

Management of Liability, Money, Logistics, and User Experience by Turo, Inc.

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Abstract

Numerous peer-to-peer car sharing marketplaces exist in the United States, but Turo, Inc. almost certainly operates the largest. In an effort to build a complete characterization of the company's operating principles and the experiences that users have with the service, we collected data on liability exposure, money management, the UI/UX, and other loci of interest. The findings suggest that liability exposure for all parties is large, that Turo, as the market maker, takes a cut of both buy- and sell-side transactions, and that the website and apps, while attractive, suffer from some issues.

Keywords: Turo, car sharing, peer-to-peer, liability, insurance, money, user experience, user interface

1. Introduction and Background

Formerly known as RelayRides, Turo, Inc., is a company that operates a peer-to-peer car sharing marketplace which allows private owners of vehicles to make them available for rent using an online and/or mobile app interface. In 2017, Turo had approximately four million registered users and 170,000

6 cars available for rent. ¹ The privately-held company now has six million
7 registered users and the service covers 5,500 cities across 56 countries. ² The
8 company is based in San Francisco and operates in every US state except
9 New York. To date, it has raised over \$180M in venture capital funding.
10 ³ Turo announced a \$92M series D funding round in 2017 that was led by
11 Daimler AG. In the process, Turo also acquired Croove, Daimler’s German
12 car sharing service. Turo launched in Germany in January 2018. ⁴

13 The service is popular; its app has been downloaded more than 45,000
14 times ⁵ and the Website receives more than 2.1M ⁶ visitors each month.
15 Estimates place Turo’s revenue at \$10M.

16 The scope of this research was intended to create a complete characteriza-
17 tion of how Turo operates and the experience of buy-side and sell-side users.
18 We considered a number of questions that ranged from how Turo manages
19 liability exposure to the logistics and movement of money in the process of
20 reserving, picking up, and returning a car.

¹“Peer-to-peer car rental start-up Turo heads to Germany.” USA Today, 6 Sept 2017. <https://www.usatoday.com/story/tech/2017/09/06/turo-funding-round-92-million-from-daimler/634102001/>

²https://www.motorauthority.com/news/1117212_truly-keyless-entry-turo-go-unlocks-registered-cars-with-a-smartphone

³<https://www.crunchbase.com/organization/turo>

⁴“The Airbnb of Cars Just Bought A Startup From Its Newest Investor.” Fortune, 6 September 2017. <http://fortune.com/2017/09/06/turo-mercedes-daimler/>

⁵https://www.crunchbase.com/apptopia_app/e81be748-e411-442a-b218-98316adf73ec#section-overview

⁶<https://www.crunchbase.com/organization/turo#section-web-traffic-by-similarweb>

21 To this end, we downloaded the Turo mobile apps for Android and iOS in
22 addition to accessing the marketplace from the web interface. We successfully
23 registered for the service and were able to create a listing for a 2008 Chevrolet
24 Malibu ⁷ in the Battle Creek, Michigan area.

25 Despite the fact that we were initially granted “Approved Driver” status
26 immediately upon signing up, we were not successful in making a reserva-
27 tion or obtaining a rental car using the service. Turo considers automotive
28 insurance scores, among other things, when approving individual trips. It is
29 likely that the fact that the author has not owned a personal motor vehicle
30 or carried an auto insurance policy for almost 12 months has resulted in a
31 score that Turo perceives as outside of their acceptable risk. ⁸

32 2. Liability Exposure and Insurance Coverage

33 2.1. Owner’s Insurance

34 Turo offers three protection plans for owners who make their cars available
35 for rent: basic, standard, and premium. The owner’s choice of protection plan
36 determines the share of the rental fee that the owner receives. Owners are
37 also permitted to carry their own commercial insurance.

38 Insurance coverage in the United States is provided by a group plan ad-
39 ministered by Liberty Mutual.

⁷Our listing can be seen at <https://turo.com/rentals/cars/Chevrolet-Malibu/455238>

⁸Prior to selling the vehicle and cancelling the auto insurance policy, the author had been continually insured for a decade with only one accident and one moving violation in that span of time.

40 Turo openly admits that their protection plans come with an inherent
41 level of uncertainty. Turo senior claims manager Chris Aragon states that “if
42 there’s an engine failure, and it’s something that’s caused by a mechanical
43 failure and not something that the renter could have caused by using the
44 vehicle, that’s something that is not covered by us. That’s something that’s
45 just a mechanical breakdown that you’d be expected to pay for.”⁹ This is
46 consistent with standard insurance practices in the United States. Insurance
47 carriers do not typically provide coverage for mechanical failures in vehicles
48 as these cases are often covered by warranties or are expected to be handled
49 out-of-pocket by the owner. In the event that a component of the vehicle
50 fails due to driver abuse, Turo states that it will determine the cause and
51 “act accordingly.”

