

**EQSTRA Fleet  
Management  
Policy 2019**



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## Acknowledgments

Name	Designation	Date	Signature
	General Manager Sales and Customer Service		
	General Manager Operations		
	Financial Manager		
Staff member:			

2

## Approval

Name	Designation	Date	Signature

**Company vehicle**

Any vehicle (car, light delivery vehicle etc.) either owned or leased, which is made available for use by a staff member.

**Company perks**

A non-revenue generating vehicle.

**Tool of trade vehicle**

Vehicle used in the generation of revenue.

**Many employees operate company - owned, leased, rental or personal vehicles as part of their daily jobs. However, employees are expected to operate their vehicles safely to prevent any injuries or accidents.**

**4.1** The purpose of this policy is to govern and ensure proper use of one of the most valuable assets of the company, the company vehicle.

**4.2** This policy is a guide to assist us to manage staff vehicles in a professional manner while staying within budget and set parameters. It is also a reference guide for repercussions for the abuse and / or misuse of company vehicles.

**4.3** We expect our staff to maintain the condition of all vehicles to portray the correct image of the company at all times.

- 5.1** The use of a company vehicle is a privilege granted to an employee subject to said employee's adherence to the terms and conditions of this policy, and such further amendments or additions as may be made from time - to - time.
- 5.2** The use of the company vehicle may be withdrawn or suspended if an employee abuses the privilege in any way or fails to comply with the terms and conditions of this policy. The company may use any company vehicle at any time for its own purposes with reasonable notice to the employee.
- 5.3** The company is mainly self-insured in respect of "company" vehicles and consequently bears the risk of any loss or damage.
- 5.4** The employee entrusted with a "company" vehicle is therefore required to exercise particular care and precaution to avoid loss of or damage to the vehicle.
- 5.5** The employee shall be liable for any breach of these rules by an authorised driver of their allocated vehicle.
- 5.6** The company reserves the right to fit all vehicles with a tracking device and monitor driver behaviour. Should an employee be found guilty of driving misconduct, disciplinary actions will be taken.
- 5.7** Employees with vehicles in the category "company perks" will be given spare keys when allocated a vehicle. Should the employee lose the spare keys the replacement cost will be for their account.
- 5.8** Employees with vehicles in the category of "tool - of - trade vehicles" who, for misconduct or due to the revoking of a valid licence, can no longer drive a vehicle must accept that the company may dismiss such an incumbent on the grounds of breach of contract of employment, since they need to drive to perform their duties.

## 6

## Allocation of vehicles

**6.1** The policy makes reference to two kinds of staff vehicles:

- Tool of trade (vehicle to enable an employee to perform their daily tasks).
- Company perks (part of employee's remuneration package).

**6.2** In terms of "company perks", vehicles will be allocated according to seniority within the company hierarchy. The Managing Director reserves the right to allocate vehicles

to employees who do not fall within their category due to specific requirements, constraints, vehicle availability and any loss or legal vehicles at hand. The purpose is to ensure minimal loss or expenditure incurable by the company.

**6.3** Please refer to Annexure A for the allocation of vehicles applicable to you.

**6.4** Management has the discretion to reasonably allocate a vehicle to an employee depending on availability and other circumstances.

## 7

## Use of a company vehicle

**7.1** An employee who is entitled to make use of a company vehicle may use it for the execution of the company business, as well as reasonable personal usage.

**7.2** Fuel cards and vehicle keys will only be issued once a vehicle transfer form has been fully completed and signed by the relevant Manager and Managing Director and has been handed back to the Staff Vehicle Co-ordinator.

**7.3** The company will be responsible for the following approved and permissible costs of:

- ▶ Fuel within area of operation
- ▶ Oil and maintenance costs
- ▶ Vehicle licence renewal fees
- ▶ Toll fees

**7.4** Private usage of these vehicles, such as holiday traveling, must be declared. Fuel outside an employee's area of use will be for their account. Usage of the vehicle outside of this parameter needs to be declared. The employee is liable to pay for excessive personal fuel usage.

**7.5** Employees using their private vehicles for approved company business will be reimbursed for the kilometres traveled at AA rates.

**7.6** The employee is liable for fringe benefits tax as determined by SARS in accordance with the original cost of the category of vehicle the employee is entitled to drive.

- ▶ The vehicle may not be used for commercial gain.
- ▶ The vehicle may not be used for hiring.
- ▶ The vehicle may not be used for the carriage of passengers for hire or reward.
- ▶ The vehicle may not be used for rallies, racing, speed or any other contests.

