



Employee Guidelines/Handbook

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Company Profile

1.0 Welcome to Source Logistics, Inc.

We are pleased that you have chosen Source Logistics, Inc. to further your career development. We are well respected in the trucking industry for our integrity and professionalism. It is our goal to maintain this reputation by practicing fair, consistent, and conscientious principles of operation. As our employee, you either help or hinder the achievement of this goal by your attitude, actions, and appearance. We require and expect each employee to adhere to our Company policies, plans, and programs so that together we can perform to our industry best-practice standards and guidelines.

(The terms Source Logistics, Inc., Company, and Management are used interchangeably throughout this document.)

We are proud of the members of the Source Logistics, Inc. team and we hope that you enjoy a long and prosperous career here with us.

Employee Standards and Guidelines

2.0 Introduction

Our Company is dedicated to achieving the goals of our organization while helping our individual members develop their talents, abilities, and interests. To better facilitate the accomplishment of this vision, we have developed a framework of Company programs, policies, and procedures that are contained within this handbook.

While this handbook doesn't cover every aspect of our Company programs, it does give a general overview of several areas of concern. We expect our employees to read and understand each of the elements presented herein. Please keep your copy of this handbook with you while on the job. It is your reference material for many of the important aspects of your job and many of the requirements set forth by the Department of Transportation, and provides generally accepted guidelines. However, this handbook can't and shouldn't provide guidelines for every conceivable situation. Therefore, our employees are expected to exercise proper discretion, good judgment, and best-practices, whether or not specific guidelines are included herein. The guidelines addressed in this handbook are subject to changes as mandated by DOT Regulations and as the company deems necessary.

Employees of Source Logistics, Inc. are hired "at will". Therefore, Management or the individual employee may choose to terminate employment at Source Logistics, Inc. "with or without cause and with or without notice".

Material in this handbook may, at times, be altered, rescinded, or supplemented. Under such circumstances, we will timely notify employees of any changes. Management intends to fully comply with this handbook, but Management also reserves the right to choose, if circumstances warrant, to deviate from any of the policies set forth herein.

2.1 Employee Classification

Management and Administrative Employees: Include all employees not hired as drivers, maintenance workers, or general laborers.

Maintenance Workers: Employees hired to do primarily vehicle maintenance job functions.

General Laborers: Employees with primary responsibilities that don't include administrative, maintenance, or driving functions.

Drivers: Employees hired to operate commercial motor vehicles over public highways. These employees are subject to regulations imposed by DOT.

2.2 Equal Employment Opportunity Policy

Source Logistics, Inc. is an equal opportunity employer. In accordance with federal, state, and local laws, we recruit, hire, promote, evaluate, train, and compensate all personnel without regard to race, religion, color, sex, marital status, age, national origin, veteran status, or disability, except where such characteristics are an appropriate bona fide occupational qualification consideration. Job applicants and present employees are evaluated solely on ability, experience, and the requirements of the job.

2.3 Americans with Disabilities Act

Source Logistics, Inc. does not discriminate against anyone on the basis of a disability as defined by the ADA. Among other considerations, the ADA defines who qualifies for protection under the law, reasonable accommodation, undue hardship, and prohibited inquiries and examinations. In addition, the ADA explains the special provisions of the law as it pertains to drug and/or alcohol abusers. Source Logistics, Inc. intends to fully comply with ADA provisions.

2.4 Immigration Reform and Control Act

The Immigration Reform and Control Act of 1986 requires that all employees hired by Source Logistics, Inc. provide documentation proving that they have the legal right to work in the United States. In compliance with this act, all job offers extended to successful applicants are made contingent upon the receipt of the required documentation and completion of INS Form I-9. Only those successful applicants who provide the required documentation and complete the I-9 Form will be permitted to begin work at Source Logistics, Inc.

2.5 Applicant Evaluation

Each applicant for employment at Source Logistics, Inc. must submit to reference checks, background checks, interviews, performance tests, drug and alcohol testing, and other job-related screening procedures. Each applicant is required to provide all required information, sign all required paperwork, and undergo any examinations necessary to demonstrate qualifications for the employment position for which he/she applies, insofar as such is job-related and allowed by law. Any offer of employment shall be considered "conditional"

upon the receipt of required information and the successful completion of all required examinations. Any material misrepresentation of relevant facts or information will disqualify the applicant for employment.

2.6 Job Descriptions

Driver:

- Meets the minimum qualifications set forth in the Federal Motor Carrier Safety Regulations
- Meets the Source Logistics, Inc. job qualification guidelines
- Able to work 70 hours in 8 days (Subject to DOT changes)
- Able to work 14 hours per day (Subject to DOT changes)
- Able to sit and drive for an aggregate limit up to 11 hours per day
- Able to get in and out of truck and trailer up to 12-15 times per day
- Able to operate foot pedals and other controls of tractor-trailer unit
- Able to bend, squat, twist and get under the trailer to check components, and climb up on tractor catwalk, trailers, etc.
- Able to check truck and engine fluids by climbing up onto frame and tires
- Able to lift up to 75 pounds 10 to 50 times per day
- Able to push and pull levers, handles, doors, binders, and cargo with a force of up to 100 pounds 10 to 50 times per day
- Able to maintain balance while performing various maneuvers including climbing, exiting, walking, twisting, crouching, turning, etc. while on various surfaces, uneven terrain, slippery surfaces, etc.
- Able to lift various sized, configured, and weighted objects of up to 50 pounds above head
- Able to properly secure cargo, equipment, and tarps with load-locks, ropes, chains, boomers, or other securement devices as is required by the cargo
- Complies with all Company policies, programs, procedures, and processes by meeting the standards and requirements of each
- Complies with all DOT and other government regulations
- Properly completes, protects, and presents all required paperwork and documents in the required timeframes
- Able to work irregular work schedules in a variety of environments including adverse weather, hot or cold temperatures, noisy conditions, bumpy roadways, traffic congested roadways, work zones, etc.
- Able to adequately handle the stress of tight schedules, delays en route and at customers, short notice of assignments, and road congestion, etc.
- Inspects and identifies any safety defects on tractors and trailers and properly records all required information on DVIR
- Does not violate DOT hours-of-service or out-of-service regulations and keeps accurate logs
- Properly communicates with Management concerning accidents, incidents, delays, inclement weather, breakdowns, or other emergencies
- Performs all the requirements as stated above in a safe, timely, and conscientious manner which reflects favorably upon Source Logistics, Inc.

