



Commercial Auto Liability

This brochure is intended for small contractors' auto liability insurance. Driving is an important but small part of contracting, and usually occurs over different routes in private passenger automobiles and pickup trucks.

Hazards are the conditions that create or increase the risk (chance) of injury to people, property and equipment. Controlling hazards reduces the risk of injury. "Safe" means low risk of injury because reasonable hazard controls, based on today's knowledge and technology, are in place. Auto hazards – including familiarity, perception of risk, ignoring risk, pedestrians, the road environment and traffic – change moment by moment. Drivers must adapt.

Safe Driver Training has many names. The National Safety Council's Defensive Driver Course is available online for approximately \$50. There are comparable programs. Some states require driving courses as a remediation for bad driving. Consider participating in your state's training program.

Auto Hazard Control Elements

The Driver

This is the single-most important safe driving element. A safe driver compensates for vehicle deficiencies. Well-maintained vehicles cannot compensate for driver deficiencies.

Set standards for all drivers.

New Drivers

- Get a current motor vehicle record (MVR). Either ask the candidate to bring one in, or have them sign a release so you may order it
- Eliminate driving responsibilities for any person who has received a DUI within the past three years
- Scrutinize speeding violations
- Scrutinize reckless driving violations
- Review accidents for preventability

Existing Drivers

- Obtain a current MVR for all existing drivers each year
- Address medical and physical issues
- Complete an annual performance review
- Train drivers on all routes
- Have regular safety meetings and supply drivers with safety material

Only give an individual driving responsibility when they meet these standards.

Non-Owned Auto Drivers

Any person driving their vehicle on your behalf puts you at risk. Their insurance usually pays first, but yours is on deck.

- Pay attention to anyone who regularly uses their vehicle on your behalf
- Qualify the driver the same as owned auto
- Qualify the vehicle the same as yours, ensuring that:
 - 1) it's suitable for the purpose,
 - 2) it's well-maintained, and
 - 3) you get copies of service and maintenance records
- Set minimum insurance requirements for drivers

Driver Rules

- Set written standards for successful driving and for discharging individuals from driving responsibilities
- Driving under the influence of alcohol or drugs means immediate driving suspension
- Example: Discharge a driver who has had two or more preventable accidents within the past two years

The Vehicle

Owned Auto

- Ensure the vehicle is suited for the purpose
- Complete scheduled service (time or mileage) and inspections
- Regularly inspect brakes, steering, tires, glass, lights, horn and exhaust
- Follow special inspection requirements for vehicles participating in off-road or mountain driving
- Always ensure all loads are secure
- Set terms of use
- Specify whether a driver can drive a vehicle home
- Only permitted drivers can operate the vehicle

The Environment

Both the driver and vehicle must adapt to pedestrians, route, traffic and weather. This is the defensive driving big picture, and drivers must monitor it constantly.

Losses

- Assist any injured individuals within your ability
- Undergo first aid and CPR training
- Move any injured individuals if they are in danger
- Secure the area and warn motorists
- Use a written accident reporting kit
- Get the facts
- Record driver names and license numbers, license plate numbers and police officer names and badge numbers
- Record the location design, condition and weather
- Don't place blame or antagonize others
- Don't offer opinions
- Remember, this could become a public record
- Promptly report the loss to your insurance company



RISK SERVICES DEPARTMENT

Risk.Services@AmericanNational.com

518.431.5098

www.AmericanNational.com

The information contained in this handout has been obtained from sources believed to be reliable. The information is general in nature and may not apply to all circumstances. American National, its affiliates, agents and employees do not guarantee the accuracy or completeness of the information provided and assume no liability, expressed or implied, in connection therewith. Further, the information is not intended to constitute legal advice and should not be relied upon in lieu of consultation with an appropriate legal advisor.

Products and services may not be available in all states. Terms, conditions and eligibility requirements will apply. Property and casualty products and services may be underwritten by American National Property And Casualty Company or American National General Insurance Company, both of Springfield, Missouri. 19-042-06-289884-0624