

Sample Company Vehicle Agreement

If any of your employees have company vehicles assigned to them, this risk management tool may be very helpful to you in controlling your commercial auto loss potential. It provides some useful suggestions for provisions you may want to include in a company vehicle agreement that you create to meet your specific needs. If even one employee is assigned a company vehicle, it's essential that you spell out the ground rules for use and upkeep of the vehicle. We strongly recommend that company vehicles be used only for company business. However, if you determine that some personal use will be allowed, it should be closely monitored and controlled. This document is not intended to be used as is. It is intended to serve as a guide for you to use when developing your own company vehicle agreement. If you require any assistance, we will be happy to help you.

Upon assuming the position of _____ with _____ (hereinafter referred to as the Company), as appropriate, effective _____, I will be allowed to use a Company vehicle to perform my job duties. As such, the vehicle is a tool related to the performance of specific jobs and is never to be considered a part of compensation. Therefore, should I be transferred or promoted in the future to a position within the Company for which a vehicle is not deemed an appropriate or necessary tool, I will cease to have the use of the vehicle.

I agree to abide by the following when a Company vehicle is in my care, custody or control:

1. I will use the Company vehicle only for Company business and never for personal use unless specifically authorized, in writing, by my supervisor or another Company person having authority to authorize such use.
2. If personal use of the vehicle is specifically authorized, only I will drive the vehicle.
3. I will practice sound defensive driving techniques and otherwise exercise reasonable care in the operation of the Company vehicle.
4. When used for company business, only company employees or other persons being transported for business purposes will be allowed to ride in or enter the Company vehicle, and only other authorized company personnel will be permitted to drive it.
5. I will not drive the Company vehicle while consuming alcoholic beverages or other drugs or while under the influence of alcohol or other drugs, nor will I allow anyone else to do so. I understand that violation of this policy may mean termination of my employment.
6. I will obey all traffic laws, ordinances, and regulations pertaining to the operation of motor vehicles. I will pay any fines, parking tickets, or other assessments for violations of traffic laws, ordinances, or regulations imposed on me. I acknowledge fines paid by me for any violations of such motor vehicle laws, ordinances, or regulations are totally my responsibility and will not be reimbursed by the Company.
7. I will wear a seat belt at all times and will require all passengers to do so as well. I understand that failure to do so will result in disciplinary action up to and including termination.
8. Prior to driving the vehicle, I will check tires, lights, wipers, horn, turn signals, rear view mirrors, and brakes to be sure they appear to be in safe operating condition. If defects are noted, I will promptly report and/or have them repaired as appropriate.
9. In the event of an accident, I will promptly comply with the Company automobile accident reporting procedures.

10. I understand that if I am involved in an accident with a company vehicle and the Company's insurance carrier assumes responsibility for payment of resulting claims, I may be required to attend a Defensive Driving training course.

11. **I am aware that the Company's automobile insurance DOES NOT cover me when I am driving a non-company car for personal use, it only insures the Company vehicles. I understand that if I do not have my own personal auto policy, it is very important that I contact my agent to purchase Named Non-owner automobile insurance to cover me when driving other automobiles (vacation rentals, etc.).**

These policies have been fully explained to me and I understand the contents of the Company Vehicle Agreement. I am aware that the failure to abide by these policies will result in disciplinary action, up to and including termination of my employment with the Company.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in two counterparts each of which constitute an original, effective this _____ day of _____, 20 _____.

(Employee Name)

By: _____
(Signature)

By: _____
(Company Authorized Signature)