2.7 Driver Qualifications

In order to ensure that we operate as safely as possible, Source Logistics, Inc has established more stringent driver hiring standards than DOT regulations require (as detailed below):

1. Must be at least 23 years of age *
2. Must possess a valid, current class A CDL
3. No CDL revocation or suspension for moving violations in the past 5 years
4. No CDL geographic restrictions
5. Required work experience (see below)

6. Must meet our insurance company's guidelines * (see Driver Guidelines in appendix)
7. No felony convictions
8. No current probation
9. No conviction for transportation, possession, or unlawful use of *Schedule 1* drugs
10. No DUI or DWI (alcohol) conviction within the past five (7) years—never in a commercial vehicle
11. No drug-related convictions in past ten (10) years—never in a commercial vehicle
12. No positive pre-employment, random, post-accident, reasonable suspicion, or other employment related alcohol tests within the past ten (10) years (includes refusal to test)
13. No positive pre-employment, random, post-accident, reasonable suspicion, or other employment related drug tests within the past fifteen (15) years (includes refusal to test, and adulterated or substituted specimen)
14. No conviction for leaving the scene of an accident in the past ten (10) years

*In some instances a driver may be considered for employment if he or she has less than 2 years experience. In the event that the driver is hired he or she has to drive with a trainer for a minimum of 2 weeks. At the completion of the training program the decision will be made to release the driver to full driving status, continue training or to terminate his or her employment

Note: If any applicant meets our standards, but has tested positive for alcohol or drugs, or has been convicted of a drug or alcohol related offense, consideration for hire will only be granted to those that have documented proof of successful completion of an approved alcohol/drug abuse rehabilitation program.

Required Work Experience:

- 1) 2 years applicable, verifiable experience in the past 5 years

2.8 Orientation

Every new employee must complete our Company orientation process. This process will involve completing the required paperwork, completing the required education and training modules, and evaluation of defined orientation elements.

2.9 Employee Retention Guidelines

Source Logistics, Inc retention guidelines are the same as our hiring guidelines. Each employee must conduct themselves in the manner specified in this handbook in order to maintain employment with our Company. Infractions of our guidelines, policies, and procedures will result in disciplinary action as outlined in this handbook.

General Policy

3.1 Standards of Conduct

Source Logistics, Inc has adopted the following guidelines to provide a general perspective as to the kinds of employee conduct that are unacceptable. This list is not meant to be exhaustive. Any violation may lead to disciplinary action ranging from verbal reprimand to termination depending upon the nature and extremity of the violation as determined by Company Management.

- Material misrepresentation of facts considered in hiring or retention of employee
- Falsification of official records
- Serious mistakes in judgment exposing Source Logistics, Inc to legal liability and/or potential damages
- Violation of Source Logistics, Inc safety program requirements
- Violation of Source Logistics, Inc Drug and Alcohol Policy

- Operation of CMV without a single, valid CDL
- Operation of CMV without valid physical
- Violation of DOT regulations
- Willful damage to Company equipment or property or equipment or property leased or rented to Source Logistics, Inc
- Theft or misappropriation of funds or Company property
- Frequent absenteeism or tardiness
- Absence from work of one or more days without notifying Management (such action may be considered a voluntary resignation)
- Insubordination or fighting
- Arrest for criminal offense
- Violation of Company Policy or Procedures
- Nonperformance or inadequate performance of duties
- Possession of a weapon on Company property
- Possession of a radar detector in Company equipment
- Failure to timely report citations, violations, accidents, incidents, roadside inspections, or revocations
- Failure to fully cooperate with Company or official investigations
- Failure to wear seatbelts in all Company vehicles
- Failure to comply with Company dress code, hygiene requirements, or personal protective equipment requirements
- Failure to report an OS&D before leaving consignee (See OS&D for more details)

3.2 Substance Abuse Policy Summary

Source Logistics, Inc is dedicated to a drug and alcohol-free workplace. Accordingly, we have established the following controlled substance testing programs:

1. Pre-employment
2. Random (for all employees)
3. Reasonable Suspicion
4. Return-to-Duty/Follow-up
5. Post-accident
6. Return-to-work (from LOA, work comp) non-DOT
7. Post injury/illness (non-DOT)

All testing shall be performed at a Company-approved facility. Refusal to undergo any of these tests or failure to follow the testing requirements (including the signing of documentation) as established by Source Logistics, Inc or the Department of Transportation (DOT) shall be deemed as a “positive” result. Except as provided by medical authorization, a positive result shall disqualify an applicant from employment with Source Logistics, Inc, or require the immediate termination of any employee with a positive result on any controlled substance test. In addition, any controlled substance test that yields results or values for temperature, ingredients, or other criteria outside the norms set by the DOT shall be considered a positive test.

Pre-employment (Drug Testing Only – 382.301)

All employees or applicants will be tested prior to employment (or on the first day of employment for employees in non-safety-sensitive positions).

