

## Hired and Non-Owned Automobile Coverage - "but I have no autos"



An often misunderstood insurance coverage that is very important for a business is Hired and Non-Owned Automobile ("HNOA") coverage. Most of the times, the company that is considering such coverage doesn't think it has exposure to this particular risk since they do not own any automobiles. This could not be further from the truth... Recently, there was a tragic accident in NYC Times Square, where a delivery vehicle

on its way to a jobsite fatally injured a pedestrian.

So, here's what will, most likely, happen...the family of the deceased would, surely, look to the driver of the vehicle and the company that owns it for compensation. Unfortunately, that's not it, they [the family of the accident victim] may also think "but for the delivery to ABC Jobsite" that truck wouldn't have been there and my relative would be alive today" - you know what's coming next...

Yes, new defendant is added to the liability suit, but does ABC Jobsite have coverage for the claim? Let's see... it would not be under their general liability, not property coverages...but if they had HNOA then they would have some basis of asking for coverage.

The old example of "an employee using their own car to go to the bank and running someone over in the process" has lost its luster given no one, actually, goes to the bank anymore. While having an office worker leave the office to run a company errand is less likely today, than it ever was, the exposure still exists.

We strongly suggest that every business have the HNOA coverage and ensure that their umbrella-excess liability insurance covers in excess of that primary HNOA coverage.

Our strong suggestion is that every business should have this coverage and be sure their umbrella-excess liability covers in excess of that primary HNOA coverage.

If you have any questions regarding HNOA or any other coverage for your business or need help with any risk or insurance related issues, please contact Albert Sica, Managing Principal, at 732.395.4251 or [asica@thealsgroup.com](mailto:asica@thealsgroup.com).