

## Insurance

Most private vehicle insurance policies prohibit “use for hire or reward” or words to that effect. However, it is our understanding that car sharing under the NCS guidelines does not constitute “hire or reward”. You will find a statement from the Association of British Insurers on this subject below:

### Motor Conference Undertaking

The receipt of contributions as part of a car sharing arrangement for social or other similar purposes in respect of the carriage of passengers on a journey in a vehicle insured under a private car policy will not be regarded as constituting the carriage of passengers for hire or reward (or the use of the vehicle for hiring) provided that:-

- (a) the vehicle is not constructed or adapted to carry more than eight passengers excluding the driver)
- (b) the passengers are not being carried in the course of a business of carrying passengers
- (c) the total contributions received for the journey concerned do not involve an element of profit

### Note

If in any doubt whether a car sharing scheme arrangement is covered by the terms of a private car policy the policyholders concerned should make an inquiry to their motor insurers

Motor Conference is the Standing Joint Committee of the Association of British Insurers and Lloyds Motor Underwriters' Association

(Supplied by the Association of British Insurers June 1998)

On the following page you will find a draft letter that you might like to use when writing to your insurer or broker.



A flexible way to travel that suits your life style

Insurance Company / Broker  
Address 1  
Address 2  
Address 3  
Postcode

NCS Member  
Anyhouse  
Any Street  
Anytown  
Postcode

Date

Dear Sirs

Re: Car-Sharing. Policy number: .....

I have recently joined a car share scheme operated by National CarShare. When I give other National CarShare members a lift I shall be in receipt of a contribution from them towards the cost of fuel and other running costs.

I will not be making a profit by the arrangement and I am not participating in National CarShare as a business venture.

Please confirm that my participation in National CarShare does not affect or invalidate my motor policy in any way.

A statement by the Association of British Insurers on this matter is enclosed. (print out of pdf P1.)

For more details about National CarShare please visit [www.nationalcarshare.co.uk](http://www.nationalcarshare.co.uk)

Yours faithfully,

Signed