



Independent Contractor Program

After deliberations with a number of insurance companies and their compliance departments AETS is pleased to announce a new program that provides protection to motor carriers from work related injuries of their independent contractor drivers. AETS has long held that workers compensation was the only solution to this problem however we believe that the program that we have developed will accomplish the goal of providing the motor carrier with a viable risk management solution.

The structure of the program is as follows;

Once it is determined that the motor carrier meets the eligibility standards of the program AETS will enter into an agreement with the motor carrier to provide the AETS program to it's independent contractor drivers.

AETS will provide a certificate of workers compensation coverage. A list of active drivers at the time of contract will be attached and updates monthly to reflect any changes.

AETS will also secure a Contingent Liability policy in the name of the motor carrier with \$2,000,000 per accident limits and \$1,000,000 per accident \$1,000,000 per disease and \$1,000,000 aggregate Employer Liability Limits. This policy provides protection to the motor carrier in the event that an independent contractor driver brings a workers compensation claim. This policy includes 'duty to defend' and has provisions to "pay on behalf" of the motor carrier.

The third part of this program involves providing an occupational accident policy to each independent contractor driver. This policy has been enhanced to provide broader coverage than what is currently available. By providing broader policy terms and increased limits, drivers will be by far less likely to pursue a work comp claim.

The combination of the motor carrier's contract and the AETS agreement with the driver enforces the fact that these drivers are independent contractors thus all claims brought by the independent contractor should be handled within the AETS program structure.. Claims will be handled by a highly trained and specialized unit within Gallagher Bassett that only handles occupational accident and contingent liability claims. These claim specialists have the expertise to protect the motor carrier from work related injuries of their independent contractors.

AETS believes that this structure is appropriate for the current environment and will provide the motor carrier the protection they need.