

POLICY

- 05-06 A 2005

To: All Employees, VLCT-PACIF (FYI)
cc: Select Board
From: Sanford I. Miller, Town Manager *SM*
Re: Policy Memorandum # 05-06 A (Administrative) Repealing #97-06-A -
Insurance Coverage for Privately Owned Vehicles
Date: October 21, 2005

EFFECTIVE DATE - IMMEDIATELY

PURPOSE: This Policy addresses the concerns regarding insurance coverage if an employee uses his/her vehicle while conducting Town business, (travel to and from work, the assigned workplace, etc. is not included in this Policy).

POLICY: Employees who use their own vehicle on Town business and who are reimbursed for this use must submit proof of insurance (Note: reimbursement is based on the mileage rate approved in the Town Budget . Employees who need to use a vehicle for Town business should make arrangement to use a Town vehicle whenever practicable.

PROCEDURE: Town Employees who use their privately owned vehicles (POV) to conduct Town business several times each week and who occasionally transport other private (non-employees) individuals should have BUSINESS USE COVERAGE, in addition to their regular insurance. As a town Employee, transporting other persons, even on Town business, should be avoided whenever possible. Occasional use to attend seminars, mail pick-up, property/land check, project use, etc may not require Business Use Coverage, but the employee should advise their own insurer of the occasional use.

POLICY 05-06 A continued

- a) In the event of an accident, the employee's own auto insurance carrier should respond and cover damage per Policy limits. The Town's coverage through the VLCT-PACIF (the Trust) is never primary; it is only excess coverage over and above the employees coverage. Also, the Trust will never pay for property damage to the employee's vehicle.

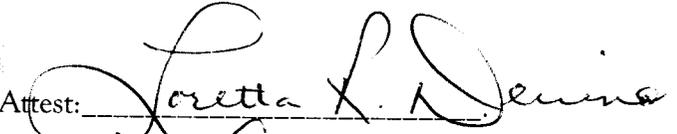
- b) The Town is covered by the Trust's auto liability policy should a third party make a claim against the Town. Claims made against an individual employee should be covered by the employee's own insurance.

Dated this 21st day of October, 2005 by
Town Manager, Sanford I. Miller



Filed with the Town Clerk: 10-24-05

Attest:


ASS^t Clerk