

Questions of cash

Paul Gosling



No such thing as pension freedom; hiring a car in Iceland comes with a weather warning



Insurance black spot: a car drives under a volcanic ash cloud in Iceland **AFP/GETTY IMAGES**

their customers' wishes is, will they allow then to transfer out to an alternative provider with the minimum of cost and paperwork?"

We checked with Friends Life about its charging policy on transfers. Its spokesman clarified: "Existing exit charges may apply if a customer chooses to surrender their policy before their retirement age, as we need to apply these charges consistently and fairly for all customers. Those who have reached their retirement age will not have any exit charges."

Q | We hired a Hertz hire car for a week in Iceland and purchased CDW [collision damage waiver] insurance cover. When we returned the car at end of the holiday, Hertz advised that there was sandstorm damage to the near side of the car. It required new doors and windows and Hertz requested around £6,000 for repairs. We contested the amount and refused to pay that excessive amount.

We had to catch a flight home within the hour, so

not advised about taking out any "sand and ash protection" cover when we collected the car, let alone what action to take in the event of a sandstorm.

Hertz's office told us that five other families had suffered similar damage that week. Some were insured and some were not. AC, Cardiff

A | Your experience is a very useful warning to others hiring a car in Iceland – and other areas subject to sandstorms or volcanic ash. But we have been unable to resolve your problem.

A spokeswoman for the company said: "Following a thorough investigation, Hertz has contacted [the reader] with an explanation of the case, including all the relevant documentation. While [the reader and his partner] accepted the collision damage waiver and theft protection [TP] – which reduce customers' liability in the event of an accident or theft – at the beginning of the rental, they did not accept the special waiver that Hertz offers in Iceland to cover

to show exactly what was declined and accepted.

"The 'special note' at the bottom of this document was also highlighted to ensure customers were aware of important rental information, including the fact that a special waiver to reduce excess liability in case of damage caused by ash/sandstorm is needed.

"As part of Hertz Iceland's efforts to ensure customers understand the driving risks in the country, they are also provided with extra documentation warning them about this issue. Unfortunately when the vehicle was returned, our branch found that numerous areas had been damaged by sand and ash. In accordance with the agreement signed at the beginning of the hire, customers were liable for the full costs of repairs.

"But as a gesture of goodwill, when the customers returned the vehicle, Hertz Iceland agreed to only apply the liability excess on the invoice – considerably smaller than the actual repair cost."

Important information about "**sand and ash protection**" in Iceland – ©**Questions of Cash**
– **Paul Gosling** – **The Independent Saturday 13th June 2015**

Q. We hired a Hertz hire car for a week in Iceland and purchased CDW [collision damage waiver] insurance cover. When we returned the car at end of the holiday, Hertz advised that there was sandstorm damage to the rear side of the car. It required new doors and windows and Hertz requested around £6,000 for repairs. We contested the amount and refused to pay that excessive amount.

We had to catch a flight home within the hour, so under pressure we accepted Hertz's compromise of enhanced insurance that meant we only had to pay a policy excess of £1,198.

We have emailed Hertz UK and Hertz Iceland and complained that we were not advised about taking out any "sand and ash protection" cover when we collected the car, let alone what action to take in the event of a sandstorm.

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A spokeswoman for the company said: "Following a thorough investigation, Hertz has contacted [the reader] with an explanation of the case, including all the relevant documentation. While [the reader and his partner] accepted the collision damage waiver and theft protection [TP] – which reduce customers' liability in the event of an accident or theft – at the beginning of the rental, they did not accept the special waiver that Hertz offers in Iceland to cover damage from sand and ash.

"On the rental agreement signed by [the reader's partner] in Keflavik, it can be seen that the insurance and coverage declaration has been highlighted by the staff at the start of the rental to show exactly what was declined and accepted.

"The 'special note' at the bottom of this document was also highlighted to ensure customers were aware of important rental information, including the fact that a special waiver to reduce excess liability in case of damage caused by ash/sandstorm is needed.

"As part of Hertz Iceland's efforts to ensure customers understand the driving risks in the country, they are also provided with extra documentation warning them about this issue. Unfortunately when the vehicle was returned, our branch found that numerous areas had been damaged by sand and ash. In accordance with the agreement signed at the beginning of the hire, customers were liable for the full costs of repairs.

"But as a gesture of goodwill, when the customers returned the vehicle, Hertz Iceland agreed to only apply the liability excess on the invoice – considerably smaller than the actual repair cost."

Questions of Cash cannot give individual advice. But we'll do our best to help if you have a financial dilemma. Email us at: questionsofcash@independent.co.uk