



RENTAL VEHICLES COVERAGE ENDORSEMENT (New York)

Refer to Supplemental Declarations if information is not shown on this form.

We provide coverage under this endorsement subject to the *terms* contained in the *Business Automobile* Provisions.

AGREEMENT

We the company agree with *you* as named *insured*, in return for payment of the premium for coverage, to provide coverage for those insured rental *private passenger motor vehicles* which are licensed or principally garaged in New York State.

RENTAL VEHICLE COVERAGE

The *Rental Vehicle* Coverage endorsement applies only to, and is part of, every motor vehicle liability insurance policy that covers less than five *private passenger motor vehicles*.

For each such policy, this endorsement provides coverage for the *insured's* obligations in the event of actual damage to, or loss of, any *rental vehicle*, including loss of use, rented by the *insured* anywhere in the United States, its territories or possessions, and Canada under a rental agreement with a term no longer than thirty continuous days, regardless of where such *rental vehicle* may be registered, rented or operated.

Rental Vehicle Coverage shall provide protection regardless of:

- (a) fault; and
- (b) whether the *rental vehicle* is rented or operated for business or pleasure, unless used for transporting persons or property for hire.

Definitions:

- (a) *Insured* means *named insured* or any *relative*;
- (b) *Relative* means a spouse, child or other person related to the *named insured* by blood, marriage or adoption (including a ward or a foster child), who regularly resides in the *insured's* household, including any such person who regularly resides in the household, but who is temporarily living elsewhere;
- (c) Private Passenger Motor Vehicle
 - (1) a motor vehicle of the private passenger or station wagon type that is owned or hired under a long-term contract by an individual or by husband and wife, and is neither used as a public or livery conveyance for passengers nor rented to others without a driver; or
 - (2) a motor vehicle with a pick-up body, a delivery sedan, panel truck or van, owned by an individual or by husband or wife who are residents of the same household, or by a family farm co-partnership or a family farm corporation, and not customarily used in the occupation, profession or business of the *insured* other than farming or ranching, whether or not used in the course of driving to or from work.
- (d) *Long-Term Contract* means a contract with a term of six months or longer.
- (e) *Rental Vehicle* means a vehicle of the type described in (c) above, if:
 - (1) not used for transporting persons or property for hire; and
 - (2) owned by a person engaged in the business of renting or leasing vehicles rented or leased without a driver to persons other than the owner and is registered in the name of such owner.

Priority of Payment:

- (a) In no event shall payment be made under this endorsement duplicating payment made by this policy, another policy or another insurer for the same claim.
- (b) If more than one policy could cover the claim, payment or the claim shall be made in the following order of priority:
 - (1) the policy with respect to which the person is a *named insured*;
 - (2) if the person is not a *named insured* on any policy, the policy with respect to which the person is an *insured*;
and
 - (3) where two or more policies provide coverage of equal priority, the policy or insurer with respect to which the claim is first submitted.

- (c) An inquiry about coverage or notification of damage to, or loss of, a **rental vehicle** shall constitute submission of a claim.

Exclusions:

No **rental vehicle** coverage shall be provided:

- (a) arising beyond the geographic limitations of the policy to which **Rental Vehicle** Coverage is endorsed;
- (b) to an **insured** who has committed fraud in connection with damage to, or loss of, a **rental vehicle**, including loss of use; or
- (c) for damage to, or loss of, a **rental vehicle**, including loss of use, which the **rental vehicle** company is precluded from recovering from the **insured**:
 - (1) pursuant to the terms of the rental agreement; or
 - (2) due to the prohibition of section 396-z of the General Business Law or similar statutory provisions of other jurisdictions.

Subrogation:

- (a) In the event of any payment under this endorsement, the insurer is subrogated to the extent of such payments to the rights of the person to whom, or for whose benefit, such payments were made.
- (b) Such person shall execute and deliver instruments and papers and do whatever else is necessary to secure such subrogation rights, and shall not act in a manner that may prejudice such rights.
- (c) Subrogation shall not be pursued against any person who operated the **rental vehicle** with the **insured's** permission.
 - (i) The notice prescribed herein shall be sent to all policyholders, with motor vehicle liability insurance policies covering less than five **private passenger motor vehicles**, commencing April 1, 1989, upon policy renewal or new policy issuance, and shall be sent again if the insurer at any time thereafter determines to charge or increase a premium for **rental vehicle** coverage, giving affected policyholders an option to reject this coverage, except to those who previously exercised such option.