Random (Drug and Alcohol – 382.305)

All drivers are subject to random drug and alcohol testing. Source Logistics, Inc drivers are randomly selected by computer on a quarterly schedule through our Medical Management group. This testing is done without

prior notice to the selected employee. Any employee notified that he/she has been selected for a “Random” test must immediately report to the designated testing facility and follow all instructions given by employees of the testing facility for the test. While drug testing for drivers may be done anytime an employee is on duty, or required to be in “readiness” for duty, alcohol testing can only be conducted just before, during, or immediately after the driver is engaged in “safety sensitive” functions. For drivers, the Company follows the guidelines for the definition of “Safety Sensitive” functions as stated in Title 49 of the Code of Federal Regulations, Part 382.107. DOT requires that Source Logistics, Inc are included in a Consortium pool, or independent selection process, that randomly tests 50% of its drivers for drugs and 10% of its drivers for alcohol annually.

Reasonable Suspicion (Drug and Alcohol – 382.307)

All Source Logistics, Inc employees are subject to reasonable suspicion drug and alcohol testing. Only trained Supervisors are allowed to make a determination as to whether an employee is required to be tested under this program. Although, drug tests may be required anytime an employee is on duty or required to be in readiness for duty, alcohol testing can only be conducted for drivers just before, during, or immediately after the driver is engaged in “safety sensitive” functions. **Whenever an employee is sent for a reasonable suspicion test, the “Reasonable Suspicion Observed Behavior” form will be completed within 24 hours of the observed behavior, or prior to the release of the test results, whichever is earlier.**

Return-to-Duty/Follow-Up [Drug and Alcohol– 382.309, 382.311, 40 (subpart O)]

All Source Logistics, Inc drivers are subject to the procedures mandated by 49 CFR, Part 40, Subpart O for anyone that the Company allows to return to work after completing a drug or alcohol rehabilitation program. These requirements mandate at least six (6) unannounced drug/alcohol tests during the first 12 months of employment following the rehabilitation program. However, the Substance Abuse Professional (SAP) that supervised the employee’s rehabilitation program may require additional testing during the first 60 months of employment after rehabilitation. In such cases, the Company will follow the SAP’s written requirements.

Post Injury/Illness Testing

Company employees will be tested immediately following an accident/incident involving a workers’ compensation injury (except those requiring first aid only). The testing will be conducted immediately (or as soon as possible) after the accident/incident.

Post-accident (Drug and Alcohol – 382.303)

The Company will follow the DOT mandated requirements for post-accident controlled substance testing as detailed in Title 49 of the CFR, Part 382.303. These instructions are summarized in the following:

1. Was the Employee involved in a DOT defined Accident?

A DOT accident is “... an occurrence involving a commercial motor vehicle operating on a public road which results in:

- (i) a fatality;
- (ii) bodily injury to a person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; OR
- (iii) one or more motor vehicles incurring disabling damage as a result of the accident, requiring the vehicle to be transported away from the scene by a tow truck or other vehicle.”

IF YES - SEE #2

IF NO - NO TESTING NECESSARY

2. Was the Employee performing safety-sensitive functions (AND) loss of human life? resulted from the accident?

IF YES - SEE #3

IF NO - DID THE EMPLOYEE RECEIVE A CITATION UNDER STATE OR LOCAL LAW FOR A MOVING TRAFFIC VIOLATION? IF YES, SEE #3. IF NO, NO TESTING NECESSARY.

3. Tests for Alcohol and Controlled Substances.

- A. **Alcohol:** The Employee must be tested **within 2 hours** following the accident. If the Employee cannot be tested within the 2 hours, the Supervisor must record in writing the reasons why the tests were not conducted within the 2-hour timeframe. BUT, attempts to test should continue up to 8 hours following the accident. If the tests still cannot be administered within 8 hours, the Supervisor must cease attempts AND must record in writing the reasons why tests were not conducted within the 8-hour timeframe. Keep this documentation in employee’s file.
- B. **Controlled Substances:** The Employee must be tested **within 32 hours** following the accident. If the Employee cannot be tested within the 32 hours, the Supervisor must cease attempts to administer the tests AND must record in writing the reasons why the tests were not conducted within the 32-hour timeframe. Again, this documentation must be maintained in the employee’s file.

Return-to-Work Drug Testing

All Company employees returning from a leave-of-absence in duration of 30 days or more must submit to a drug test, when required, prior to returning to work.

Table for Post-accident (Drug and Alcohol – 382.303)

Type of accident involved	Citation issued to the CMV driver	Test must be performed by employer
1 Human fatality	Yes	Yes
	No	Yes
2 Bodily injury with immediate medical treatment away from scene	Yes	Yes
	No	No
3 Disabling damage to any motor vehicle requiring tow away	Yes	Yes
	No	No

3.3 Drug and Alcohol Policy

DRUG AND ALCOHOL POLICY

Source Logistics, Inc. is committed to providing a safe work environment for our employees. That commitment is jeopardized when any Source Logistics, Inc. employee illegally uses drugs on or off the job, comes to work under the influence of drugs, possesses, distributes, or sells drugs in the workplace, or abuses alcohol on the job. In addition, the use of alcohol and controlled substances adversely affects the user's health, work, and personal life. This may be evidenced by changes in performance, behavior, general demeanor, interaction with family or fellow-employees, manner of speech, and other factors.

Source Logistics, Inc. counsels employees should they notice these changes and encourages the employees to seek further counsel or additional help from trained professionals.

The goal of this policy is to balance our respect for individuals with the need to maintain a safe, productive drug-free environment. Additionally, our goal is to offer encouragement to those who need it, while sending a clear message that the illegal use of drugs and the abuse of alcohol are incompatible with employment at Source Logistics, Inc. Therefore, Source Logistics, Inc. has established the following policy:

- 1) It is a violation of Source Logistics, Inc. policy for any employee to use, possess, sell, trade, offer for sale, or offer to buy illegal drugs or otherwise engage in the illegal use of drugs on or off the job.
- 2) It is a violation of Source Logistics, Inc. policy for any employee to report to work under the influence of or while possessing in his or her body, blood, or urine illegal drugs in any detectable amount.
- 3) It is a violation of Source Logistics, Inc. policy for any employee to use prescription drugs illegally, i.e., to use prescription drugs that have not been legally obtained or in a manner or for a purpose other than prescribed. (However, nothing in this policy precludes the appropriate use of legally prescribed medications.)
- 4) It is against Source Logistics, Inc. policy for any employee to report to work, work, or be in readiness for work under the influence of alcohol.
- 5) Violations of this policy are subject to disciplinary action up to and including termination.

