

Employee Handbook 2017

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Your Employer

Ethics Code

KGT Trucking will conduct its business honestly and ethically wherever we operate in the world. We will constantly improve the quality of our services, products and operations and will maintain a reputation for honesty, fairness, respect, responsibility, integrity, trust and sound business judgment. No illegal or unethical conduct on the part of officers, managers, employees or affiliates is in the company's best interest. We will not compromise our principles for short-term advantage. The ethical performance of KGT Trucking is the sum of the ethics of the men and women who work here. Thus, we are all expected to adhere to high standards of personal integrity.

Officers, directors, and employees of the company must never permit their personal interests to conflict, or even appear to conflict, with the interests of the company, its clients or affiliates. Officers, directors and employees must be particularly careful to avoid representing KGT Trucking in any transaction with others with whom there is any outside business affiliation or relationship. Officers, directors, and employees shall avoid using their company contacts to advance their private business or personal interests at the expense of the company, its clients or affiliates.

No bribes, kickbacks or other similar remuneration or consideration shall be given to any person or organization in order to attract or influence business activity. Officers, managers and employees shall avoid gifts, gratuities, fees, bonuses or excessive entertainment, in order to attract or influence business activity.

Officers, managers and employees will seek to report all information accurately and honestly, and as otherwise required by applicable reporting requirements.

Officers, managers and employees agree to promptly disclose unethical, dishonest, fraudulent and illegal behavior, or any violation of company policies and procedures, directly to management.

Violation of the Code of Ethics can result in discipline, including possible termination. The degree of discipline imposed may be influenced by the existence of voluntary disclosure of any ethical violation and whether or not the violator cooperated in any subsequent investigation.

If you ever have any doubt about whether your conduct or that of another meets the company's ethical standards or compromises the company's reputation, please discuss it with your supervisor. Remember that good ethics is good business!

Equal Opportunity Policy

It is the policy and commitment of KGT Trucking to promote equal employment opportunity and to ensure that all employment and business practices promote equal opportunity without regard to race, creed, color, religion, sex, national origin, ancestry, age, any physical or mental disability, military service or any other category protected by law.

KGT Trucking management believes that following the concepts of equal employment opportunity is the foundation of sound business practice. It is the responsibility of all employees to support and promote equal employment opportunity.

This policy applies to all employment practices and personnel actions including advertising, recruitment, testing, screening, hiring, selection for training, upgrading, transfer, demotion, layoff, termination, rates of pay and other forms of compensation or overtime.

Anyone found to be engaging in any type of unlawful discrimination, whether directed toward or in reference to another employee or any other person with whom they come in contact during the course of their employment will be subject to disciplinary action up to and including termination. All KGT Trucking employees are required to participate in any investigation by the company, its attorneys, or representatives regarding allegations of discrimination.

You should contact KGT Trucking Operations Manager/Human Resources immediately if you feel you or another employee have been treated unfairly. Employees can raise concerns and make reports without fear of reprisal.

YOUR EMPLOYMENT

Proof of Citizenship and Right to Work

All new hires are required by Federal law to verify their identity and eligibility to work in the United States. You will be required to complete Federal form I-9, Employment Eligibility Verification Form, upon application for employment. If you are currently employed and have not complied with this requirement, please inform your supervisor.

At-Will Employment

Your employment with the company is "at-will." This means that your employment may be terminated at any time, with or without notice and with or without cause. Likewise, we respect your right to terminate your employment at any time, with or without notice and with or without cause. As you can see, "at-will" employment is a two-way street. Nothing in the employee handbook or any other company document should be understood as creating guaranteed or continued employment, a right to termination only "for cause", or of any other guarantee of continued benefits. Only the president has the authority to make promises with regard to guaranteed or continued employment, and any such promises are only effective if placed in writing and signed by the president.