52 *2.1.1. Basic Protection*

53 The basic protection plan for owners offers \$1,000,000 USD in liability
54 insurance, covers physical damage to the vehicle up to \$125,000 USD, and has
55 a \$3,000 USD deductible. For reference, private auto insurance deductibles
56 in the United States typically range between \$500 and \$1000 USD, though
57 they can be as low as \$100 USD or as high as \$2500 USD. Under this plan,
58 Turo will pay 20% up to the first \$3,750 of a damage claim and then covers
59 100% beyond that limit, up to a cap of \$125,000. At this level, owners receive
60 85% of the trip fee.

⁹ Kristen Lee. Jalopnik, 22 February 2017. <https://jalopnik.com/how-insurance-works-when-you-rent-out-your-car-on-turo-1792401490>

61 *2.1.2. Standard Protection*

62 The standard protection plan for owners offers \$1,000,000 USD in liability
63 insurance, covers physical damage to the vehicle up to \$125,000, and has a
64 \$0 deductible. Owners also receive reimbursement for a replacement vehicle
65 during the period of time that their personal vehicle is being repaired, up
66 certain limits. ¹⁰ At this level, owners receive 75% of the trip fee.

67 *2.1.3. Premium Protection*

68 The premium protection plan for owners offers \$1,000,000 USD in liability
69 insurance, covers physical damage to the vehicle up to \$125,000, and has a
70 \$0 deductible. Owners also receive reimbursement for a replacement vehicle
71 during the period of time that their personal vehicle is being repaired, ¹¹
72 includes coverage for wear and tear on the exterior of the vehicle, and also
73 includes coverage for lost rental income. ¹² At this level, owners receive 65%
74 of the trip fee.

¹⁰See §2.3

¹¹See §2.3

¹²Turo determines “lost rental income” by taking the mean daily rental earnings of the vehicle for the past 60 days and multiplying that dollar amount by the number of days that the owner’s vehicle spent being repaired within a “reasonable range.” Turo’s “reasonable range” is determined like so: Turo assumes that a mechanic should reasonably be able to perform four hours of labor per day to repair the vehicle. Turo takes the number of labor hours on the mechanic’s estimate and divides it by four. This calculated “number of days” is then multiplied by the 60-day mean rental earnings. In the event that the owner cannot pick up otherwise obtain the vehicle within the calculated number of “days,” Turo will not pay for additional lost rental income.

75 2.1.4. *Owner-provided Protection*

76 Vehicle owners also have the option of opting-out of any coverage provided
77 that they carry commercial insurance on their own. Such an insurance policy
78 is typically only carried by businesses. At this level, owners receive 90% of
79 the trip fee and have no protection whatsoever provided to them by Turo or
80 Liberty Mutual.

81 2.2. *Renter's Insurance*

82 Renters are presented with a trio of insurance coverage options.

83 **Physical damage protection** includes both comprehensive (property
84 damage or loss to a vehicle, including theft, fire, impacts with wildlife, van-
85 dalism, and acts of nature) and collision (protection in the event that two or
86 more vehicles impact each other or in the event that a single vehicle suffers
87 an impact with an object) coverage.

88 **Personal injury protection** varies widely by state, but typically pro-
89 vides coverage for medical expenses, lost income, funeral expenses, and the
90 like for for the driver and passenger in the vehicle with no regard given to
91 who is at fault.

92 **Uninsured/underinsured motorist coverage** pays the renter and/or
93 the renter's passengers for bodily injury they may suffer in the event that
94 they experience a collision caused by a driver without insurance, a hit-and-
95 run driver, a driver who has exhausted the benefits available to them under
96 their own insurance plan, or a driver whose insurance carrier is found to be
97 insolvent and therefore incapable of paying a claim.

98 *2.2.1. Premium Rental Insurance*

99 The premium rental insurance option provides \$1,000,000 USD in bodily
100 injury and property damage coverage to renters. Personal injury protection
101 coverage (also known as no-fault or first party benefits) are capped at the
102 statutory minimum required in the state where the vehicle is registered. In
103 some cases, this amount may be \$0 USD. Uninsured/underinsured motorist
104 coverage is also capped at the statutory minimum required in the state where
105 the vehicle is registered. In some cases, this may be \$0 USD. The renter's
106 out-of-pocket exposure is limited to a deductible payment of \$500, which is
107 collected in full when the owner reports damage. In the event that the total
108 costs are less than \$500, then the renter will be refunded the difference.

