Northland Auto Solutions

POWER TO YOUR BUSINESS.
TODAY AND TOMORROW.

IDAR FAQ

What is IDAR?

The Independent Dealers Auto Rental (IDAR) is a program designed for dealerships, rental companies, repair/body shops, and other related businesses that have specific vehicles set aside to be scheduled for customer rentals or loaners. We partner with top A-rated Insurance companies that provide our clients with contingent liability and/or full coverage insurance of their choice. Our company provides the program materials.

Your customer is required to have their own primary insurance policy and your business limits are provided under Northland's policy while the vehicle is out on rent. There are minimum limits required in the state where client's business is located. The business coverage is contingent to the person renting/using the vehicle and the limit of liability for the business is $1,000,000.

Who can belong to IDAR?

IDAR clients range from dealerships, rental companies, repair shops, glass shops, resorts, and small airports. New clients will receive vehicle rental training online and by phone once they've received their welcome email. This training usually takes about an hour depending upon the number of people being trained and number of questions.

What is the profile of the IDAR program?

- Rent under 30 days. Month-to-month depends upon state guidelines and a new Rental Agreement must be signed in person every 28 days.
- Must have at least one vehicle on the fleet to stay on the program
- Regional rentals (100 miles is typically the perimeter max)
- Rentals to those who have insurance. Client's renters should have at least liability insurance.
- Individual rentals – not to businesses or for-hire
- Must have physical commercial address
- Vehicles must be registered in the business name
- For-hire vehicles not covered on the program (Ex: UBER, Lyft, Turo, etc.)

What are IDAR program specifics I should know?

- Our program is designed to cover rentals and loaners. A Rental Agreement MUST be completed on every “loaner” vehicle as well as rental vehicles.
- IDAR’s program includes the insurance and our company’s program materials.
- You may split coverage – fleet may have some vehicles carrying liability only while others carry full coverage.
- Scheduled vehicles covered on the IDAR program are not intended for daily use by the business. If business is regularly using IDAR vehicles for any purpose other than rental/loaner, they risk being canceled at renewal.
- Personal use by officers or employees is excluded from coverage. Officers or employees may rent the vehicles using their own personal insurance policy.
- Salvage title vehicles are not allowed on the fleet.
- Vehicles may go to Canada but not Mexico. IDAR training will explain how we obtain a Canadian certificate of liability insurance.
- One-way rentals are discouraged due to the high percentage of theft involved.
- IDAR clients go through a renewal process once a year. This is when the insurance company adjusts rate or chooses to not renew a client based upon the losses over the past year.
- All renters are required to have at least liability before they rent an IDAR scheduled vehicle. IDAR partners with various companies that can offer physical damage coverage in the event your customer does not have that on their policy. Contact an IDAR representative for more details regarding this coverage.
- Exotic/High Performance Vehicles are not allowed on the program. (Ex: Maserati, Jaguar, Porsche, Landrover, etc.)
- If a vehicle is deleted and added back on in the same month, you will be charged as if coverage was never removed.
- Vehicles must be registered in the business name (Cannot use dealer plates)

What are the benefits of doing rentals with IDAR?

- Move idle inventory
- Increase customer traffic - (rentals turn to buyers!)
- Increase cash flow
- Can start with one vehicle
- No Franchise Fees
- IDAR client sets own pricing and fee structure
- Flexible vehicle scheduling – can swap vehicles if they sell or break down
- Vehicle depreciation on rentals, save $$ at tax time!
- Variety of vehicles allowed – rate is determined by losses in zip code area, not by type of vehicle

Where can I find renters?

Many dealerships already get calls from people wondering if they offer rentals. IDAR clients report that the quickest way to increase the number of rental customers is to advertise in the Yellow Pages.

Other ways include:

- Other local rental companies – talk with them about giving each other your overflow
- Local body/repair/transmission/glass shops – work with local shops to provide loaners for them
- Local hotel/motel
- Small airports
- Colleges – visiting speakers/parents
- Visitor Bureaus
- Flyers and travel guides
- Vacationers/sportsmen
- Dealership signs
- Social Media

How do I qualify renters?

