

HOW YOUR DRIVER COULD AFFECT YOUR POLICY

One of the big investments that a small company does is when the company is hiring employee(s). Training an employee is an investment in time and time is money. Furthermore this employee will represent your company and could affect the relationship with your customers.

Quality doesn't arrive overnight and it requires some work. The 1st approach is to define the job description. All driver jobs are not the same. Some of you are hiring independent distributors driving your own trucks. I am not going to debate the legal relationship under labor law between employee and employer but even in this case, this driver could affect your company and yourself in many ways.

So It has been proven that the best ways to find the best candidate for a job and for driver position (below 25,000 GVW), are:

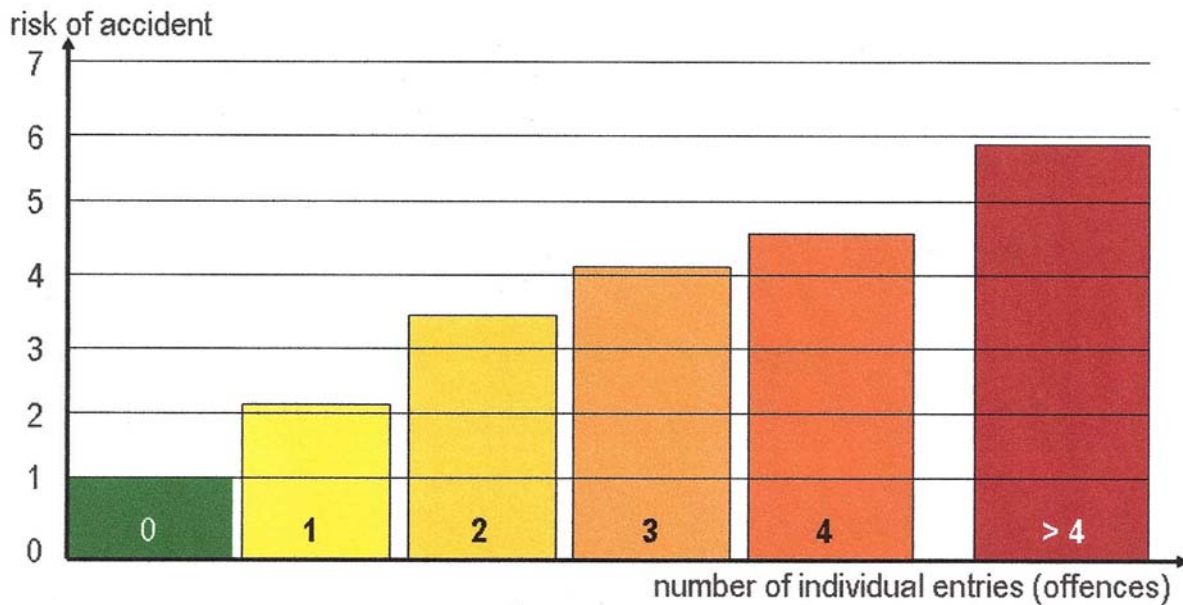
- 1- Be clear on the job description (in writing) to avoid any misunderstanding.
- 2- Asked the candidate to bring a resume or fill out an application showing his experience with phone numbers & contacts to verify the application accuracy.
- 3- Verify the information.
- 4- Asked the candidate to bring his driver license motor vehicle record showing all accidents & violations. This report should not be more than 30 days old.

A job should be a fit for both parties. The employer is looking to invest in the candidate to improve and develop his business. Thus when an employee leaves or you have to let go this employee, the company will face a high cost (direct and indirect) to rehire a new one.

As you know an employer is responsible of his employees' actions during the course of his job (General Liability). So you will understand that if you are employing someone with a bad driving record you could/would be liable. Thus imagine now what could happen if he is involved in a bad accident at fault: employer could be found liable and if negligence is proven further liability could be established at the owner personal level.

Any accident caused by your employee will remain on the company history whatever your employee is still working or not. This history will remain for 3 years and could affect your premium for this length of time.

Furthermore a bad driving report is an indication of the risk the driver will be facing on the road. A driver with 2 violations has 32% more chance to be involved in an accident when a driver with 4 violations has 45% more chance to be involved in an accident. ***See chart below.***



As well with 4 violations, a driver could have a suspended driver license (in California) without you finding it out until it is too late.

Keep in mind: Ninety percent of all accidents are caused by driver actions, which are the expressions of their behavior, attitude, and personal choices.

U.S. Department of Transportation

Not speaking about the effect of this driver on your insurance premium and the possibility that this driver could be excluded from your policy, I am going to raise the possibility of liability issues you could be facing as well.

The best way to monitor your investment and your peace of mind is to:

- 1- Subscribe to a FREE (yes, Free) service from DMV (for California) as an employer. This service will inform you about the violations happening to your employees driving record. For more information you can log on <http://www.dmv.ca.gov/vehindustry/epe/epngeninfo.htm>. Or,
- 2- You could ask your driver to provide you with an updated driving record every 6 months. I suggest you pay the fees attached to this report (\$5.00 in California). Similar program could be available in other states.
- 3- List all your trucks under a driver check program (Drive safely sticker). It has the advantage to keep your drivers on their best behaviors.

Your **insurance agent** should be able to guide you, if you wish. This is what we do at **AAOD**; we help our clients to protect their investment. As usual if you have legal question(s), we recommend you to contact your attorney.

If you have any insurance questions don't hesitate to contact me.

Gérald Gaucher. - 888-511-2234 – AAOD - *American Association of Distributors*.
ggaucher@aaod.com