DRIVER SPECIFIC POLICIES

Driver Qualifications:

Drivers must have the following at hire:

- 1. Current CDL Class A
- 2. Current Medical Card
- 3. At least one year of professional driving experience
- 4. MVR with no more than one minor driving violation
- 5. Clear previous employment drug/alcohol testing history
- 6. Ability to pass a current drug/alcohol test
- 7. Ability to pass a road test administered by the

Driver Employment and Annual Review

A road test will be administered at hire. In addition, KGT Trucking will provide or facilitate the training.

A past driving record (MVR) will be requested at hire and annually thereafter. Drivers are required to complete an annual certification of violations and will also need to meet with management to review their MVR each year.

Lease Operators Truck Insurance

Lease operators must provide proof of workmen's compensation and liability insurance on their truck and must be named as additional insured.

Logs

KGT Trucking requires that all drivers keep an accurate and current logbook. Log sheets for the week should be turned in to the company no later than the following Monday.

In addition to completing all the federally required information, KGT Trucking requires drivers to note their beginning and ending odometer readings and any out of state mileage on their logs as well.

Driver Hours of Service Regulations

Company and leased drivers are required to adhere strictly to the federal hours of service regulations as outlined below. Violations will often result in a warning being added to the employee's file. Persistent and/or willful violations will be dealt with strongly and can result in probation, suspension or termination. Please refer to the Federal Motor Carrier Safety Regulations book or company management with any questions.

11-Hour Driving Limit

May drive a maximum of 11 hours after 10 consecutive hours off duty. 1-Hour Driving

14-Hour Limit

May not drive beyond the 14th consecutive hour after coming on duty, following 10 consecutive hours off duty. Off-duty time does not extend the 14-hour period.

70hours/8 Day On-Duty Limit

May not drive after 70 hours on duty in 8 consecutive days. A driver may restart a 8 consecutive day period after taking 34 or more consecutive hours off duty.

Moving Violations

Drivers are required to notify the company of any traffic violations (other than parking violations) received by the end of the following business day. Violations received while in personal vehicles must also be reported. An official notification form should be obtained, filled out, and submitted within 30 days of conviction. Drivers must immediately notify KGT Trucking of any license suspension, revocation, cancellation or disqualifica-

tion. Remember that two serious convictions within three years can result in a 60 day disqualification of your license which prevents CMV driving during that time.

Traffic Accidents

In the event of an accident, the first rule is to stay calm. Drivers should turn off engine and lights, take important paperwork and exit the truck if physically able. Drivers should immediately report to the appropriate authorities then report to KGT Trucking. Secure the area, do not allow anyone but authorities near the scene and don't leave unless absolutely necessary.

Drivers should be proactive in obtaining accurate accident information as quickly as possible. The driver should fill out a vehicle accident report if an accident occurs.

Drivers should obtain contact and insurance information from the other drivers involved and names and contact information for any witnesses.

Drivers should take pictures of the location and all vehicles involved from as many angles as possible. A camera should be available in each truck.

In addition, drivers must be certain to obtain a copy of the accident report or a document outlining the basic information and how to obtain a traffic report. They should be sure to get the contact information for the officer making the report as well.

Drivers should be aware that in the event of an accident, they may be subject to disciplinary action up to and including termination.

In-Transit Communication

Drivers are expected to maintain regular communication with KGT Trucking while in transit. All drivers should ensure that they have a working cell phone with them at all times. Any case where drivers fail to check in when required shall be assumed to be suspicious and highly irregular. Immediate action shall be taken in such situations. Drivers are expected to fully understand this procedure and make every effort to maintain contact and communication with dispatch.

While in transit, no information related to the load, route, or delivery schedule should be shared with any person(s) other than the authorized company officials or law enforcement officials. Drivers are to report any suspicious activity (including load-related inquiries from strangers) to the owner or dispatcher immediately.

Any out of the ordinary delay should be reported to KGT Trucking.

Driver Cell Phones

Drivers are required to have a fully functional and charged cell phone with them at all times in order to remain in contact with the dispatcher.