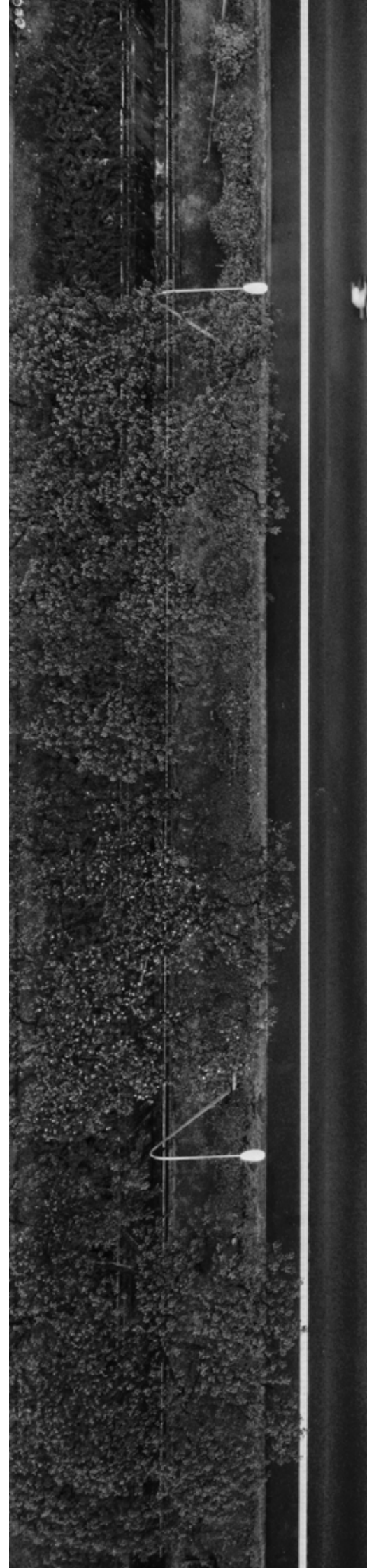
**7.7** The vehicle may not be loaded beyond its load carrying capacity or with more occupants than permitted by the Road Traffic Act. The vehicle shall not be used for any purpose other than that for which it was manufactured and/or licensed and then only in accordance with the operating manual.

**7.8** Proper care of vehicle keys must be taken so as to ensure the vehicle will not be stolen or driven without permission.



- 8.1** It's the duty of the employee to ensure that the maintenance and servicing of the vehicle is carried out in accordance with the Manufacturer Owner's Handbook.
- 8.2** Any repairs or maintenance due to neglect on the part of the employee will be for the employee's account, except to the extent that it constitutes a claim against an insurance policy.
- 8.3** Under no circumstances will the employee undertake to repair a vehicle privately. All repairs are to be reported to the relevant manager of the specific department.
- 8.4** On return of the vehicle to the company at any time, the company may recover from the employee the cost of repairing any damage to the vehicle that is not due to normal wear and tear. Damages not reported timeously to the manager will also be for the account of the employee.
- 8.5** Vehicles are to be kept in a good state at all times (clean inside and out) at the employees cost.
- 8.6** All the vehicles are to have a pocket folder containing emergency numbers.
- 8.7** The employee shall strive to keep all vehicles in a roadworthy condition, with special emphasis on brakes, lights, wheel nuts, tyre condition, and safety belts.

- 9.1** The employee will be responsible for any traffic fines received whilst using the vehicle assigned to them. All the fines will be redirected to the employee to settle directly with the traffic department. Failure to pay the fine: the company will settle the matter once it reaches the summons stage and deduct the full amount plus an administration fee of RXXX from the employee's salary.
- 9.2** All fines will be for the account of the designated driver of the vehicle. This includes fines picked up whilst the vehicle is being used by any other delegated person. All traffic fine records to be kept in the vehicle files.
- 9.3** It's the responsibility of the vehicle owner to keep a diary of who used their vehicle on which date and at what time. This is to help with any fines that might be issued against the vehicle whilst being used by another employee.







**10.1** Where a vehicle has been involved in an incident or accident, the employee must report to:

- The company.
- The nearest police station within 24 hours, as required by law with the objective of the police completing the relevant report.
- Mechanical tows must be done through the relevant towing service.

**10.2** The employee will be responsible for insurance excess payable for any claims submitted.

**10.3** Where a third party is involved and there is a claim lodged with their insurance, the employee will be reimbursed the excess paid only once a successful recovery is made.

