



Non-Owned Auto Insurance

when driving vehicles you do not own or personally insure

If I drive a company vehicle, isn't my employer going to be responsible and not me?

Yes, often the employer's policy has insurance to cover the driver of the company vehicle and that insurance is there to protect you as the driver too. Your employer needs to have a policy in force.

You had better be using the company vehicle for a permitted use. The liability limits need to be high enough to cover the accident and pay for all injuries you have caused. If they are not enough, you may personally still be liable to pick up where the insurance policy limits stop.

My parent/grandparents have a vehicle and I'm a driver of it. Don't they have insurance?

If it is insured, some companies require drivers to be listed to be insured. This should be something checked on their policy. Make sure you are satisfied with the limits provided; otherwise add family non-owned coverage to the auto policy and then the family is protected either way.

My daughter is away at school and in an apartment with three others. When needed, such as for groceries or a pizza, the keys are there and she uses her friend's car. Does my insurance cover her?

You have no idea what insurance is on the other car your daughter is driving. It might even require your daughter to be listed on that policy as a permitted driver or there is no coverage. Her friend might not own the car and it is actually owned by the friend's parents. Does the child have permission to give another child permission to drive? If that car is cracked up and people are hurt.... How do you think this is going to go?

He gave me the car and said it was okay to use. I didn't realize it wasn't his car and he didn't have permission to extend driving privileges to me.

This is another permitted use example. It should be assumed that if you have a work car / truck given to you to drive for work, then **permission does not extend to anyone else.**

My employer said I could keep the truck/car at home. My own car wouldn't start and I needed a vehicle right then! I didn't think he would mind, but I didn't think I would have an accident.

Is this use permitted? It might be if you stopped for groceries on the way home and had a fender bender in a parking lot and the repairs are \$3,000. Some employers would say, "he was on his way home." What if it was a Friday or Saturday night and you were on your way home from a bar, had been drinking and then had an accident?

Non-Owned Coverage and Your Personal Policy

If you have your own personal auto insurance policy, you get free non-owned auto coverage when driving a non-owned auto providing **it is not available for your regular use** and you don't own it.

If it is available for your regular use then consider adding non-owned auto coverage for vehicles made available for regular use on your personal auto policy. The cost ranges from \$150 to \$300 per year and usually there is no charge on the personal umbrella.

What is regular use? **

Regular use is not defined in the policy and will be determined at time of the accident. For most companies, 4 or more times in a month would be considered regular use, but with some it is less. The term "available for regular use" is how it is worded in most policies.

How can I know when I'm covered on my policy when I drive someone else's vehicle?

If you think you have permission to drive and the use has not been 4 or more times in a month, then you could assume this would not be regular use and would be covered. Some companies are fewer – such as Progressive which informs its agents that more than once in a month can be considered regular use.

If I rent a car for a week or two while on vacation or for work, isn't that more than 4 times with the same auto?

No, the rental of a vehicle is one time, whether it is for a week or two weeks. Renting a vehicle can be covered on your personal auto policy, but there are some exclusions and limitations.

**** Regular Use**

Progressive, "one of the largest auto insurers in the USA", states that 2 or more times in a month should be considered regular use and your policy then **would not extend coverage to you** when driving that non-owned auto.

Further, Progressive in some states requires you to be a listed driver on the policy if you live in the same household. If you have such a situation like this or any questions about the definition of regular use, please ask the company or the agent and get the answer provided to you in writing.