KGT Trucking encourages the use of hands-free devices. <u>Texting while driving is completely prohibited.</u>

Maintenance Records

Company drivers should immediately inform dispatcher whenever they detect a mechanical problem with the truck, whether it's during a pre or post trip inspection or while in transit. Drivers should watch for tire and brake wear and report it accordingly. In addition, drivers should stay cognizant of regularly scheduled maintenance (such as oil changes) and when the maintenance is due.

Lease operators are required to maintain their trucks at company standards and in full compliance with state and federal regulations. Lease operators must obtain regular maintenance, replace brakes and tires according to regulations, and ensure that any mechanical problems are fixed in a timely manner. KGT Trucking requires lease operators to report any truck maintenance that is done to ensure they are in full compliance.

Expected Behavior

KGT Trucking requires a high standard of behavior from all their employees. Employees should conduct themselves professionally and treat fellow workers, supervisors and management with respect at all times.

Drug-Free Workplace

KGT Trucking, Inc. is a drug and alcohol - free workplace. The use of or being under the influence of illegal drugs and or alcohol is inconsistent with the behavior expected of employees. The use of illegal drugs and alcohol and misuse of prescribed and over the counter drugs subjects employees and visitors to unacceptable safety risks that undermine the Company's ability to operate safely, effectively and efficiently.

The use, possession, distribution or sale of controlled substances such as drugs or alcohol, being under the influence of such controlled substances (drugs and alcohol) or testing positive for alcohol or any drug including, but not limited to, inactive components or metabolites associated with the use of such drugs is strictly prohibited while on duty,, while on Company premises or work sites or while operating the Company's equipment or vehicles.

Our Company participates in post-offer, random and post-accident drug and alcohol testing. If injured on the job you may be expected to participate in a drug and alcohol test immediately following the injury.

Termination

Terminations are to be treated in a confidential and professional manner by all concerned. The supervisor/department manager must assure thorough, consistent and evenhanded termination procedures. This policy and its administration will be implemented in accordance with the company equal opportunity statement.

I. Resignation: An employee who wants to terminate employment, regardless of employee classification, is expected to give as much advance notice as possible. Two weeks or ten working days is generally considered to be sufficient notice time. If an employee resigns to join a competitor, if there is any other conflict of interest or if the employee refuses to reveal the circumstances or relationship of his or her resignation and the future employer, the manager may require the employee to leave the company immediately rather than work during the notice period. This is not to be construed as a reflection upon the employee's integrity but an action in the best interests of business practice.

II. Layoff: When a reduction in force is necessary or if one or more positions are eliminated, employees will be identified for layoff after evaluating the following factors:

- Company work requirements
- Employee's abilities, experience, and skill
- Employee's potential for reassignment within the organization
- Length of service

The immediate KGT management will personally notify employees of a layoff. The employee will be terminated immediately.

III. Termination Processing Procedures: On the final day of employment, KGT management must receive all keys, company cards this handbook, and company property from the employee. An employee's final payroll check will be issued when the normal payroll is processed for the week.

Safety

KGT Trucking strives to provide its employees with a safe and healthful workplace environment. To accomplish this goal, both management and employees must diligently undertake efforts to promote safety.

All job-related injuries or illnesses, regardless of severity, are to be immediately reported, a KGT Trucking member of management. Failure to report an injury or illness may preclude or delay the payment of any benefits.

Drivers are required to submit to a mandatory drug and alcohol test after an accident or incident that results in a vehicle being towed, an injury to the employee or other party, or a fatality.

Refusal to Seek Medical Treatment

KGT Trucking respects any employee's decision to refuse medical treatment for any job related injury. However, a "Refusal to Seek Medical Treatment" form must be signed and dated by the injured employee. By signing this document the employee will not hold KGT Trucking responsible for any medical fees or complications arising from the injury.