109 *2.2.2. Basic Rental Insurance*

110 The basic rental insurance option provides \$1,000,000 USD in bodily in-
111 jury and property damage coverage to renters. Personal injury protection
112 coverage (also known as no-fault or first party benefits) are capped at the
113 statutory minimum required in the state where the vehicle is registered. In
114 some cases, this amount may be \$0 USD. Uninsured/underinsured motorist
115 coverage is also capped at the statutory minimum required in the state where
116 the vehicle is registered. In some cases, this may be \$0 USD. The renter's
117 out-of-pocket exposure is limited to a deductible payment of \$3000 USD.
118 If the total costs are less than \$3000, then the renter will be refunded the
119 difference.

120 *2.2.3. Declining Rental Insurance Coverage*

121 Renters are also allowed to decline a protection plan. In this case, the
122 renter’s exposure is effectively unlimited and is only bounded by the actual
123 cash value of the vehicle plus all related costs, as determined by the process
124 described in §2.3. In the event that a rented vehicle is lost, stolen, or deemed
125 a total loss,¹³ then the renter is liable for paying the entire actual cash value
126 of the vehicle, plus all related costs and minus any residual salvage value.¹⁴

127 *2.2.4. Other Sources of Renter’s Insurance*

128 Some renters may be able to obtain, or already have as a part of their
129 personal auto insurance policy, coverage that extends to vehicles rented by
130 the primary policy holder.

131 Some renters may be also be able to obtain, or already have as a part of
132 their existing credit card account, coverage that extends to vehicles rented
133 and driven by the cardholder using that credit card as the payment method.

134 Such coverage varies widely between insurance carriers and credit providers
135 and may, in some cases, be deficient. Turo states that it is “highly unlikely
136 that [the renter] would be covered by any credit card insurance when [they]
137 book cars through the Turo marketplace.”¹⁵

¹³For Turo’s purposes, a “total loss” is defined by anticipated repair costs in excess of 75% of the vehicle’s actual cash value.

¹⁴Salvage value is the expected sale value of an asset at the end of its useful life. Insurance companies may employ a number of methods to determine the salvage value of a vehicle, but it is often classified as the sum value of the remaining usable parts in a vehicle.

¹⁵<https://support.turo.com/hc/en-us/articles/203990610-I-d-like-a-detailed-explanation-of-insurance-and-protection-provisions>

138 2.2.5. Subrogation

139 Insurance offered by Turo is secondary to any existing coverage that the
140 renter may have through other sources (*i.e.*, that available through a credit
141 card provider, personal auto policy, or other insurance policy). Practically
142 speaking, the secondary nature of Turo’s rental insurance offerings means
143 that the renter is primarily liable, but can satisfy their obligations through
144 other sources. In the event of a claim, Turo will first attempt to collect
145 deductibles directly from the renter and then then seek reimbursement from
146 other sources of coverage that the renter may have in a process known as
147 subrogation. ¹⁶

148 2.2.6. Exception to Renter’s Elected Protection Plans

149 In the event that the renter is found to have violated Turo’s terms of
150 service, engaged in prohibited uses of the rented vehicle, or is otherwise found
151 to have recklessly used the rented vehicle, the deductible limits mentioned
152 in §2.2.1 and §2.2.2 do not apply and the renter will be liable for physical
153 damage up the full actual cash value of the vehicle including Turo’s related
154 costs.

155 2.3. Claims Process

156 A renter is supposed to report any incidents involving a rented vehicle
157 to the relevant authorities. Urgent matters should be referred to the local
158 police immediately and either to Turo or to the owner of the vehicle within
159 24 hours of the incident.

¹⁶Subrogation is the common law legal doctrine through which one party is entitled to enforce the legal rights or protections of another party for its own benefit.

160 In the event that a host does not learn about an incident that occurred
161 with their vehicle until after the vehicle has been returned, the owner has
162 24 hours to report the incident to Turo in order to remain eligible for Turo’s
163 coverage.

164 If a vehicle’s owner has elected to decline Turo’s coverage, then they are
165 responsible for making a claim directly to their own insurance company.

166 If the owner of a vehicle has elected either the premium or the standard
167 Turo protection plans, then they are eligible to receive up to \$30 USD per
168 day for up to 10 days (\$300 USD cap) to rent a replacement vehicle. They
169 may also elect to receive a travel credit from Turo that may be used to rent
170 a vehicle on the Turo marketplace. Additionally, users may submit receipts
171 from public transport, taxis, and ride-sharing services like Uber or Lyft for
172 reimbursement.

