

Best practices for your fleet

Policy Recommendations to
Improve Performance

LeasePlan

What's next?

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Introduction

This paper summarizes some of the guidelines that our clients have developed regarding driver conduct, vehicle use, and the kinds of disciplinary actions that companies can apply.

Our objective in assembling this information is to help you to learn from the best practices of others. Consider reviewing your policies against these points, to see if you can better protect your company against unexpected liabilities, and perhaps improve driver behaviour.

Note: We at LeasePlan Canada are providing advice only. We have clients in many different industries and jurisdictions, and it is your responsibility to verify that these ideas or guidelines apply in your province, city and industry. Before using any of these, please ensure that they are legally appropriate for your application.

The driver's responsibilities

Any driver of a company vehicle is responsible for driving legally, for maintaining the vehicle properly, and for protecting the company's reputation in the manner in which they conduct themselves when behind the wheel and on the job.

All drivers must:

- Possess a valid licence.
- Have and maintain a safe driving record.
- Operate the vehicle in a safe and legal manner.
- Properly maintain the vehicle.

The employee is responsible for maintaining the vehicle in good working order and appearance. The vehicle interior must be kept clean and litter free. If not, or if maintenance guidelines are not followed, or if appearance deteriorates as a result of negligence or non-compliance to policies, the driver is responsible for any fines, maintenance or expenses incurred at the end of the lease.

If a vehicle is under warranty, and is deemed unwarranted due to negligence on the driver's part, the driver is responsible for all related maintenance costs.

Key fobs

It is the driver's responsibility to retain possession of both electronic key fobs for their company vehicle. The expense of replacing an electronic key fob is the driver's responsibility.

In addition, both electronic key fobs must be turned in when the vehicle is returned. If not, the driver is responsible for replacement costs.

Prohibited items and practices

In general, all company vehicles must be used in a manner that is legal, ethical and that best represents the interests of the company.

The following are prohibited at all times from any company vehicle:

- No smoking and tobacco use. This includes of e-cigarettes and smokeless tobacco.
- No marijuana or illegal drugs/ controlled substances may be in any company vehicle at any time.
- No weapons (including firearms).
- No animals, unless contained in a lockable travel container.
- Hazardous materials may only be transported by a properly documented commercial vehicle in accordance with all local laws and regulations.
- No radar detectors or law enforcement detection devices.
- No explosives, radioactive materials, or hazardous waste.

This list is a guideline. Additional items and practices may be prohibited, and the decision of what is restricted is at the company's discretion. In general, all company vehicles must be used in a manner that is legal, ethical and that represents the best interests of the company.





By late summer 2018, marijuana will be legal in Canada. Is your fleet ready? Here we answer some frequently asked questions regarding marijuana and the fleet policy.

1

How Should I Address Marijuana Legalization?

We strongly recommend a zero-tolerance policy for all types of impairment. Having a bright-line rule will simplify options for your company and drivers.

The clearest policy would be to ban all smoking in company vehicles. No cigarettes, no vaping, no pot. (Differentiate between using marijuana and simply carrying it (in legal quantities) in the car.)

Finally, be comprehensive and have your HR department develop not only a vehicle policy, but a company-wide drug policy that applies in the office as well.

2

Can I Subject Drivers to Random Drug Testing?

Marijuana legalization does not open up the door for employers to do random drug testing. While drugs and alcohol undoubtedly can impair work performance, testing for substance use in the workplace is controversial regarding privacy rights, discrimination, and managerial overstepping.

Only workplaces that are highly safety sensitive or inherently dangerous can consider random drug testing. Non-random testing of specific

3

Can Drivers Get Impaired from Second-hand Smoke?

Just as nicotine can affect bystanders, marijuana can impair those in proximity to a smoker. Drivers who become impaired by second hand smoke might still pass drug tests, but legal precedents are few and there are no guarantees.

Therefore it's better to err on the side of caution. In your policy, prohibit employees from being in an area where others are smoking marijuana before and during work hours.

4

What Happens if a Driver is Stopped for Impaired Driving?

Police can pull drivers over and require them to be tested for marijuana:

- if they are driving erratically, or
- if the police smell marijuana after they pull drivers over for another reason.

Police can have drivers take the standard field sobriety test. If a driver fails that test, they can be required to take a drug recognition evaluation. If the driver fails that test as well, police could then demand a urine sample. Inform your drivers of these standard procedures, so that they're less rattled if stopped. Advise them to call your HR department immediately.



Find more at
leaseplan.ca

Prohibited use of the vehicle

As a general rule, a company vehicle cannot be used for any illegal purpose.