Safety Belt Policy

This company recognizes that safety belt use helps to protect our employees, reduce injuries, and control operating costs. Moreover, safety belt use in commercial motor vehicles is required by Federal law. As of January 2006, safety belt use is also the law in 49 states, the District of Columbia, and Puerto Rico. Therefore, we are implementing the following policy:

Safety belts must be used at all times while driving or riding in any company vehicle on company or personal business, or in any other vehicle while on official company business. For sleeper berths, occupant restraint systems installed by the manufacturer must be used, whether the system is at the entry point of the berth or incorporated as a belt-type restraint within the berth itself. This policy applies to all employees and all occupants of vehicles driven by employees on official business, whether in company-owned vehicles (including trucks), rented vehicles, or employees' personal vehicles.

All personnel will be held accountable for using safety belts. Non-compliance may result in corrective action up to and including termination. The <u>driver</u> of the vehicle is responsible for enforcing safety belt use of all occupants. The ranking occupant, if other than the driver, shares this responsibility.

Safety belt use shall be enforced in the same manner, and with the same consequences, as other work rules. Violation of this policy will result in corrective action up to and including termination of employment.

OTHER EMPLOYMENT INFORMATION

Personnel Files

Personnel files and all other employment files are the property of KGT Trucking and access to that information is restricted to management personnel who have a legitimate reason to review the file. Employees who wish to review their own file(s) should contact their supervisor. With reasonable advance notice, the employee may review his/her personnel file(s) in the office and in the presence of their supervisor or other representative.

Personnel Data Changes

It is your responsibility to promptly notify KGT Trucking of any changes in personal data. Personal mailing address, telephone number, emergency contacts and other status information should be current at all times.

Employees participating in benefit programs are responsible for insuring that they meet the requirements of the benefit program when requesting changes in coverage. Employees should contact KGT Trucking management for forms and/or information on procedures to be followed for specific situations.

Employment Reference and Information Requests

KGT Trucking will only verify dates of employment, position, and drug/alcohol testing history in response to requests for employment verification or reference requests.

Confidential Information

All business information acquired during the course of your employment is strictly confidential. Employees who improperly use or disclose trade secrets, confidential business information or proprietary and/or confidential operational procedures will be subject to disciplinary action, up to and including termination of employment and legal action.

EMPLOYEE BENEFITS

Vacation Time/Pay

Regular full time employees will receive one week paid vacation after one full year of full time employment.

Regular full time employees will receive two weeks of paid vacation after three full years of employment.

All vacation time must be approved two weeks in advance of requested vacation.

Bereavement Leave

The company will pay for time off in the event of death of the following immediate family members:

Spouse	Parent	Grandparent
Child/Stepchild	Sibling	Grandchild
I I	Ū	Parent-in-law

The employee and supervisor/manager will determine the amount of time the employee will be absent from work. The maximum paid leave is three (3) days in addition to all other paid leave.

Leave for attendance at the funeral of a non-immediate family member or person with an especially close relationship may be granted with or without pay. Typically paid leave is reserved for the death of the immediate family members listed above or other relatives living in the immediate household. The employee's supervisor will make determination after consultation with upper management.

Employee Acknowledgement of Receipt of Handbook

I, _____, have received a copy of KGT Trucking's Employee Handbook.

I will thoroughly familiarize myself with all the information contained in this handbook and take the opportunity to ask questions immediately if I require clarification.

I realize it is my responsibility to understand all of the rules, policies, and procedures required of an employee of KGT Trucking.

I understand that this handbook represents the current policies, regulations and benefits, and that it does not create a contract of employment or an entitlement to any provisions contained herein. KGT Trucking retains the right to change wages and all other working conditions as it deems necessary or appropriate, with or without notice.

I understand that I am not employed for a particular period and that my employment is at will. I have the right to terminate my employment at any time, with or without cause, and KGT Trucking has the same right.

[Signature of Employee]

[Date]

Immediately at the cessation of my employment at KGT Trucking I agree to return all keys, company cards, any other company owned materials including this handbook.

[Signature of Employee]

[Date]

Property of KGT Trucking