



## **PRESS STATEMENT:**

### **GIA advises car owners who wish to rent out their private cars to ensure proper insurance coverage**

*Singapore, April 2, 2013*

*Release: Immediate*

The General Insurance Association of Singapore (GIA) wishes to advise motorists that under the terms of cover in a typical motor insurance policy on private vehicles, the permission for use is limited to social, domestic and pleasure purposes only. There is no coverage if the insured vehicle is used for rental purposes. Motor insurers have different terms of cover and premiums for rental vehicles.

Hirers of private vehicles should be aware of the consequences of driving without insurance cover and that they could suffer substantial financial losses if the car owner has no insurance protection. The losses are not just confined to property damage, but could extend to third party bodily injuries as well.

Moreover, both driver and car owner are jointly and severally liable for any losses if the driver is found to be negligent.

Car owners are advised to contact their insurer to ascertain if they do offer insurance to cover such private car leasing arrangements. GIA also would like to advise hirers of private cars to check with the car owners to ensure that the latter do possess the required insurance cover, before proceeding with the rental.

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*For more information about this release or about the GIA, please contact John Lim of Reputation Management Associates (RMA) on +65-9756 3582.*