

What's going on

July 2011

Heading off on vacation?

Not long now until you're off on vacation! Planning to travel outside Quebec? Let your insurer know. Check whether you've got enough liability coverage so that you're well protected should you be sued following an accident abroad (mainly in the U.S.).

Your car insurance policy only covers your vehicle in Canada and the U.S. The theft of your car is covered under your auto insurance policy provided you purchased theft coverage.

Renting or borrowing a car

If you're planning to rent or borrow a car in Canada or the U.S., adding **Endorsement 27** to your auto insurance policy will cover you in case of damage to the vehicle (including tent and camping trailers). This coverage is often the same as the coverage you have for your own car. For the most part, Endorsement 27 coverage is cheaper than the coverage offered by the car rental company.

Lending your car

Let your insurer know if lend your car to a friend. The general provisions of your insurance policy require that you let your insurer know about any circumstances which may aggravate the risk which the insurer accepted to take when you purchased your policy.

This would be the case if you lend your car to your nephew who is under 25 years of age; to your sister who uses it for work, whereas you don't; or to a friend who has already made several claims whereas you have none. You must notify your insurer if you're lending your car repeatedly, not just the one time.

Many people are reluctant to let their insurance company know they lend their car to a friend, for fear they'll have to pay a surplus. This would only apply if the person to whom you lend your car represents a greater risk than you. Moreover, if you haven't let your insurer know and your friend has an accident with your car, you may only be partially indemnified.