**10.4** Only at the discretion of the management team will a replacement vehicle be made available to the employee.

**10.5** It is the responsibility of the employee to comply with all other requirements in respect of insurance procedures.

**10.6** The employee will be liable for all excess payments set out in Annexure B, which are subject to change without notice at the discretion of the company.

## COMPANY CAR POLICY

**Do your drivers understand your company's policies and procedures regarding company vehicles?**

**Download our company car policy to assist you in understanding the aspects of driver liability and responsibility.**

**10.7** Should the employee not be at fault, excess will be collected and refunded once it has been successfully claimed from the third party.

**10.8** The employee will be liable for the entire loss suffered by the company due to the following circumstances:

- Acting maliciously, intentionally or grossly negligent, or permitting someone else to do so in relation to the vehicle.
- Driving under the influence of alcohol or intoxicating substances or permitting anyone else to do so.
- Failing to report any incident or accident.
- Making a false statement regarding an incident or accident.
- Effecting a private repair.
- Refusing to co-operate regarding the pursuit of a claim against a third party.
- Admitting liability for loss caused due to an incident or accident to an outside party without the consent of the Directors.



- 11.1** No employee may drive any company vehicle whatsoever unless said employee has a valid driver's licence for the country where the vehicle is being driven, and has supplied a certified copy of his or her driver's licence to the company for its record.
- 11.2** The driver's licence must also be of the appropriate code for the type of vehicle being used.
- 11.3** No manager or official of the company may authorise any employee to drive any company vehicle unless he or she is satisfied that the employee has a valid driver's licence on record with the company. It's the responsibility of management to validate drivers' licences before employing drivers and at least once a year thereafter (this validation should include a check for endorsements).
- 11.4** An employee must report to the company if his or her driver's licence is endorsed or suspended. A copy of such endorsement must be lodged with the company for its records immediately.
- 11.5** Should an employee's driver's licence be endorsed,
- The company should conduct a hearing to determine whether said employee should be permitted to continue to use a company vehicle.
  - For employees with "tool of trade vehicles" the company may dismiss the incumbent on the grounds of breach of contract of employment, since he or she needs to drive to perform their duties.



## 12 Vision tests

**12.1** Any employees who drive any company vehicle may at any time be requested to subject themselves for a vision test. Such tests should preferably be performed annually.

**12.2** If an employee requires spectacles or contact lenses to rectify vision defects then such aids must be worn by the employee at all times when driving.

**12.3** If an employee's vision becomes defective to the point where it affects his / her ability to drive safely, he / she may be refused permission to continue to drive a company vehicle.



## 13 Health

- 13.1** An employee who is entitled to a company vehicle may only make use of such vehicle on the condition that his or her health is such as not likely to pose any potential cause of accident (e.g. blackouts/dizzy spells/headaches that impair vision).
- 13.2** The company reserves the right to request a medical certificate from the employee indicating that they are fit to drive.



## 14 Collection and inspection of new vehicles

- 14.1** It is the duty of the employee to inspect his or her vehicle when it is collected from the Stock Controller and to ensure that any body and trim defects or shortages are recorded prior to their use of the vehicle. A Vehicle Condition Report is to be signed.
- 14.2** Once the employee has signed receipt of the vehicle, he or she is then responsible for maintaining that vehicle in the condition it was found.
- 14.3** The Staff Vehicle Coordinator ensures that the Vehicle Transfer Form has been fully completed, signed by management and the employee, before the keys can be handed to the employee.
- 14.4** The employee is to keep a copy of the Vehicle Transfer Form. Whenever an employee changes, a Vehicle Transfer Form needs to be completed and submitted to the Staff Vehicle Co-ordinator together with a perks tax form.



15

Disciplinary code





**The following sanctions may be imposed depending on the circumstances:**

**15.1** Where the employee is liable for three excesses in respect of vehicles within a 12-month period, said person may lose the privilege of using a company vehicle. The same condition will apply in the following cases:

- First offence will be recorded on the insurance claims register for record purposes and monitored for the following twelve months.
- Second offence: forfeiture of the privilege for three, six, or twelve months depending on the severity of the offence.
- Where the employee is liable for three excess payments in respect of stolen radios within a twelve-month period, said person will lose the privilege of a radio in his or her vehicle.

**15.2** Notwithstanding the provisions of this policy, the company may cancel any vehicle benefit at its sole discretion, for good cause, and upon such conditions as it may deem fit.