The following is a list of our recommended procedures that all counter personnel should know and follow.

ALL Rental Drivers MUST:

- Be physically present at the time of rental
- Have a valid and current US driver's license
- Be 21 years of age or older
- Provide proof of current auto liability insurance (Full Coverage Preferred)
- Sign the rental agreement in person with counter personnel at time of rental
- Have their own credit card

Verify your renter's insurance coverage and check coverage for length of time of rental. The couple minutes spent doing this may save you an expensive claim. We cover procedures in greater detail during training.

What vehicles qualify for coverage in the IDAR program? (Call IDAR or approval if unsure)

- Private passenger cars
- Minivans – SUV's
- Light to medium trucks no towing (take off ball and tack weld a plate over the hole)
- Cargo Vans – manual lift gates and ramps ONLY – no motorized parts
- Box Trucks (E350) no longer than 16 ft- Requires Pre-Approval-Not available on every policy
- 12-15 passenger vehicles with following restrictions
    - Must be 6 years old or newer
    - No more than 10% of fleet.
    - Call for pre-approval before purchase/adding

The maximum age of vehicles on program insurance is 15 years on liability coverage. Full coverage vehicles may have restrictions depending upon state and insurance company. If you are unsure about your vehicle, call IDAR for approval.

What vehicles DON'T qualify on IDAR?

Vehicles over 15 years, motorcycles, ATV's, snowmobiles, scooters, kit cars, trucks over 26,500 GVW (over this requires a Commercial Driver's License), handicap-equipped vans, motor homes, exotic cars (i.e Maserati, Ferrari, Jaguar, Bentley, Land Rovers, etc.), sports cars or high-performance vehicles, high-value luxury vehicles, vehicles over $50,000, vehicles with motorized lift gates or special-use equipment, No Towing titles, and No Salvage titles. If you are unsure, please contact Northland before purchase to see if the vehicle would qualify.

What is the cost for IDAR?

Start-up fee includes an enrollment fee of $979, the pro-rated vehicle rate, and one-month deposit for each vehicle client starts with. Once payment is received, a welcome email is sent with the tools you need to get started! You will receive program training both online and via phone, program materials, and ongoing support for the entire time client has coverage under the IDAR program.

Start-up fees are not refundable. If client decides to cancel the IDAR program, they forfeit all program materials.

There is a discount available on the start-up enrollment fee for current Lease'T'Own clients.

What does it take to get a no obligation quote?

If you are currently doing rental or loaners submit the signed application add the following:

- Loss run for last 3 years
- List of vehicles (year, make, model, VIN)
- Copy of Rental/Loaner Agreement (front and back)

New renters and renters who haven't loaned within the past three years may request an application.

How are rates determined?

Rates are configured on an individual company basis. The rate is mainly determined by losses in the business's zip code area and not on the types of vehicles on the fleet. The following is also considered:

- Years of experience
- State and different rate territories within the region
- When rentals were started (if currently doing rentals)
- Average number of units (if currently doing rentals)

What is included with IDAR?

- Complete Operation Manual
- Program Guidelines Booklet
- Rentals 101 Training Manual
- Rentals Start to Finish Checklist

- Fleet Change Portal
- Vehicle Inspection Form
- Vehicle Tracking Sheet
- Vehicle Maintenance Sheet
- Customer Profile Sheet
- Accident Reporting Guidelines
- Certificate of Liability Insurance
- Vehicle “Rental Fleet” insurance ID card
- IDAR Training Checklist
- 12-Month Subscription to Dealer Plate Software

What determines my rental pricing?

This is another advantage of the IDAR program: You can determine your own pricing and fee structures. We supply more information during our training and in our Program Guidelines booklet, which is provided once started on the program. We also provide other profitable tips to help keep IDAR clients competitive and making money.