

Car Rental Excess Insurance – Factsheet

This policy is designed for customers renting a car with a rental agency where they will have an excess to pay under the terms and conditions of the car rental agreement if the vehicle is damaged or stolen.

Outline of the cover:

This product is for individual customers that are planning to hire a car for their next holiday, leisure or business trip. If the rental car is damaged, written off or stolen the rental company will charge the customer an Excess. This can be £1000 upwards. Rental firms will always encourage customers to pay more money on top of the rental price to bring the Excess to £0. However this additional protection sold by the rental firms is often expensive and can be as much as £15 per day.

Our Car Rental Excess Insurance policy allows your customers to purchase this protection separately before they travel and avoid the pressurised sales tactics at the rental desk and give them peace of mind that if the rental car is damaged this policy will reimburse the excess taken by the rental company.

IMPORTANT: This product is designed to cover the excess charged by the rental company. This product is not a replacement for the motor insurance cover on the rental vehicle, often referred to as Collision Waiver Damage (CDW) or Loss Damage Waiver (LDW).

Car Hire Excess explained further....

It can be quite confusing to understand all the terminology used by car rental companies. What is CDW? Let us explain further...

When renting a vehicle customers will see the rental company referring to terms such as Collision Damage Waiver (CDW) or Loss Damage Waiver (LDW). CDW/LDW is a form of motor insurance on the rental vehicle, so if the customer damages the vehicle the rental company will not charge the customer for the full cost of the repair or for the value of the car if it is stolen or written off. In many countries (such as countries in Europe) it is a legal requirement for the rental company to include CDW/LDW as part of the rental agreement so that customers are covered for damages and accidents. However rental companies will still make customers responsible for the first part of any damage caused, known as an excess and may also not cover damage to tyres, windscreens, undercarriage of the vehicle or loss of keys for example. The excess that rental companies can make customers responsible for is anything up to £2,000 and will take this as a pre-authorisation on a credit card.

When a customer arrives at the rental desk they will explain that there is an excess to pay on the vehicle if it is damaged or written off. However they will offer to bring the excess down to £0 for an additional daily fee. This can be as much as £15 per day. Our car rental excess insurance allows customers to purchase this protection before they arrive at the rental desk allowing them to save money, give them peace of mind and not be forced into buying the rental companies additional cover. So when the customer is offered this cover at the rental desk or on the car rental website they can decline the additional daily fee in the safe knowledge that with our policy the excess will be reimbursed. Terms and conditions do apply.

We recommend that customers always check that their car rental agreement includes CDW/LDW otherwise in the event of a total loss the customer could be responsible for repaying the rental company the full value of the vehicle.

Eligibility:

- The customer is aged between 21 and 84 years old.
- Customer and all named drivers hold a full and valid, internationally recognised driving licence.
- The customer and all named drivers are permanent UK residents.
- The customer is renting a car with less than 9 seats.
- The customer is purchasing this policy before rental agreement starts.
- The customer named on this insurance policy will also be the lead person named on the car rental agreement.
- The rental car will not exceed a value of £100,000 and will be under 10 years of age.

What vehicles can be covered:

This policy will only cover private cars.

We do not cover Motor Homes, Trailers, Caravans, commercial vehicles, off road vehicles, any private car that carries more than 9 people including the driver or motorcycles.

What damage/accidents are covered and what are the claim limits:

- Up to £6,000 for Excess reimbursement. This section includes loss or damage to windscreens, roof, tyres and under body of the car.
- Up to £500 towards the costs to open a rental car if the customer unintentionally locks themselves out.
- Up to £500 for replacing lost or stolen vehicle rental keys, including replacement locks and locksmith charges.
- Up to £500 for towing costs incurred to recover the rental car following an accident or theft.

Terms, conditions and exclusions apply.

Restrictions on when the cover can be purchased:

This policy must be purchased before the car rental agreement starts.

What cover options are there?

A customer can purchase cover for a single trip (you can select the number of days required within certain bandings) or the customer can purchase an annual policy which will cover them for an unlimited number of separate trips (annual claim limit applies). Each trip not to exceed 30 days or for a higher premium 60 days.

Customers can choose a UK & Europe policy or a worldwide policy. There are certain countries that are specifically excluded (please see the IPID/policy wording) in addition to any countries where the Foreign and Commonwealth Office has advised against all or all (but essential) travel.

Does the customer still need to take a credit card (or other means of payment) for the rental company to take a damage deposit/Excess?

In most cases the rental company will require a credit card to pre-authorise the damage deposit/Excess amount, even if the customer has this insurance. If the customer does not have a credit card some rental companies force you to then pay for their excess protection to bring it down to £0 even if you have purchased our policy. The customer should check with the rental company before travelling regarding this.

If the customer damages the rental vehicle will the rental company still charge?

Yes, the rental company will still charge the customer the excess and take the money from their credit card. A claim will then need to be submitted to us for the reimbursement of that excess.

Cooling off Period:

If this policy does not meet the needs of your customer they have 14 days from the date they received their policy documents to cancel the policy and get a full refund, provided that the car rental agreement has not started. After 14 days there is no refund of premium.

Claims:

Policyholders should report their claim directly to us. The policyholder will need to supply supporting documents such as; a copy of the rental agreement, travel documents showing period of travel, receipts, bills and invoices that the policy holder has had to pay and driving licence.

The underwriter:

This policy is underwritten by Ageas Insurance Company Ltd.

This document is a guide to Car Rental Excess insurance and is produced by Jackson Lee Underwriting. Please refer to the policy wording for full policy terms and conditions.