173 Owners and renters have the option to resolve claims directly with each
174 other. However, if an owner elects to file a claim through Turo, they have un-
175 til 24 hours after the end of a trip to visit <https://turo.com/resolutions>
176 to file an eligible claim. Turo states that one of their claims specialists will
177 make contact with the owner of the vehicle within 24 hours of a claim being
178 submitted. Turo will then provide instructions to the parties about how to
179 obtain an appraisal.

180 Turo uses a third-party administrator called the Littleton Group to de-
181 termine a vehicle’s actual cash value. Littleton, in turn, uses AutoClaims
182 Direct, a nation-wide network of independent auto appraisers. In the event
183 of a claim, AutoClaims Direct will dispatch an appraiser to perform a visual
184 inspection of the vehicle and to obtain photographic documentation of the ve-

185 hicle's condition. The appraiser will also collect information on the general
186 condition of the vehicle, the odometer reading, and any other information
187 that may help accurately determine the actual cash value of the vehicle.

188 Software is employed to sweep across the market to obtain information
189 on vehicles comparable to the one subject to a claim. The software will then
190 determine the value of the vehicle based on how it compares in condition
191 and mileage to comparable vehicles on the market at that time. It may also
192 include a factor that accounts for depreciation.

193 In some cases, Turo may direct users making a claim to download an app
194 and upload photos of the damage.

195 If a claim made to Turo is determined to be eligible, Turo notifies the
196 renter and charges their payment method(s) for an initial claim processing
197 cost of up to \$575.

198 The owner is then presented with their options for resolution. They may
199 elect not to pursue further action, resolve the issue directly with the renter,
200 resolve the claim directly with the insurance carrier of the renter (or a third
201 party in the event that the renter is found not to be at fault), or the claim
202 may be processed through Turo's claims administrator.

203 Depending on the resolution option elected by the parties, the owner's car
204 may be repaired and the renter may be responsible for settling their financial
205 obligations, including payment of their deductible.

206 **3. Data and Metrics**

207 *3.1. Data Collection*

208 At this time, Turo relies on renters and owners to provide data to the
209 company about the vehicles available on the marketplace.

210 *3.2. Mileage*

211 Mileage tracking is performed by the owner by submitting photos before
212 and after a trip. All cars on the Turo marketplace have daily, weekly, and
213 monthly mileage limits that are set by the owner.

214 *3.3. Location Tracking*

215 Turo does not currently support vehicle location tracking.

216 *3.4. Fuel*

217 Fuel tracking is performed by the owner by submitting photos of the fuel
218 gauge before and after a trip. Renters are required to replace the fuel that
219 they use.

220 *3.5. Turo Go*

221 Turo is presently signing users up for a beta program called Turo Go
222 that will collect data and also allow cars to be unlocked with a smartphone,
223 thereby sidestepping the issue of needing to liaise in person with the owner
224 of the vehicle. Unlocking and data collection will be provided by a device

225 plugged into the vehicle's OBD-II port. Turo Go is expected to launch in
226 select US cities in the second half of 2018. ^{17 18 19 20}

227 4. Logistics

228 4.1. Reserving a Vehicle

229 Some vehicles on Turo are available for instant booking and do not require
230 the consent of the owner.

231 Most vehicles, however, have an arbitrary limit (on the order of 12, 24,
232 48, etc. hours advance notice) that the owners sets on his or her listing.
233 Reservations are denied if an attempt is made by a renter to reserve a car
234 inside of the owner's specified window. Vehicles that are reserved in this
235 fashion also require the owner to manually authorize such trips.

236 4.2. Picking Up a Vehicle

237 At this time, renters must meet in person with the owner of the vehicle in
238 order to obtain keys to the vehicle. Turo recommends that renters and owners
239 both take pictures of the vehicle's interior and exterior to aid in potential
240 claims after the vehicle is returned.

¹⁷<https://explore.turo.com/turo-go-announce/>

¹⁸https://www.motorauthority.com/news/1117212_truly-keyless-entry-turo-go-unlocks-registered-cars-with-a-smartphone

¹⁹<https://www.cnet.com/roadshow/news/turo-go-will-allow-instant-car-rentals/>

²⁰<https://www.autorentalnews.com/304179/turo-users-to-unlock-cars-via-app>

241 4.3. *Delivery Option*

242 Owners may configure their listing to allow for delivery to local airports
243 or an arbitrary location elected by the renter. The fee for this service is
244 typically \$50 USD, but it may be manually set by the owner.

245 4.4. *Returning a Vehicle*

246 By default, a vehicle must be returned to the location from which it was
247 picked up. There does exist anecdotal evidence of renters contacting owners
248 to strike an informal agreement to drop off the car at a different location.

