

Greetings... This issue of my client newsletter marks the completion of 30 consecutive years of writing these for you. To keep you informed on the latest laws, new coverages, coverage gaps and more, with my advice on how to handle each one. I hope that you have found them useful in helping you manage the risks in your life.

The biggest development in the marketplace affecting car and umbrella insurance coverage is the appearance of "Transportation Network Companies" (TNC's). Companies like Uber, Lyft, and Sidecar. Their participating drivers provide rides for Metro-area residents for a fee or "suggested donation." They use the Internet to hook up riders and drivers.

**STORYTIME**

In the past 30 days, we received phone calls from two fathers of college-age students who wanted to earn some extra spending money driving for one of these services. They wanted to know if there would be coverage under their policies.

**IF YOU ARE A DRIVER  
FOR ONE OF THESE  
COMPANIES, HOW MUCH  
COVERAGE DO YOU  
HAVE?**

None whatsoever under your personal auto or umbrella policy. For as long as I have been an agent, there's always been a liability insurance exclusion for delivering persons for a fee. The reason for that is that, as a driver, when you are hauling someone for a fee, you will be held to a much greater standard of care than you are for no-fee rides.

**DON'T THE TNC'S  
PROVIDE INSURANCE  
FOR THEIR DRIVERS?**

Yes they do but only when you are driving with the fare. However, driving to the pick-up location isn't covered. And even if you were covered, the TNC liability limit might not be high enough to cover the entire judgment for a serious injury you cause. Or as a driver, you may have done something that voids their coverage. (Having had a beer, getting ticketed for speeding, etc.)

**THERE ARE PERSONAL  
SAFETY ISSUES TOO**

For both driver and passenger. Possible muggings, robberies, and worse. Considering those issues plus the probable lack of insurance, I wouldn't want to be driver or passenger for any of these services.

**BOTTOM LINE?**

Never ever haul people for compensation! For all the above reasons!

**"WHAT ABOUT  
VOLUNTARY PICKUPS?"**

Such as bringing seniors to doctors or hauling students to athletic events? No problem! You can do this morning till night seven days a week if you want! If there is any doubt as to whether or not the use of your car for cash is or isn't covered, call me or email me personally. Better to be safe than sorry.

**OBAMACARE: A  
REMINDER OF THE  
SECOND ANNUAL OPEN  
ENROLLMENT**

The open enrollment dates are from November 15 through February 15, 2015 for a January 1, February 1, or March 1, 2015 effective date. This is open to anyone without health insurance or with health insurance but wanting to make a change in companies or plans.

**REMEMBER MARY JO  
HOFF FOR HEALTH  
INSURANCE**

Mary Jo has been working with Carol and me the last two years as our health insurance – and Medicare – expert. If you have any questions about health insurance or Medicare, you can reach her directly at 952-896-9524 or by email at [mjhoff@corporatefour.com](mailto:mjhoff@corporatefour.com).

**SEPTEMBER IS BACK TO COLLEGE MONTH**

And all the risks associated with that. Should you buy supplemental student medical coverage from the college? What about studying abroad? The pros and cons of taking a vehicle to school. Are your student's personal belongings covered for fire and theft under your homeowners policy if they move to an apartment instead of the dormitory? Will they need special coverage on their laptop computer? Where do they get liability coverage if they hurt someone? What about you as the parent? Are you covered for liability? Should you cosign the lease for them or is there a better alternative?

**OCTOBER 2010**

That is the issue date of my newsletter where I addressed all these questions and more. If you haven't saved your copy, email Carol Bechay at [cbechay@Corporatefour.com](mailto:cbechay@Corporatefour.com) who will be happy to send you an electronic copy. Or you can download your own copy from my website [www.JackHungelmann.com](http://www.JackHungelmann.com) . Just click on the "Newsletters" tab.

**RENTING CARS – JUST HOW GOOD IS THE DAMAGE COVERAGE AVAILABLE FROM YOUR CREDIT CARD?**

First of all, most credit card coverage programs are "excess" meaning your current auto insurance coverage has to pay first. Totally avoid those kinds of cards. Consider only cards that offer "primary" coverage so you won't have to involve your car insurance at all. Be careful to follow all the requirements that trigger coverage, such as listing all drivers on the rental agreement, charging the car-rental to your particular credit card that offers the coverage, and declining the collision damage waiver optional coverage from the rental company.

**HAVE A BACKUP PLAN**

Just in case you get caught in a situation where the credit card coverage won't cover your use (had one drink or drove an SUV off paved roads, for example.) The backup domestically can be your personal auto policy which, in Minnesota, covers damage to any rental car, rented in the USA or Canada, for which you are responsible. If you rent abroad, some umbrella policies will cover the damage and can be a backup. (Chubb and Auto-Owners, for example.)

**WHAT I DO WHEN I RENT – STORYTIME**

We just finished a family vacation to Oregon where we had to rent a minivan for a week. In addition to my wife, my son and his wife were permitted drivers. I saved \$200 in rental fees by declining the optional collision damage waiver coverage from the rental agency. My Minnesota policy gives me full coverage with no deductible. I don't mess with the credit cards. Too complicated for someone who rents very seldom, like me.

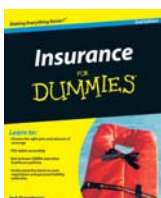
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If you find these newsletters helpful to you, I would love to hear from you. [Jhungelmann@corporatefour.com](mailto:Jhungelmann@corporatefour.com)

*Wishing you a beautiful fall season!*

*Jack Hungelmann*



Insurance for Dummies second edition, authored by Jack Hungelmann. Buy it online at [www.dummies.com](http://www.dummies.com) or [www.amazon.com](http://www.amazon.com).

