



Large Claims Lessons Learned



Line of Business: Auto Liability Topic: Technician Selection and Training

Claim scenario

A technician took a customer vehicle for a test drive and ran into and killed a pedestrian. Video of the incident shows the driver had 20+ seconds while waiting to enter traffic to view the surrounding area.

The driver was found guilty at a criminal trial of careless driving and unintentional death.

The adult children of the deceased are bringing suit for loss of companionship from the loss of their parent.

Financial Impact:

This claim may have a financial impact of up to **\$5,000,000**.

(\$1,000,000 for the death of the individual; **\$2,000,000** per adult child.)



Lessons learned

- It is imperative that dealerships know who is driving their vehicles in all positions at the dealership. Careful selection and training of any/all employees who drive company-owned vehicles is recommended, including background checks and assessment of driver experience and skill.
- Financial impact can go beyond the injured party. In this case, adult children who were not directly involved in the accident can recover damages related to the loss.



Action needed to prevent this type of loss

Proactive actions are needed to protect your business and reputation, including:

- Do you have a strong MVR program in place?
- What are you doing on a consistent basis to train drivers?
- What training materials/sessions do you use/have in place?
- How often do you review and/or assess your staff's driving skills?



Loss prevention / Risk management Resources

Vehicle accidents are common loss leaders among claims made by dealerships. Zurich offers a variety of risk management insights to help you minimize your risk. Start with Zurich's loss prevention bulletin, [Who's Driving Your Vehicles](#) and visit Zurich's [Automotive Resource Hub](#) to access all of Zurich's loss prevention resources.

Exposures are still present even when strict processes and protocols are in place, however, these actions and a commitment to diligence in driver training and skill assessment can reduce the propensity for losses.

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1299 Zurich Way, Schaumburg, IL 60196-1056 800 382 2150 www.zurichna.com

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