Source Logistics, Inc. employees have the responsibility to work safely and to consistently operate equipment in a safe manner. The safety of fellow-employees and of the public is paramount. Therefore, Source Logistics, Inc. will comply with the **Department of Transportation (DOT)** and **Occupational Safety and Health Administration (OSHA)** rules and regulations, including the drug and alcohol-testing program in its entirety. The Federal Highway Administration, Department of Transportation Alcohol and Drug ruling applies to every person who operates a commercial motor vehicle (CMV) in interstate or intrastate commerce, and is subject to the commercial driver's license (CDL) requirements of Title 49 Code of Federal Regulations, Part 383.

Source Logistics, Inc. will use NIDA (National Institute on Drug Abuse) Certified laboratories in processing all samples.

The following section provides a general overview of the Department of Transportation rules and Source Logistics, Inc. on alcohol misuse and drug use. Throughout this program, the terms **alcohol abuse**, **drug use**, and **substance abuse** are used interchangeably.

Abbreviations and Definitions

BAT - Breath Alcohol Technician	CDL - Commercial Driver's License
CMV - Commercial Motor Vehicle	DHHS – Dept. of Health & Human Services
DOT - Department of Transportation	EAP - Employee Assistance Program
EBT - Evidential Breath Testing	MRO – Medical Review Officer

Alcohol Intoxicating agent in some beverages. Appears mostly in the form of ethyl alcohol, but can be any other low molecular weight alcohol including methyl and isopropyl alcohol.

Alcohol Concentration (or content) Alcohol in a volume of breath (shown as grams of alcohol/210 liter of breath) as indicated by an **EBT**.

Alcohol Use Consumption of any beverages, mixtures or preparations including medication containing alcohol.

Breath Alcohol Technician (BAT) An individual who instructs and assists individuals in the alcohol testing process, and operates an **EBT** device.

Company Source Logistics, Inc.

Confirmation Test *In alcohol testing:* a second test, following a screening test with a result of 0.02 or greater, that provides quantitative data of alcohol concentration. *In controlled substance testing:* a second test to identify the presence of a specific drug or metabolite. In order to insure reliability and accuracy, this test is separate from and uses a different technique and chemical principle from that of the screening test.

Controlled Substances (Note: the regulatory language uses the terms **controlled substances** and **drugs** interchangeably.) Unless used to refer to prescription medications, these terms apply to: **1) Marijuana, 2) Cocaine, 3) Opiates, 4) Phencyclidine (PCP), and 5) Amphetamines & Methamphetamine.**

Driver Any person who operates a commercial motor vehicle (CMV) including full-time, casual, and contract drivers.

Employee Refers to both **drivers** and **other employees**.

Evidential Breath Testing (EBT) Device A device used for alcohol testing that has been approved by the National Highway Safety Administration.

Medical Review Officer (MRO) A licensed physician responsible for receiving laboratory results generated by an employer's drug testing program. The **MRO** must have knowledge of substance abuse disorders and appropriated medical training to interpret and evaluate an individual's confirmed positive test, medical history, and other relevant biomedical information.

Non-DOT Refers to Source Logistics, Inc. controlled substance or alcohol testing policies that are not requirements of the DOT (all such testing should be documented on a non-federally-regulated custody and control form).

Other Employee All employees other than drivers.

Safety-Sensitive Function All time from the time a **driver** begins to work or is required to be in readiness to work until the time he/she is relieved from work and all responsibility for performing work and includes (as stated in Title 49 Code of Federal Regulations, Part 382.107):

- 1) All time at an employer or shipper plant, terminal, facility, or other property, or on any public property, waiting to be dispatched, unless the driver has been relieved from duty by the employer.
- 2) All time inspecting equipment as required by Parts 392.7 and 392.8 or otherwise inspecting, servicing, or conditioning any commercial motor vehicle at any time.
- 3) All time spent at the driving controls of a commercial motor vehicle in operation.
- 4) All time, other than driving time, in or upon any commercial motor vehicle except time spent resting in a sleeper berth (a berth conforming to the requirements of Part 393.76).
- 5) All time loading or unloading a vehicle, supervising, or assisting in the loading or unloading, attending a vehicle being loaded or unloaded, remaining in readiness to operate the vehicle, or giving or receiving receipts for shipments loaded or unloaded.

6) All time repairing, obtaining assistance, or remaining in attendance upon a disabled vehicle. For all **other employees**, safety-sensitive functions include operating forklifts, front-end loaders, or other motor vehicles, fueling, vehicle and equipment maintenance, and mechanical, electrical, or other equipment repairs.

Screening Test (initial test) *In alcohol testing*: a procedure to determine if a **driver** or **other employee** has a prohibited concentration of alcohol in his/her system. *In controlled substance testing*: a screen to eliminate “negative” urine specimens from further consideration.

Substance Abuse Refers to patterns of use that result in health consequences or impairment in social, psychological, and/or occupational functioning.

Substance Abuse Professional A licensed physician, licensed or certified psychologist, social worker, employee assistance professional, or certified addiction counselor with knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substance, and related disorders.

What are the Alcohol and Drug Prohibitions?

