

New York Consumers Should Not Participate in Relay Rides' Online Car-Sharing Program Until Further Notice

Consumers Should Be Cautious About Participating in Other Car-Sharing Programs

If you are a New Yorker seeking to rent your vehicle via an online car-sharing program, beware that you will likely be (1) responsible for damages and injuries stemming from accidents during the rental period, and (2) in violation of your auto insurance policy.

RelayRides, an online car-sharing company, has been falsely representing to New Yorkers that car owners can earn money by renting out their personal cars **with no consequence to their insurance**. The company promises that they provide policies that replace your auto insurance when the car is rented, but these policies are not approved by the State and do not supersede your policy. In fact, New Yorkers who rent their own vehicles through RelayRides and other car-sharing programs may be left paying out of their own pockets for damages and injuries stemming from any accidents that occur during the rental period. Further, your participation in these programs may violate the terms of your insurance policy and your coverage could be canceled or not renewed. On May 15, 2013, RelayRides agreed to suspend its car sharing service in New York, and New Yorkers should not use this program unless and until the Department of Financial Services indicates that the RelayRides program complies with New York Insurance Law.

Know the facts to protect yourself from financial exposure and keep your auto insurance intact:

- Insurance provided by RelayRides and other car-sharing programs will not replace your auto insurance.
- You may be personally responsible for any damages and injuries that occur if your car is involved in an accident during the rental period.
- Renting out your own car through car-sharing programs may be a violation of your auto insurance policy, and could result in the cancellation or nonrenewal of your auto insurance policy.
- This alert applies to car-sharing programs where New Yorkers **rent out their own vehicles**, and not to subscription car rental services that rent out the companies' own fleets of cars.

The New York State Department of Financial Services educates and protects insurance consumers, and works with insurance providers to achieve a sound marketplace. If you have further questions about our services, contact our Consumer Hotline at 800-342-3736.

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