249 5. **Money Management**

250 5.1. *Payment Methods and Payment Timing*

251 In the United States. Turo accepts credit cards branded as Visa, Master-
252 card, Discover, or American Express, debit cards branded Visa or Master-
253 card, Apple Pay, and Google Wallet. These payment methods are required
254 to be in the name of the Turo account holder.

255 Turo does not accept prepaid cards, temporary bank cards, or cards that
256 are not linked to a bank account.

257 5.2. *Timing of Payments*

258 5.2.1. *Renters*

259 Owners of vehicles listed on Turo may elect to manually approve each
260 reservation request from renters or they may make designate their vehicle as
261 one that renters can “Book Instantly.”

262 Under the manual-approval option, renters' debit or credit cards are au-
263 thorized ²¹ but not yet charged. When the owner approves the booking, Turo
264 then clears the transaction and the renter's card is charged.

265 The Apple Pay and Google Wallet payment methods are charged imme-
266 diately.

267 When a vehicle that is listed as instantly available is booked, the renter's
268 payment method is immediately charged.

269 5.2.2. Owners

270 Thirty minutes after a trip ends, Turo automatically initiates ACH pay-
271 ments ²² for the owner's share of the trip price. For extended trips, owners
272 receive a partial payment on day 7 of the trip and subsequent partial pay-
273 ments every seven days until the trip ends. To allow ACH transactions,
274 owners must provide Turo with the account and routing number of their
275 bank account. Turo says that a PCI Level 1-compliant third party stores
276 this information and facilitates payments.

²¹An authorization hold, preauthorization, preauth, or card authorization is the practice of verifying transactions that have been initiated with a debit or credit card. Banks will make the balance required to pay the charge unavailable until either the merchant clears the transaction or the hold "falls off," typically within 3 to 5 business days.

²²Automated Clearing House, or ACH, is an electronic network for financial transactions in the United States. ACH credits include direct deposits and payroll. It is also possible to make debit transactions using ACH out of bank accounts. ACH transactions typically take 1-3 business days to clear.

277 5.3. Pricing

278 5.3.1. Trip Pricing

279 Owners may price their vehicles themselves or allow Turo to determine
280 pricing for them based on vehicle make, model, year, mileage, and geographic
281 area. Renters may toggle the days and length of their trip and pricing updates
282 live online and in the apps. Owners may also charge different amounts for
283 different days of the week (*e.g.*, weekends) or a different daily rate for longer
284 trips (typically at a discount).

285 5.3.2. Trip Fee

286 Renters also pay a “trip fee” that is calculated as a variable percentage
287 of up to 25% of the trip price. Renters are shown the exact amount as they
288 are checking out. Turo states that the trip fee covers operating costs.

289 5.3.3. Protection Plan Pricing

290 Turo offers three protection plans to renters: premium, basic, and no
291 protection (See §2.2). In the United States, premium protection is 40% of
292 the trip price, basic is 15%, and there is no charge for a renter who chooses
293 to decline a protection plan. Vehicle owners who opt to carry their own
294 commercial insurance are allowed to charge their own fee for that protec-
295 tion. Owners are supposed to declare whether they are charging a separate
296 protection fee or if that cost is included in the trip price.

297 5.4. Young Driver Fees

298 Renters between the ages of 21 and 24 incur a charge that is calculated as
299 the greater of 30% of the trip price or \$10 USD. Vehicles in the marketplace

300 whose owners have chosen to carry their own commercial insurance do not
301 incur this cost and such owners are permitted to charge young drivers their
302 own fee. Owners are supposed to declare whether they are charging a young
303 driver fee.

304 *5.5. Security Deposits*

305 In some cases, Turo may require renters to pay a security deposit before
306 they will be permitted to drive a vehicle. Deposits are collected in full before
307 a trip begins. Instantly booked trips see the deposit added at checkout while
308 trips requiring owner approval will see deposits charged when the owner
309 approves the trip. If the deposit cannot be collected, booking of the trip will
310 fail.

311 Deposits are returned to renters 80 hours after the car has been returned
312 to the owner in the same condition that it was found in.

313 *5.6. Delivery Fees*

314 Owners may elect to offer to deliver their cars to local airports or custom
315 locations. These fees, when applicable, are clearly noted in the listing for the
316 vehicle.

317 *5.7. Extras*

318 Some owners may elect to offer “Extras” to their renters and are permitted
319 to set their own fees for these types of items, up to a limit of \$999 USD.
320 Where applicable, fees for extras are displayed at checkout time. Extras
321 may include things like tents, roof racks, bikes, and kayaks, as examples
322 of physical items, and post-trip refueling, unlimited mileage, or post-trip

323 cleaning as intangibles. Owners may charge a flat fee for an extra or they
324 may choose to charge on a daily basis.