DOT refers to the restrictions for the use of both alcohol and controlled substances as prohibitions. These prohibitions are tied to the performance of safety-sensitive functions:

- 1) No **driver** shall report for duty or remain on duty requiring performance of safety-sensitive functions:
 - a) With an alcohol concentration of 0.04 or greater. **Drivers** with an alcohol concentration greater than 0.02, but less than 0.04 shall not perform safety-sensitive functions until the start of their next scheduled tour of duty or 24 hours, whichever is greater.
 - b) If in possession of alcohol (unless it is being transported as cargo).
Note: This includes any product (medication, food, or other product) containing alcohol, regardless of alcohol content.
 - c) Within four (4) hours after using alcohol or any controlled substance, except when the use is pursuant to the instructions of a physician who has advised the **driver** that the substance does not have an adverse effect on the driver’s ability to safely operate a commercial vehicle. Positive test results will result in disqualification of the **driver**.
 - d) If using alcohol or drugs.
- 2) A **driver** who has an accident may not use alcohol until post-accident testing is done or for a period of eight (8) hours, whichever comes first.
- 3) **Drivers** cannot refuse to submit to alcohol testing. Refusal to submit to testing will be considered a positive sample.
- 4) If Source Logistics, Inc. managers or supervisors have knowledge that any **driver** is guilty of any of the above acts, the manager or supervisor will not permit the **driver** to perform a safety-sensitive function.
- 5) Prior to performing any safety-sensitive function, Source Logistics, Inc. requires **drivers** to report to an appropriate Supervisor the use of any therapeutic drugs that may have an adverse effect on the driver’s ability to safely operate a commercial vehicle.

The Federal Highway Administration bans the use of controlled substances by **drivers**. **Drivers** who use drugs are considered medically unqualified to drive in interstate commerce. Source Logistics, Inc. absolutely prohibits use, consumption, possession, distribution, trade, offering to buy, and/or sales of illegal drugs and controlled substances on company premises or while on duty. This prohibition also applies to alcohol. This policy and its enforcement shall apply to all employees, owner-operators, employee leasing companies, fleet owners, and their employees, and will be strictly enforced. “Company Premises” shall include, but is not limited to, all Company-owned land, buildings, structures, installations, automobiles, trucks, and all other vehicles. “Company Premises” also includes any lodging room or facility provided (or paid for) by the Company. Any violation to this policy will be subject to disciplinary action up to and including termination of employment or contract. Source Logistics, Inc. reserves the right to carry out reasonable searches of employees, their effects,

and vehicles entering, while on, and while leaving “company premises”. These searches will be without prior announcement (other than this policy). Submission to such searches is strictly voluntary; however, refusal will be cause for expulsion from the premises and for disciplinary action, which can include dismissal from employment and/or disqualification.

The above prohibitions and other policy provisions also apply to **other employees**.

Controlled Substance Testing

The testing procedure will be carried out so as to produce individual privacy, insure accountability and integrity of specimens confirm any positive test, regulate the testing laboratory, protect confidentiality, and be nondiscriminatory to the individual. The results of the tests, including any substance(s) for which a positive test is confirmed, will be reported to the employee.

Source Logistics, Inc. employees will be asked to submit to drug testing for five groups of drugs. The drugs are: Amphetamines, Opiates, Phencyclidine (PCP), Cocaine, and Marijuana. These are the drug groups specifically targeted by the Federal Highway Administration for testing purposes. A urine sample will be collected for the test. The collection-site employee—in the presence of the specimen provider—divides the urine specimen into two containers (except that non-DOT tests may or may not divide the urine specimen into two containers). These two samples, called “primary” and “split”, are sent to a testing laboratory certified by the Department of Health and Human Services. At the laboratory, a screening is performed on the primary sample. A second confirmatory test from the same specimen will be performed if the initial screen is found to be positive. The confirmation test must use a specialized procedure called gas chromatography/mass spectrometry. If the confirmation is positive, the Medical Review Officer (MRO) will contact the specimen provider to inquire if there is a medical reason for the drug use. If there is an acceptable, documented reason for the presence of the substance, and if the MRO determines that the substance is present resulting from a legitimate medical use, the test may be reported as negative to the employer. After notifying the specimen provider that the test was positive, the MRO (or Safety Department for non-DOT tests) will make him/her aware that he/she has 72 hours to request a test of the ‘split’ (or additional test of the original non-DOT) specimen. If the request is made, the split specimen (or original non-DOT specimen) is sent to another DHHS-certified laboratory for the test. If the MRO is not contacted within 72 hours, but the specimen provider can prove to the MRO that he/she had a legitimate reason for not doing so, the MRO can order a ‘split’ (or original non-DOT) specimen test, if the sample is still available for testing. (Please note that removal from safety-sensitive duty, as required by the DOT following a positive drug test, is not delayed to await the result of the split specimen test or re-testing of the original non-DOT specimen.) If the analysis of the ‘split’ (or original non-DOT) sample does not confirm the presence of a drug, the MRO cancels the test and reports this to the DOT, the employer, and to the specimen provider.

Source Logistics, Inc. employees will be asked to submit to alcohol testing. Testing will be done by a Certified Breath Alcohol Technician (BAT) who will collect a breath sample using a federally approved Evidential Breath Testing Device (EBT). The BAT will ask for identification. Source Logistics, Inc. employees may ask for the BAT’s identification as well. To complete the test, the subject must blow forcefully into the mouthpiece of the testing device. The BAT must show the subject the test results on the testing device. A screening test is done first. If the reading is less than 0.02, the subject will sign the certification and fill in the date on the form. If the reading is 0.02 or over, a confirmation test must be done (after 15 minutes but within 20 minutes of the first test). The subject will be asked not to eat, drink, belch, or put anything in his/her mouth. These steps prevent the build-up of mouth alcohol, which could lead to an artificially high result. If the screening and confirmation test results are not the same, the confirmation test result is used. If the subject refuses to be tested or sign the testing form, the BAT will immediately notify his/her employer.

Any **driver** testing positive for the specific agents described in this policy will be considered unfit to operate a motor vehicle by the DOT. A person who refuses to submit to testing shall not be permitted to operate a motor

vehicle, since such refusal shall be considered to be the same as a positive test. Those who test positive shall be discharged from employment, or in the case of an independent contractor, released from their contractual agreement.

