



# Risk Management Considerations for Motor Vehicle Reports

**W**hen a new driver is hired, motor vehicle reports (MVRs), usually form part of the hiring process. This is considered good due diligence because no one wants to hire a driver with a record of traffic violations, accident convictions or whose license is currently under suspension or has lapsed.

But, do you apply the same due diligence to your existing drivers? Are driver abstracts pulled on a regular basis? Are you confident that your current drivers all hold valid drivers' licenses?

Why is it important to pull MVR's on existing drivers? It could impact your insurance coverage. A claim could be denied if the accident involves a driver "prohibited" by the automobile policy. It is important to know the specifics of your automobile policy regarding "qualified" drivers.

In Ontario, the Ontario Automobile Policy, under Section 8, Statutory Conditions states very clearly that:

"4. (1) The insured shall not drive or operate or permit any other person to drive or operate the automobile unless the insured or other person is authorized by law to drive or operate it."

Both the Nova Scotia and Prince Edward Island automobile policies prohibit drivers whose licenses are under suspension from driving or operating automobiles. The New Brunswick automobile policy, under Statutory Conditions, states that no one will drive or operate an automobile while prohibited from driving under any court order.

Managing drivers is a critical part of any fleet safety program. Regular MVR checks can help you protect yourself against any possible insurance issues in the future.

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