325 *5.8. Refunds*

326 Refunds for US payment methods typically take 3 to 5 business days and
327 are deposited back into the account used to originally make the payment.

328 *5.9. Payment Authorization*

329 See §5.2 for a discussion of card authorizations and payment timing.

330 *5.10. Ending a Trip Early*

331 Renters who end their trips early, do so through the website or mobile
332 app, and receive approval from the owner are eligible to receive a prorated
333 refund.

334 **6. User Experience**

335 *6.1. User Responsibilities and Obligations*

336 *6.1.1. Wear and Tear*

337 *Owners.* “Normal wear and tear” is the result of the normal operation of a
338 vehicle and therefore should be an expected part of the experience of sharing
339 or renting a car on Turo. Owners are not, under any circumstances, protected
340 against normal wear and tear of the interior of their vehicle(s). Owners who
341 have elected the premium protection plan (§2.1.3) receive protection against
342 exterior wear and tear. ²³

²³Defined by Turo as “any dings, dents, cracks, or scratches to the exterior body of the vehicle that is 3 inches in diameter or less. This includes, but is not limited to, rims,

343 *Renters.* Renters are not responsible for wear and tear that is the result of
344 normal use of a vehicle.

345 Renters are fully responsible for damage that is the result of misuse or
346 prohibited use of a vehicle, “significant damage” to the interior of a vehi-
347 cle, and mechanical damage due to negligence, intentional acts, or improper
348 driving on the part of the renter. ²⁴

349 *6.1.2. Mechanical Failure*

350 *Renters.* If the vehicle that a renter is using is covered by one of Turo’s own
351 protection plans, then renters can be connected with a dispatcher, available
352 24/7 who has the ability to send a service provider to the vehicle’s loca-
353 tion. Roadside assistance is only available in the United States, Canada, and
354 Germany.

355 Renters may be liable for fees associated with the actual services provided
356 during a roadside assistance event (*e.g.*, towing, locksmith services, battery
357 jumps, etc).

358 In the event that the renter is using a vehicle that was listed on Turo by
359 an owner who has brought their own commercial insurance, ²⁵ then roadside
360 assistance will be provided by that vehicle’s owner and/or their insurance
361 carrier. In these cases, renters are instructed to direct their questions about

wheels, hubcaps, any painted or textured area for the body of the vehicle, and moldings.”

See <https://support.turo.com/hc/en-us/articles/217043898>.

²⁴Owners who decline any of Turo’s in-house protection plans and instead opt to provide their own commercial insurance (see §2.2.3) are not covered by Turo against any of the aforementioned items.

²⁵See §2.2.3

362 or requests for roadside assistance to the owner of the vehicle.

363 *Owners.* Owners are required to ensure that their vehicle complies with laws
364 and regulations pertaining to vehicle safety, condition, and operation, includ-
365 ing any local seasonal rules or regulations.

366 Turo recommends that owners obtain an annual mechanical and safety
367 inspection from an ASE-certified ²⁶ mechanic. From time to time, Turo may
368 ask owners to obtain an inspection. In this event, owners will download an
369 inspection form provided by Turo, schedule the ASE inspection, and return
370 the completed form.

371 Failure by an owner to maintain their car in an acceptable or road-worthy
372 condition may result in that vehicle being removed from the Turo market-
373 place.

374 In the event that the owner’s vehicle breaks down while it is being rented
375 and such a breakdown is found to be a result of a violation of Turo’s main-
376 tenance policy, Turo will charge the host \$100 USD. In the event that the
377 renter makes contact with the 24/7 Turo support line and requests roadside
378 assistance or a tow, Turo will also assess a \$200 USD administrative fee to
379 the owner.

380 *6.2. Traffic Violations and Tickets*

381 *6.2.1. Renters*

382 Renters are responsible for paying all tickets for violations that they com-
383 mit during their trip, with the exception of moving violations and photo

²⁶Automotive Service Excellence.

384 tickets. ²⁷ Renters are also responsible for parking tickets, towing fees, and
385 fines that may be levied for up to 24 hours after the end of a trip, provided
386 that such tickets, fines, and/or fees are a result of improper parking by the
387 renter.

388 The renter is responsible for informing the owner when they receive a
389 ticket during their trip and ought to immediately pay it, except for those
390 tickets mentioned in footnote 27.