Refusal to submit to an alcohol or controlled substance test means that an employee:

- Fails to provide adequate breath for testing without valid medical explanation after he/she has received notice of the requirement for breath testing.
- Fails to provide adequate urine for controlled substances testing without a valid medical explanation after he/she received notice of the testing.
- Engages in conduct that clearly obstructs the testing process.

Testing Requirements

- 1) **Pre-employment Drug Test:** All Source Logistics, Inc. employees will be tested prior to (or on the first day) of employment.

All **driver** applicants seeking employment or a contract as a commercial motor vehicle driver with Source Logistics, Inc. will be required to submit to pre-qualification testing. Individuals with a positive test result will not be offered employment. A candidate who is not offered employment may be notified of the results within sixty (60) days of being notified that he/she is not being offered qualification.

Negative Dilute Any pre-employment test that results in a “negative dilute” test will not be accepted until a second urine sample is collected and tested. If the second sample also yields a “negative dilute” result, no further tests will be performed and the results of the second test will be accepted as “negative”. An applicant or employee that provides a specimen that tests “positive” in the second test, or an applicant or employee that refuses to immediately submit to a second test will not be offered employment, or employment will be terminated.

Refusal to submit to a controlled substance test means that an employee:

- Fails to provide adequate urine for controlled substances testing without a valid medical explanation after he/she received notice of the testing.
- Engages in conduct that clearly obstructs the testing process.

- 2) **Post-accident Drug/Alcohol Test:** Shall be required following an accident. A **driver** (or driver-qualified **other employee**) shall submit to a federally regulated (DOT) drug/alcohol test following his/her involvement in an accident involving:

- A fatality,
- An injury demanding immediate medical treatment away from the scene of the accident, if the **driver** (or driver-qualified **other employee**) was cited, and
- One of the vehicles involved received disabling damage, requiring it to be removed from the scene by tow truck or other vehicle, if the **driver** (or driver-qualified **other employee**) was cited.

These tests shall be recorded on a Federal (DOT) Drug Testing Custody & Control form.

For accidents not involving the DOT regulated circumstances as mentioned above, a **driver** or **other employee** involved in an accident shall submit to drug/alcohol test that will be reported on a Non-DOT custody and control form.

A **driver** or **other employee** involved in an accident shall provide a urine specimen to be tested for the presence of controlled substances and a breath sample to be tested for the presence of alcohol. Post-accident alcohol testing should be done within two (2) hours of the accident. If a test cannot be done

within eight (8) hours, it should not be done. Post-accident drug testing should be performed as soon as possible, but no later than thirty-two (32) hours.

- 3) **Random Drug/Alcohol Test:** Unannounced random testing is required by DOT for a certain percentage of drivers each year. All Source Logistics, Inc. **drivers** and **other employees** will be subject to unannounced random drug and alcohol testing. The random selection process used will insure that each **driver** or **other employee** has an equal chance of being tested each time selections are made. Source Logistics, Inc. uses a Consortium to make the random selection.

For **drivers**, random testing for alcohol must be completed just *before, during,* or immediately *after* performing safety-sensitive work. For all **other employees**, random testing for alcohol can be done any time an employee is at work. Random testing for drugs can be done any time a **driver** or **other employee** is at work, or required to be in readiness for work, for Source Logistics, Inc. A company official will notify the employee when he or she has been selected and will instruct the employee to report to a collection site immediately. Once he/she is notified that he/she has been selected for testing, he/she must proceed IMMEDIATELY to the test site. DOT regulation also requires that all names selected be placed back in the random pool, therefore, allowing a **driver** to be selected more than once during a twelve month period or not at all. Source Logistics, Inc. will perform random selections throughout the year in order to comply with the percentage of drivers required to be tested per year by DOT regulation—for both alcohol and controlled substances.

- 4) **Reasonable suspicion Drug/Alcohol Test:** If the employer has reason to believe that an employee's behavior or appearance may indicate alcohol or drug use, a reasonable suspicion drug and/or alcohol test may be conducted. Testing for reasonable suspicion must be based on:

- The observations of a trained supervisor or lead driver, and
- Specific, clearly stated observations concerning appearance, behavior, speech, or body odor.

For **drivers**, observations for alcohol testing must be made just before, during, or just after the performance of a safety-sensitive function. However, a **driver** may be required to submit to a non-DOT reasonable suspicion alcohol test any time the **driver** has reported to work or is performing any work. For all **other employees**, observations for alcohol testing may be done anytime the employee is at work.

The supervisor who makes the observation and determines that reasonable suspicion testing should be done *may not conduct the alcohol test on the driver or other employee.* Alcohol testing for reasonable suspicion must be done within two (2) hours of the observation. Tests that cannot be done within eight (8) hours of the observation should not be done.

- 5) **Return-to-duty/follow-up:** Return-to-duty testing is required for **drivers** who violate prohibitions and are returning to work. An alcohol concentration of less than 0.02 or a negative drug test is required. Source Logistics, Inc. will follow the same procedures for all **other employees**. Follow-up testing is required when a **driver** returns to a safety-sensitive function. The ruling calls for a minimum of six (6) tests during the first year back in a safety-sensitive position. However, follow-up can continue for up to five (5) years. Source Logistics, Inc. will follow the same procedures for all **other employees**.

If the **driver** notifies the company he or she is in violation of DOT prohibitions, the following actions will result:

- a) Removal from safety-sensitive functions.
- b) Following a violation, a **driver** cannot return to a safety-sensitive function until an evaluation has been done and any recommended treatment has been completed, and a verified negative test is produced.
- c) Anyone with an alcohol concentration of 0.02 or greater, but less than 0.04, cannot return to

safety-sensitive duties for at least twenty-four (24) hours.

