You must then fill in the rental company's accident report form and send it to them.

## What am I financially responsible for under the terms of the damage/theft protection programme?

What you have to pay will depend on the terms of cover offered by each rental company. However, the following are general points to note.

### Charges

You must pay any charges shown on the rental agreement. There will be an extra charge for using the vehicle for overseas travel or for any other specified and agreed use. If you are not sure about the charges listed, ask the rental company.

### Responsibility or Excess amount

If you have accepted cover as indicated on the rental agreement you still normally have to pay a certain amount in the event of loss, damage or theft to the vehicle. This amount is shown as the 'responsibility' or 'excess amount' on the front of the agreement.

### Other Excess

If you accept cover for personal accident or belongings as shown on the rental agreement, you may have to pay the excess or the amount shown if a claim is made for lost belongings or personal injury.

## Special points to note

Even though an insurance or damage protection programme may be in place, you may be responsible for the following:

### Windscreen damage

### Tyre damage

### Overhead damage

You will be responsible for any damage to the roof or upper part of the vehicle caused by hitting low-level objects such as bridges, branches or filling station canopies.

### Damage inside

You will have to pay for repairs if the vehicle needs more than what the rental company considers to be standard valeting or you have damaged the inside of the vehicle for example, with cigarette burns to the upholstery.

### Loss of use or loss of income

The damage protection programme does not always cover loss of use or loss of income to the rental company when

they cannot rent out the vehicle because it needs to be repaired or it is beyond repair and the company is waiting for a full payment of the vehicle's value. So, you may be charged at the full daily rate for any loss of income but will not be charged for more than 30 days' rental charges.

If you are unsure if there are any exclusions under the damage/theft protection programme ask the rental company to confirm.

## Other important information

As insurance policies and damage protection programmes may vary from company to company, make sure you ask the rental company for details of their particular cover and ask them to guide you through any areas where you would like more information.