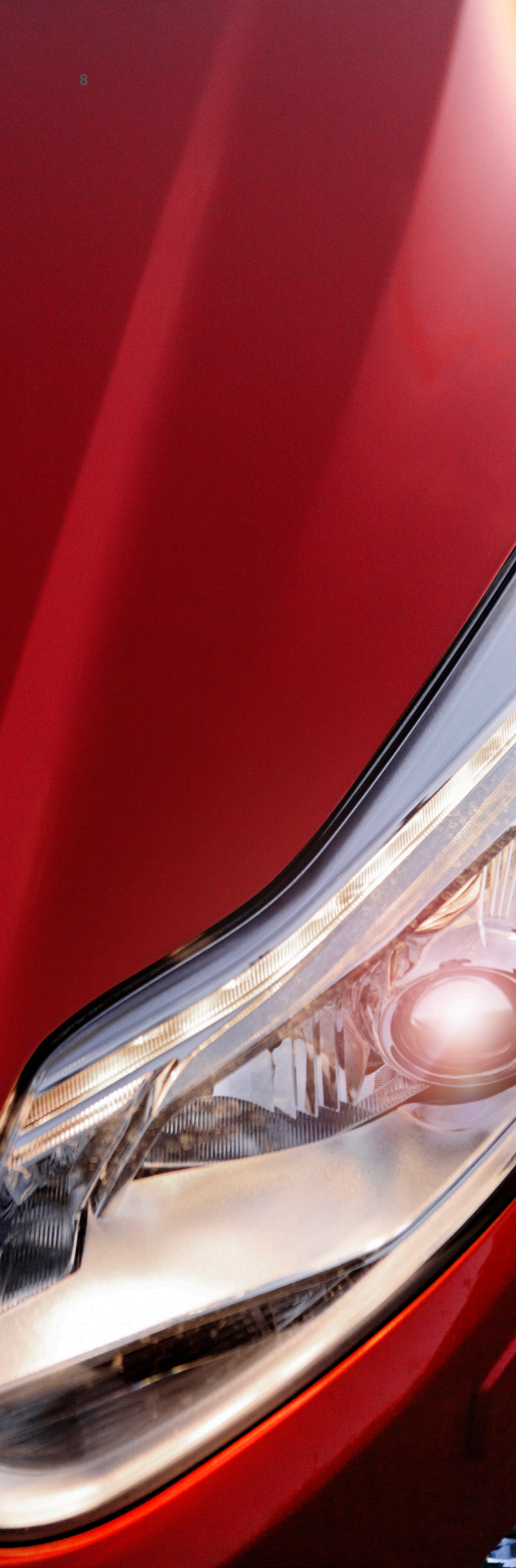
A company vehicle can only be used for the company's business purposes. In some cases personal use may be allowed, but that does not extend to conducting any other kind of business, or providing any services for any form of remuneration.

No company vehicle can be used for any illegal purpose, nor for any activity that is not in the company's best interests— or that can be reasonably foreseen to be detrimental to the company's best interests. Specific prohibitions include:

- Do not use a company vehicle for hire or reward services (i.e. delivering or transporting goods or passengers). This includes Ride Sharing or Ride Hailing services such as Uber and Lyft.
- Do not pick up and/or transport hitchhikers.
- Do not transport volunteer firemen or participate in police emergency runs.
- Do not push or tow another vehicle.

This list is a guideline. Additional items and practices may be prohibited, and the decision of what is restricted is at the company's discretion. In general, all company vehicles must be used in a manner that is legal, ethical and that represents the best interests of the company.





Prohibited equipment and modifications

No additions, deletions or modifications of any kind should be made to the company vehicle unless written consent has been received from company management.

Examples include, but are not limited to:

- Do not attach towing equipment (e.g. temporary or permanent trailer hitches).
- Do not attach any personal equipment such as roof racks or bike racks.
- Do not attach any advertisements, stickers or decals of any kind

Any removal costs, or damage caused by attaching any equipment to the vehicle are the employee's responsibility, and the company reserves the right to take disciplinary action against the employee.

Illegal, unsafe and/or unprofessional driving behaviour

For any of the following behaviours, an employee may lose their driving privileges. The following list is “for example” only. Additional practices may be prohibited, and the decision is at the company’s discretion:

- Being involved in three (3) or more accidents in one eighteen (18) month period.
- Receiving three (3) or more traffic violations in one twelve (12) month period.
- A conviction for reckless driving.
- Driving when suspended by the company.
- Driving when your driver’s licence is suspended or revoked.
- Failing to accurately report your mileage readings and fuel consumption.
- Operating the vehicle in an unsafe condition (after being notified of the unsafe condition).
- Abuse or misuse of the vehicle or failure to comply with the rules and procedures stipulated in your written company vehicle policy.
- Allowing a company vehicle to be driven by a non-qualified driver.

