A Risk Management Bulletin

Resort to Safety

January 2011

Rental vehicles
Before renting a car on company business and declining insurance coverages, check the following:

- Does your business auto cover rental vehicle liability and rental vehicle property damage on a primary basis?
- Many rental car companies now charge for loss of use if their car needs to be put in the shop for repairs. Does your business auto cover these types of miscellaneous charges in the event of an accident?
- Many credit card companies offer insurance coverages for rental cars when the card is used to pay for that rental. If a company credit card is used for this purpose, know what, if any, is included in your agreement.

Recommendation
- Once you know what coverage you have, either on the business auto or the company credit card agreement, elect to purchase coverage for any gaps from the rental car company.

Winter Driving
Conduct safety meetings outlining your expectations of drivers on company business:

- Slow down!
- Be sure wipers, lights, and defrosters are in good working condition.
- Be sure tires are in good shape; that the battery is charged and working well; and washer fluid is full, even in the rental car!
- Remove snow and ice from windows, headlights, and taillights.
- Be sure to carry emergency equipment: extra clothing items and dried food, flashlight, flares, jack, scraper, booster cables, shovel and tarp.
- Equip the glove compartment with a disposable camera and form/pencil to take down information/take photos if involved in an accident.

Safety is no accident! Even those who have lived in the mountain environment a long time can use these reminders to avoid costly—and sometimes life-changing—accidents.

Have a safe and prosperous New Year!
For more information, contact Helen Richards, 800-528-7730 • helen.richards@wellsfargo.com

Company drivers
Employees who drive on company business represent a risk to the resort that needs to be managed. Allowing the employee to drive their own vehicle does not transfer that risk. Take a moment to review your driver program. If you don’t have a written program, develop one so everyone understands exactly what the rules are.

Check all drivers’ motor vehicle records (MVRs). You can require applicants to bring you a copy of their MVR to take some of the administrative burden off your HR dept. This is a great way to screen new hires if you do it as part of your hiring process. Establish acceptable guidelines that an employee must fall within before they can be allowed to drive on company business.

Employees driving their own vehicles on company business
Confirm your business auto policy includes “non-owned” coverage. If it does, it is probably on an excess basis (the employee’s insurance policy would be responsible to respond first on a liability claim). Your business auto policy would come into play only if the employee’s personal policy limits were exhausted. Your business auto policy most likely does not include property damage to the employee vehicle.

Recommendations
- Be sure your employees understand the above. It is recommended the employee sign your driver policy that outlines this stipulation so there are no surprises in the event of an accident.
- Require employee’s proof of insurance.