391 6.2.2. Owners

392 In the event that an owner notifies Turo that a ticket was received during
393 the renter’s trip or within the 24 hour period thereafter, Turo will charge the
394 renter’s payment method(s) for the total cost of the ticket plus administration
395 fees levied by Turo. Owners must submit their requests for reimbursement
396 within 90 days after the trip in question ended, provide documentation of
397 the ticket, and receipts for payment of the ticket.

²⁷In the event that a vehicle is ticketed for speeding, running a red light, or other moving violations, including those captured by cameras, and the owner of the vehicle receives said ticket via mail, then Turo agrees that it will provide the information required by the ticketing body or the owner such that the owner may contest the ticket and transfer liability for the moving violation to the renter.

Renters are not supposed to pay moving violations or photo tickets immediately because the liability for such violations (including penalty “points” assigned in many US states) may be assigned to the owner of the vehicle for a traffic offense that they did not actually commit.

398 *6.2.3. Canceling a Reservation*

399 *Renters.* Turo’s cancellation policy ²⁸ states that renters may cancel their
400 trips through the Turo website or mobile apps. Cancellations take place
401 immediately.

402 If a renter cancels a trip within one hour of making the reservation, they
403 are refunded 100% of the trip price and 100% of the Turo trip fee. Cancellations made more than seven days before a trip is scheduled to begin result in
404 100% of the trip price being refunded, but Turo keeps the trip fee. Renters
405 receive a refund for 90% of the trip price and 0% of the trip fee if cancellations
406 are made between 1 and 7 days of the trip’s scheduled start. Cancellations
407 made with less than 24 hours remaining until the scheduled start of the trip
408 are not eligible for a refund.

410 Protection fees and young driver fees are refunded in full if the renter
411 cancels the trip before the trip is scheduled to start.

412 *Owners.* In the event that the owner of the vehicle needs to cancel a trip,
413 then they must contact the renter in writing using the Turo website or mobile
414 apps. Cancellations by owners are effective immediately and result in a 100%
415 refund being issued to the renter.

416 Hosts will be charged a \$50 USD fee if they cancel a trip with fewer than
417 24 hours remaining until the trip’s scheduled start. Cancellations made by
418 owners outside of the 24 hour window result in a \$25 USD fee being charged
419 to the owner. Additional penalties, including having a car delisted, may

²⁸“Cancellation Policy.” Turo. Retrieved from <https://turo.com/policies/cancellation>

420 result if an owner repeatedly cancels trips.

421 *Flight Delays and Flight Cancellations.* In the event that a flight that the
422 renter was scheduled to take is delayed or canceled, Turo requires the renter to
423 make contact with the owner to request a modification to the trip's itinerary
424 to reflect a new start time. Owners are expected to make a good faith effort
425 to accommodate new start times for trips.

426 In the event that the owner cannot or does not accommodate a new start
427 time for the trip as the result of a flight delay or cancellation, Turo will issue
428 a 100% refund to renters. Renters must provide evidence that their flight
429 was delayed or canceled.

430 Renters must make contact with owners at least 1 hour before the trip
431 start time to be eligible for a refund. They must also notify Turo within
432 24 hours after the scheduled start time of trip in order to be eligible for a
433 refund.

434 *6.2.4. Cleaning Cars*

435 Owners are expected to provide clean cars to renters. Renters are in-
436 structed to contact Turo Support if they take possession of a car that is
437 dirty. Similarly, renters are expected to return vehicles in the same or better
438 condition as when they found them. Owners are also instructed to contact
439 Turo Support if their vehicle is returned them in unclean condition.

440 *Cleaning Claims.* Turo requires owners to send before and after pictures
441 within 24 hours of a trip's end if their car was returned to them in unclean
442 condition. The check-in and check-out features of the mobile apps are rec-
443 ommended for prompt filing and handling of cleaning claims. After Turo

444 has reviewed the information, Turo may issue a reimbursement based on the
445 severity of the claim.

446 *Cleaning Fines and Fees.*

447 **• Not Eligible**

448 Small amounts of refuse, crumbs, dirt, or sand, small marks that can be
449 easily cleaned.

450 **• Light Cleaning: \$30**

451 Significantly dirtier exterior than when car was rented out; significantly dirt-
452 ier floor mats; large amounts of crumbs, dirt, sand, or food.

453 **• Medium Cleaning: \$50**

454 Light stains or residue on hard surfaces.

455 **• Heavy Cleaning: \$100**

456 Major stains or residue on fabric or other hard-to-clean surfaces.

457 **• Severe Cleaning: \$150**

458 Any of the previously mentioned situations at such a level that cleanup re-
459 quires steam cleaning or detailing of the vehicle.