Additional practices may be prohibited, and the decision is at the company’s discretion.

- Negligently operating, maintaining or abusing a company vehicle or fleet-related equipment.
- Driving a company vehicle while intoxicated or under the influence of drugs.
- Causing an accident through gross negligence on the driver’s part.
- Repeated failure to pay traffic and parking tickets immediately upon receipt.
- Drag racing in a company vehicle.
- Hit and run or leaving the scene of an accident.
- Excessive speeding, reckless driving and excessive traffic violations (including parking).
- Attempting to elude police.
- Failure to remove ignition keys from the vehicle, which results in the vehicle being stolen or damaged.

Disciplinary Action

A driver who is found to be at fault for any Illegal, unsafe and/or unprofessional driving behaviour will be subject to the disciplinary process.

You may lose your driving privileges, and/or be required to:

- Reimburse the company for damages to the vehicle, equipment or other company property.
- Pay costs incurred through neglect of proper maintenance, or exterior or interior.
- Pay an additional fee of \$250 per occurrence.
- In the case of an accident occurring as a result of an at-fault traffic violation, the employee is responsible for all repairs and insurance cost, including third party costs.

The disciplinary process may also result in:

- Suspension of employment.
- Loss of the company vehicle on a temporary or permanent basis.
- Temporary reassignment, if possible, and with reduction in compensation and benefits, as applicable.
- Termination of employment.



Disciplinary actions and consequences



Zero tolerance for alcohol and drugs

Driving a company vehicle under the influence of alcohol and/or drugs could result in disciplinary action up to and including immediate dismissal. In addition, the employee will also be responsible for all repairs and insurance costs, including third party costs.



Distracted driving

If an employee is in an accident as a result of smartphone use—speaking, texting or emailing while driving—the driver will be responsible for all damages to the vehicle and for any resulting claims from other vehicles involved in the accident, including the insurance deductible and other charges.



Loss of licence

If an employee's driver's license is revoked, the employee must make their own transportation arrangements at their own expense. If the employee is unable to perform their job satisfactorily as a result of loss of driving privileges, or if the driving offense involves substance abuse, reckless driving or issues of similar magnitude, the company reserves the right to terminate employment.



The need for re-training

If an employee who is authorized to drive a company vehicle is involved in an at-fault or preventable accident with a company vehicle, they must take an approved defensive driving course within 60 days of the accident. The employee must provide verification of successful course completion.

Accident Review Committee or Board

For any accident involving a company vehicle, or a personal vehicle while in a work status, the reports and details must be submitted to the Company's Accident Review Committee or Board. The review committee or board will consider the documentation and circumstances of the accident and then recommend disciplinary actions (if any).

All accidents will be classified as preventable or non-preventable. Those accidents in which the driver failed to do everything he or she could have reasonably done to avoid the accident and/or the driver receives a citation, will be considered preventable.

An internal review will be done on each accident, and if an employee has more than two preventable accidents within a 12 month period, it could be grounds for losing company vehicle privileges or other disciplinary action including termination.



Disclosure of Material Facts

Every driver of a company vehicle must disclose certain material facts about themselves.

No company-provided vehicles are to be driven by any driver that:

- Suffers from any disease or infirmity that impairs the ability to drive.
- Has been refused motor vehicle insurance.
- Has, during the last five years, been convicted of any of the following motoring offences:
 - Causing death by dangerous driving
 - Dangerous driving (by any terminology)
 - Failing to stop after an accident
 - Any offence which resulted in suspension from driving
 - Driving under the influence of alcohol or drugs
 - Has any driving conviction not disclosed to the company
 - Failure to disclose any pertinent facts could invalidate insurance



In closing

At LeasePlan we do more than provide vehicles. We offer guidance that comes from decades of human experience across the globe with companies, drivers and vehicles.

We hope that you will be able to use some of the guidelines and language in this paper to improve your company's policies and procedures. By helping your drivers understand their responsibilities, you can help maintain your company's reputation and image, and protect your company against unexpected liabilities.

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Note: this paper provides advice only. It is your responsibility to ensure that your company's policies are legally appropriate and applicable in your province, city and industry.

At LeasePlan, our mission is to provide innovative, sustainable vehicle leasing solutions whoever you are and wherever you need to be — so you can focus on what's next.

We manage your fleet, so you can manage your business.



What's next?



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