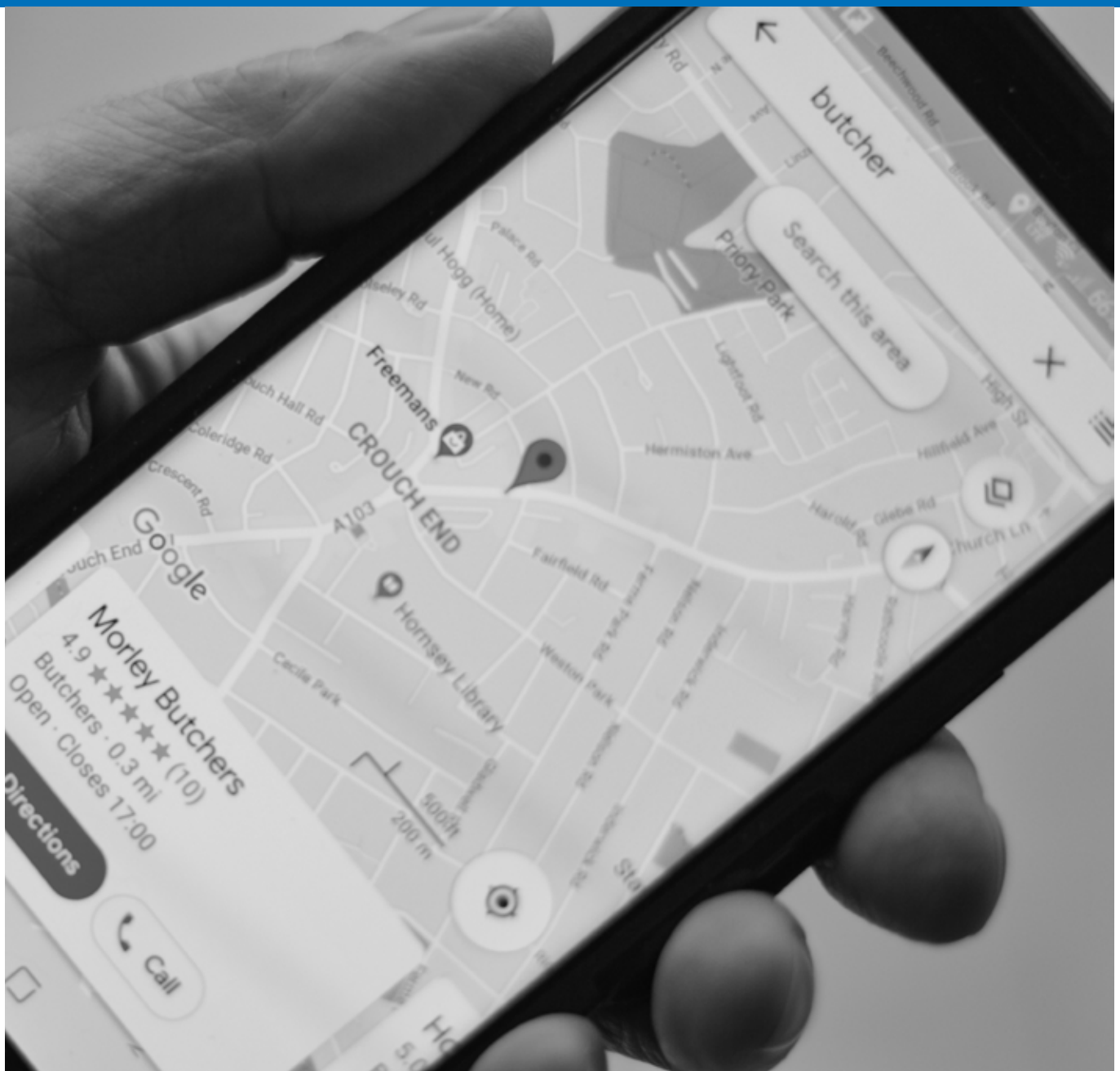
**15.3** The employee in his/her capacity consents to taking a polygraph test at the request of the company or its insurer to determine the circumstances surrounding an incident or accident involving the vehicle.

**15.4** The parties concur that for the purposes of this agreement, the result of the test will be binding on the employee or authorised driver in a disciplinary hearing unless proved to the contrary.

## 16

## Authority to delegate a driver

- 16.1** Apart from certain appointed drivers, any other employee who does not have a company vehicle must obtain the authority from his or her Manager to drive a company vehicle. The Manager must ensure he or she has a valid driver's licence.
- 16.2** All other terms and conditions relating to the motor vehicle policy will then apply to that employee whilst driving a company vehicle.



