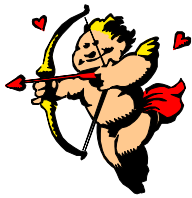


◆ InsureIntelligence ◆

A. M. Townley, Jr., BBA, MBA
Insurance Education Seminars

InsureIntelligence



I LOVE YOU,
BUT YOU CAN'T
DRIVE MY CAR

“Don’t let anyone drive your car!” We’ve all heard these words, especially as teenagers. All parents envision their teenager giving permission to a “friend” to borrow their car. The car of course is titled in the parent’s name and insured under the family auto insurance policy, also in the parent’s name. So, exactly what problems are created when someone else drives your car?

It is Valentine’s Day. Both John and Marsha are seniors in college and they are very much in love. There is no better time to be in love than on Valentine’s Day. But, there is a small problem. Marsha’s car has not been working for the past few days, and she has to go pick up her new dress for the formal she and John are attending on Friday night. “John, I need to borrow your car to go get my dress . . . may I have the keys?” “Gee, Marsha I’d like to help you, but my Dad said I can’t let anyone else drive my (his) car.”

Of course, Marsha quickly wins this discussion and off she goes to pick up her dress in “Dad’s” car that has no collision insurance. When she struck the rear of the car in front of her and pushed it into a third vehicle, she knew it was going to be a bad Valentine’s Day. Naturally, the man in the car she struck was still recovering from neck surgery and had just left the Doctor’s office.

It soon became evident to John that “his” car was totaled and “Dad” was not going to be happy. Marsha, between tears, promised to pay to have his car fixed, only to find out later that since her insurance would not pay, and “her” Dad would not pay . . . well, what could she do, she didn’t have \$5,000.

John’s Dad now has to deal with a lawsuit from a third party, and his already high insurance premium is going up because he has lost his “loss free discount.” And, of course, he has to also find a way to get his son some form of transportation.

Quickly the romance ended, and Valentine’s Day became a Valentine’s Day Massacre. “If only I hadn’t let Marsha borrow my car . . . ,” John sighed.

What is the best solution?

- 1. Don’t let anyone else drive your car.*
- 2. Don’t let anyone else drive your car.*
- 3. Don’t let anyone else drive your car.*

InsureIntelligence is written by Alvin M. Townley, Jr.
750 Commerce Dr, Suite 308, Decatur, Ga 30030
(404) 377-7774 or (800) 633-1946

Alvin is a graduate of The University of Georgia where he received both his BBA and MBA with a major in Risk Management and Insurance. He is a regular speaker for ERS Seminars.