

Using your personal vehicle for business? (October 2008)

Not all auto insurance is the same. A personal auto insurance policy generally won't cover damage to your car if you're using it for business purposes.

Even if your personal policy has "business-use" coverage, you may find yourself at a loss when an accident happens, especially if your liability limits are not high enough to cover the damage. Make sure you're protected.

Call your insurance company or independent agent and ask these questions:

- **How do you define "commercial use?"** Some insurers may simply define it as transporting goods for compensation or a fee. That could include services like:
 - pizza and newspaper delivery;
 - catering;
 - door-to-door consulting services;
 - landscaping or snowplowing services; or
 - day care/church van services.

Even real estate agents may qualify. Fall in to one of these categories? Consider a commercial vehicle policy.

Here are some questions to ask to determine if commercial auto insurance is right for you.

- **What are my liability limits?** In general, a commercial auto policy can offer higher liability limits. Larger vehicles, like delivery vans, can cause more damage than passenger cars.
- **Does my personal policy cover me for issues specific to my business?** For example, if you have a trailer that damages another vehicle while on a job, a personal liability policy may not cover the repairs. A commercial policy will.
- **Do I have employees who drive my vehicles?** In general, if other people drive your vehicles for work, you need a commercial auto policy.

You also need commercial auto policy if your vehicle hauls tools or equipment weighing more than 500 pounds, makes deliveries, or requires filings for interstate for-for-hire trucking businesses.

A local, independent insurance agent can help you better understand business needs and put together a package that meets your needs. Find an agent at www.progressiveagent.com.

Want to learn more about the differences between personal and commercial auto insurance policies? Visit www.progressivecommercial.com.