**The employee shall:**

- 17.1** Take care of the vehicle, maintaining it at all times in the condition as at the date of delivery thereof.
- 17.2** Ensure the vehicle is properly licensed.
- 17.3** Not use the vehicle for any illegal purpose or hired out for the transportation of persons or property.
- 17.4** Not permit the use of the vehicle by anyone not legally qualified to drive the vehicle.
- 17.5** Not permit the use of the vehicle by anyone outside the employ of the company other than the spouse and a nominated person without the prior written permission of the Directors.
- 17.6** The employee can be liable for the full cost of damages if an unauthorised driver makes use of the vehicle.
- 17.7** Not remove the allocated vehicle to any country outside the R.S.A. for any period without the prior written consent of the company.
- 17.8** Not use the allocated vehicle for any purpose for which it is not designed, or in contravention of the law.
- 17.9** Return the allocated vehicle to the company when requested to do so for any purpose and at any reasonable time.
- 17.10** Return the allocated vehicle to the company in the same condition as it was at the date of delivery thereof (normal wear and tear excluded).
- 17.11** Ensure that the vehicle is properly garaged and reasonable precautions are taken to prevent theft or loss thereof.
- 17.12** All traffic fines will be redirected to the vehicle driver to settle. Should the fine be ignored and a summons issued, the company will settle the matter and deduct the full amount plus a RXXX administration fee from the driver.
- 17.13** Ensure that when parking the vehicle necessary precautions are taken to protect the vehicle against theft or vandalism.

- 18.1** Upon returning the vehicle, the Vehicle Condition Report should be filled in and handed back together with the Key Handover Form.
- 18.2** The keys should be handed back to the Staff Vehicle Co - ordinator with a copy of the Key Handover Form.
- 18.3** The company is entitled to amend this policy, procedure, and regulations at its sole discretion and, where such amendments would affect the terms and conditions of this agreement, that such amendments will, from the effective date, form part of this agreement and will be binding on the employee.
- 18.4** Any damages not reported and handled through the insurance company prior to returning the vehicle will be payable by the staff member.

The employee hereby accepts the above Company Vehicle Policy.

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EMPLOYEE (NAME IN PRINT)

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EMPLOYEE SIGNATURE

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DATE

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MANAGER (NAME IN PRINT)

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MANAGER SIGNATURE

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DATE



# Annexure A

Category	Position	Vehicle	Bench value excl. VAT
1			
2			
3			
4			
5			

## Please Note:

1. The relevant Director must approve any exceptions to the above.
2. Colour of vehicles will be issued upon availability and market demand.
3. Taxation is based on category, value, and age of the vehicle.
4. If an employee chooses to move to a lower category for tax purposes, he or she should do so in writing and forward a copy to the Managing Director.
5. Any accessories fitted (tow bar, cell phone accessories etc.) to a company vehicle must be approved by the head of the department. An order signed by the head of department must be submitted to the fitment centre.
6. Company vehicles must be driven for at least 120 000 kms or 36 months.
7. Vehicle types must be approved by the Directors and should exclude: station wagons, two door sedans, sports cars and 4x4s.
8. The perks tax calculation can change at any time as per SARS legislation.
  - The following private usage percentages can be requested - 100% or 80%.
  - If the individual requests the 80% then a logbook needs to be kept, in order to validate the 20% business usage claim, if required by SARS. If the individual exceeds the selected business usage percentage, they can submit a claim to SARS on their annual personal tax return (a logbook in this case would be imperative).

## Annexure B

1. The employee is liable for all excess payable. The excess will be reimbursed once successfully collected from the third party.
2. The excess charged to employees is XXXXX.
3. In the event of a third - party claim, any monies collected will be allocated against any cost the company incurred on such a claim. The balance, if any, will be refunded to the employee.
4. Incidental damage: excess due on windscreen, hail damage as well as damage caused when the employee was not with / in the vehicle will be determined by the committee and based on the incident history. Incidental damage will not be deemed to have excess, however it does remain under the discretion of the accident committee.
5. Any excess due by the employee will be allowed on a payment plan but not in smaller values than XXXX per month. The maximum period being ten (10) months.
6. The implementation of any or all of the above measures does not preclude the company from taking disciplinary action in respect of the incident. Such action may include, but not be limited to, the withdrawal of use of the vehicle, restricted use, warning or dismissal.