460 **• Pet Hair: \$150**

461 Applicable to events in which a pet enters a vehicle without prior consent of
462 the owner or events in which the owner consents to the presence of a pet but
463 the vehicle is returned with significant amounts of pet hair. Turo includes
464 service animals in this policy.

465 • **Smoking: \$50 or \$150**

466 \$50 charged for smoke smell removal and \$150 for smoke smell removal and
467 as well as cleaning of cigarette butts, ash, etc. In the event that burn marks
468 are found in a returned vehicle, owners are instructed to submit a damage
469 claim, not request reimbursement for cleaning.

470 • **Maximum: \$250**

471 Reserved for a combination of issues like the combination of smoke damage
472 and severe level cleaning.

473 **7. User Interface**

474 Turo has only one app that is used by both owners and renters. It is
475 possible to list a vehicle and to rent one using the same Turo account.

476 Screen capture footage of the apps and web interface being used will be
477 delivered alongside this report.

478 *7.1. Screen Captures of User Interfaces*

479 *7.1.1. iOS*

480 The iOS app screen capture was done using the native screen recording
481 feature on an iPhone 7 Plus running iOS 12.0 Public Beta 1 (build number
482 16A5308e). The iOS app is fluid and easy to operate. It features an om-
483 nipresent menu button and a bar at the bottom of the screen that function
484 as “tabs” that allow for easy switching between primary functions of the
485 app. If an owner wishes to change anything about his or her listing beyond
486 availability times and dates, then it is necessary to log in to the Turo mobile
487 site using a mobile browser.

488 The iOS screen recording can be accessed at:

489 7.1.2. *Android*

490 The Android app screen capture was done using AZ Screen Recorder
491 on a Pixel 2 running Android 8.1.0 (build number OPM2.171019.029.B1).
492 Compared to the iOS app, the Android version is significantly jerkier and
493 more sensitive to touchscreen errors. All functions in the Android app are
494 located inside of a menu. Compared to the iOS app, the Android version
495 also contains more options about a vehicle listing that can be altered by the
496 owner from directly inside the application.

497 The Android screen recording can be accessed at:

498 7.1.3. *Desktop Browser*

499 The Turo website screen capture was done on a late 2017 MacBook Pro
500 running macOS High Sierra Version 10.13.4. We attempted to access the
501 website through both Google Chrome (Version 67.0.3396.99 64-bit Official
502 Build) and Safari (Version 11.1 (13605.1.33.1.2)) browsers and found the
503 Chrome version to be buggy. The screen capture was inside of the Safari
504 browser with OBS software.

505 The macOS Safari screen recording can be accessed at:

506 Of particular note was the experience we had listing a a vehicle using
507 the Turo website. We initially tried to upload pictures of our vehicle that
508 were taken with an iPhone 7 Plus running iOS 12, which shoots in the HEIC
509 format. Not expecting compatibility with this image format, we manually
510 converted our images to high-quality PNGs and attempted to upload them
511 using Chrome. The uploader tool, which was only partially displayed on the

512 webpage, returned a generic error message when we attempted to upload the
513 PNGs.

514 We then switched to Safari. The uploader was fully displayed and opened
515 a Finder window. It did not allow for upload of the original HEIC images, but
516 gave the impression that the PNGs would be accepted since the file names
517 were displayed in full color. An attempt to upload the PNGs returned the
518 same generic error message.

519 We contacted Turo chat support to inquire as to the file types and sizes
520 necessary. After providing the chat agent (who took 15 minutes to become
521 available despite the fact that we were first in the queue) with the specifica-
522 tions of our machine, operating system, and browser(s), the first suggestion
523 by the support agent was that we switch to the Windows operating system.
524 While we do have Bootcamp and corresponding version of Windows 8 10
525 installed on our machines, we do believe that most Apple Mac product users
526 will have this ability. We insisted that we be provided with a solution that
527 would work on a Mac.

528 The support agent then suggested that we “crop the images,” a sugges-
529 tion that was again impractical as the images that we had captured, in a
530 style consistent with other listings on Turo, were full-frame exposures of our
531 vehicle. We insisted that the support agent consult his documentation or
532 someone knowledgeable and return to us with specs for filetypes and sizes.
533 He was gone for several minutes. In the intervening time, we converted the
534 images to sub-5MB jpegs and had success in uploading these new file with
535 the uploader tool in Safari. It is unclear whether it was the conversion, the
536 compression, or both that allowed the upload to proceed successfully.

537 Our experience with the chat support agent, who was clearly not given the
538 tools, documentation, or information to adequately assist us left us wondering
539 why there was not simply some text in the Upload box of the List Your
540 Vehicle section of the site that plainly indicated filetypes and sizes that the
541 tool accepts.