

MEDIA RELEASE

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Using one's car to make ends meet Take care!

Montreal, May 31, 2016 – Using one's own car to make ends meet is a tempting concept, but one that could prove very costly for those who have not talked to their insurer first.

Insurance Bureau of Canada reminds policyholders they must inform their broker or insurance company if they're making different use of their vehicle. "Insurance premiums are based on the risk declared at the time the policy is purchased and any subsequent change can affect the premium or coverage provided," explained Line Crevier, Supervisor, Technical Affairs, at Insurance Bureau of Canada.

Moreover, an insurer may refuse to pay a claim if the policyholder's personal vehicle was used for business purposes not declared to the insurer. Carrying paying passengers is one example. "Ride-sharing is very much in the news these days. However, it's not covered under the individual auto insurance policy in Quebec. The same exclusion applies to renting one's vehicle to an individual", noted Ms. Crevier.

It's therefore important to know that if policyholders have not informed their insurer they use their vehicle other than for personal use, the insurer may refuse to settle all or part of their claim if they have an accident. This could have serious financial consequences.

Information is available to everyone

All insurance policies spell out coverage and exclusions. So it's important to read one's policy. IBC encourages consumers to contact their broker or insurance company if they have questions about their coverage. It also provides information on its web site at infoinsurance.ca, and its agents at the Insurance Information Centre are available at the end of the line to answer questions at 1 800 288-4321.

About Insurance Bureau of Canada

Insurance Bureau of Canada, which groups the majority of Canada's P&C insurers, offers various services to consumers in order to inform and assist them when purchasing car or home insurance, or making a claim.

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