- 6) **Return-to-work (RTW):** RTW controlled substance testing is required for all **drivers** and **other employees** who perform safety-sensitive functions, and are returning to work after a leave-of-absence of 30 days or more.
- 7) **Post-injury/illness Drug/Alcohol Test:** All **drivers** and **other employees** that claim a workers' compensation injury or illness are required to submit to a Non-DOT drug and alcohol test.

A **driver** or **other employee** involved in an accident shall provide a urine specimen to be tested for the presence of controlled substances and a breath sample to be tested for the presence of alcohol. Post-accident alcohol testing should be done within two (2) hours of the accident. If a test cannot be done within eight (8) hours, it should not be done. Post-accident drug testing should be performed as soon as possible, but no later than thirty-two (32) hours (but may be done anytime the injury is reported). If a medical condition or injury prohibits the normal testing processes for drugs and alcohol, a blood test for drugs and/or alcohol may be performed by the testing facility.

Confidentiality

The confidentiality of any information received by Source Logistics, Inc. through a substance abuse testing program shall be maintained, except as otherwise provided by law.

Substance Abuse Professionals

The DOT alcohol and drug regulation requires that employers provide their employees with an opportunity for substance abuse treatment. The ruling does not, however, require employers to pay for rehabilitation or to hold a job open for an employee, until after the employee finishes rehabilitation. For treatment and evaluation, a Source Logistics, Inc. employee may choose to call the following organizations for assistance: Alcohol and Drug Free Referral Hot Line (800) 252-6465, National Cocaine Hot Line (800) 262-2463, National Institute on Drug Abuse and Treatment Information (800) 662-4357. Also, an employee might consult the yellow pages (under Drug/Substance Abuse Counseling or Drug/Substance Abuse Rehabilitation) of the local phone company in the employee's geographic area. For additional information on this subject or on a Substance Abuse Professional in your area, please contact the Company.

Employee's acknowledgement form is in the appendix.

NOTE: This receipt shall be read and signed by the participant. A responsible company supervisor shall countersign the receipt and forward it to the Home Office for filing.

3.4 Sexual Harassment

It is the policy of this Company to maintain a working environment free from all forms of harassment and intimidation (including sexual harassment). Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature are serious violations of our policy and will not be condoned or permitted. Not only is sexual harassment a violation of our policy, but it also violates Title VII of the Civil Rights Act. Any employee who is subjected to sexual harassment or intimidation by a fellow employee, manager, or supervisor should contact Management. All complaints of sexual harassment will be promptly and confidentially (as possible) investigated. Any employee, manager, or supervisor who violates this policy will be subject to appropriate disciplinary action up to and including discharge.

3.5 Conflict of Interest

Source Logistics, Inc. has no desire to restrict outside activities of employees, nor to interfere in their personal lives. Nevertheless, conflicts of interest must be avoided for the protection of both the employee and the Company.

Conflicting interests include engaging in employment that is inconsistent with the interest of the Company, could have a derogatory effect on the Company, or could require devoting so much time and effort to the conflicting interest as to develop inefficiency in performing the work requirements at Source Logistics, Inc. Conflicting also includes Company employees using their positions to secure any item or benefit for themselves or for friends or relatives. Accepting compensation, gifts, or credits from Source Logistics, Inc. vendors is in violation of Company policy.

If you aren't sure whether or not an activity is a conflict of interest, immediately discuss it with Management to prevent possible jeopardy to your job.

3.6 Attendance

Regular, punctual attendance to work times and schedules is imperative to the on-going commitment to Source Logistics, Inc. customers. Any tardiness or missed work must be immediately reported to Management. Unless there is an acceptable reason, the employee must be the one to contact Management. Any missed work in duration of one day without proper notification to Management will be considered a voluntary resignation, unless it is proved that circumstances prevented proper notification. Management reserves the right to make determinations in such instances.

Any missed work due to injury or illness in excess of two days, depending upon the circumstances, may require a statement from a treating medical physician.

3.7 Dress Code, Hygiene, and Personal Protective Equipment

Source Logistics, Inc. drivers are often the only Company representatives that are seen by our customers. Therefore, we expect our drivers to project a professional attitude in both conduct and attire. Drivers are required to wear long pants (good jeans are OK), a pullover or button up shirt, and work boots with slip-resistant soles, ankle support, and steel toes. Source Logistics, Inc. requires that shirttails be tucked into your pants, jackets and coats to be snapped or zipped at the bottom, and that no free-flowing, torn, loose fitting, open sleeves, or neckties be worn at their site. You and your clothes should be clean and well groomed. Clothing with vulgar or offensive language or scenes is prohibited.

3.8 Probationary Period

The Company uses a 90-day probationary period for each new employee which commences the first day of employment. During this period and after the period, each new employee is evaluated on job performance, attitude, and compliance with Company and regulatory agency rules and standards. If an employee fails to meet the standards of performance, attitude, and compliance, Management may require an additional 30-day probationary period for further evaluation, or it may require termination of employment either after or within the probationary period. Keep in mind that Source Logistics, Inc. is an "at will" employer which means that the

employee or the employer may terminate employment at any time with or without cause and with or without notice.

3.9 Disciplinary Policy

Source Logistics, Inc. uses three basic classifications of disciplinary action: 1) Verbal Counseling/Warning; 2) Written Reprimand/Warning; 3) Discharge/Termination. These disciplinary processes are meant to be progressive and not punitive in nature. Therefore, the Company generally progresses from the most minor action to the most severe, but the Company may skip any disciplinary step if circumstances so warrant. (See **Standards of Conduct – 3.1**)

3.10 Payroll

Payroll checks/direct deposit shall be issued on Friday of each week, unless circumstances require or allow payment on a different day of the week.

To insure wages are properly and promptly paid, all trips must be turned in within 24 hours of delivery. Every driver will be provided with trip report envelopes to be used for this purpose. Please follow the instructions and examples below to prepare your payroll so that your paperwork can be processed and paid on schedule.

- 1. Trip Records:** Start a new trip report for every order number assigned by dispatch or if you re-power. **IMPORTANT NOTE:** The order number must appear on each and every trip report. If assigned a rental tractor, complete a trip report for the rental company (if applicable) and a regular trip and turn both in for processing. Enter the odometer miles at the beginning of the trip (at the first loading point) and at the final destination. **All maintenance expenses** must have P.O. numbers and be placed in the correct trip jacket for payment. All P.O. requests must be received by Dispatch BEFORE (Empty) an E” call.
- 2. Bills of Lading:** The original BOL must be signed by the receiver. Please double check for the time, date, and signature. Return signed BOL in your trip pack as soon as possible.
- 3. Shipment Profile:** Should be properly completed and remain with bill of lading. This profile should include pallets in and out.
- 4. Lumpers:** If the load requires a lumper, the driver must obtain prior approval from their Fleet Manager. A Driver may choose to do the unloading himself or hire a lumping service. A driver will be reimbursed for approved lumper service with receipt. If the driver does the unloading, a Source Logistics, Inc. unloading receipt is required. Driver must obtain a PO number for all unloads. All unloading receipts must be turned in weekly with the BOL. No late unload receipt will be reimbursed.
- 5. Fuel Receipts:** Original tickets must be signed by the driver and attached to matching Trip Record. Each ticket must also include the date, unit number, odometer reading, gallons, and issuing location. Separate receipts must be obtained for tractor and refrigeration units. Total gallons must also be recorded on the trip record for both tractor and reefer units adjacent to the corresponding mileage entry. This is used as a cross-reference in the event a fuel ticket is lost.
- 6. Fuel-ATM Cards, Advances, and Express Checks:** We use fuel cards as a convenience to our drivers. However, you need to exercise care in using the card. You are responsible for the security of the card. The card is assigned to you, not the truck. DO NOT loan the card to anyone. The cards are the only

way we pay for fuel. The authorized fuel stops are already set up to accept your fuel card. If a particular authorized fuel stop has trouble with your fuel card, call your fleet manager.

Personal advances are limited to \$150 per week. These advances will be deducted during the payroll period in which the trip is processed. The week ends on Saturday at midnight. If you take an advance without buying fuel, a service charge will be assessed to you.

The fleet manager can issue an express check for lumpers and truck washes. Express checks are treated as advances; therefore, a receipt is needed for reimbursement.

At the end of every trip, check your Trip Report to make sure that you have the following items enclosed:

- a) All expense receipts with P.O. numbers
- b) Bills of lading and/or shipping papers
- c) Signed proof of delivery for every stop
- d) Charge fuel receipts
- e) Drivers logs for the trip
- f) Vehicle inspection reports
- g) All unloading receipts, including driver unloading receipts

The outside of the Trip Report envelope must be completed. Failure to include any of the previous information or paper work will result in delayed or short pay. Remember, to be paid for the current trip, your trip report must be received in a timely manner. If the trip report and BOL are not turned in for processing, you will not be paid.

Pay Rates: A drivers pay is based on the driver's job and location. Payment of wages for work performed outside the drivers regular duties will be compensated at their hourly rate. If you have any questions about how you fit in the pay structure, contact your fleet manager or the recruiting department in Russellville.

Stop Off Pay: Drivers will be paid a flat amount for each stop off or pick up excluding the origin and final destination.

Payroll Deductions: Various laws require deductions be made from your paycheck such as Federal Income Tax Withholding, Social Security, and depending on your place of residence, State, County, and/or City Taxes. On the same token, when a court order is received garnishing an employee's wages, the employer must retain funds due the employee and must disclose to the court the amount of wages currently due the employee. The court will instruct us to deduct and send a certain dollar amount from each check of the garnished employee until satisfaction of the creditors claim is received. In those cases where the court allows the Company to charge an administrative fee to the employee for the garnishment, such fees will be deducted from the employee's wages.

Other deductions such as group insurance premiums and 401(k) contributions are made at your request. Some of these benefits are part of the 125 Cafeteria Plan regulated by the Internal Revenue Service (IRS), which allows for pre-tax deductions. Termination of any deductions requested by the employee must be made in the form of a written request at the allowed times. Each employee is responsible for their portion on their insurance premiums regardless if he/she is out on work comp, short term disability, or on a leave of absence.

You should review your paycheck stub weekly, which shows your deductions and reimbursements for the current pay period. If you have any questions about the details in your check stub, contact your fleet manager.

Unauthorized Expenses: Other expenses incurred by a driver as a result of actions that are unauthorized or outside company policy may be subject to payroll deductions. For example, misuse of company equipment (tractor/trailers) will be charged at the rate of \$600.00 per day. Unauthorized out-of-route miles will be charged to the driver at the rate of \$1.25 per mile.

Company Cell Phones: Drivers are required to have a personal cell phone preferably one with a camera. Drivers will be reimbursed \$25.00 per month for cell phone use.

Escrow Accounts: Each driver will develop an escrow account. All newly hired drivers will have a weekly payroll deduction of \$20.00. These funds are put into an interest-bearing account. This deduction will remain in effect until a balance of \$500.00 is established. When the driver's employment ends, any amount owed to the company will be deducted from this account. If the driver does not complete his or her 90-day probationary period, pre-employment and orientation expenses will be deducted. The driver will receive the balance in the account within 60 days of their separation or at the time all company property (including completed trip jackets) have been turned in.

3.11 Confidentiality and Release of Information

Some of the information that you may acquire or encounter concerning Source Logistics, Inc. is confidential in nature. While we want our employees to be involved in our Company business and to be proud of our accomplishments, it is imperative that only information approved for dissemination be shared with those outside our Company. Employees that gain access to confidential information of any kind are required and expected to keep such information confidential.

Similarly, personal information that our employees provide to Source Logistics, Inc. becomes confidential to the Company. This information will only be released by your consent, or without your consent on written demand by government agencies or by proper subpoena for law suit.

Company employees are to refer any request for information to Management and employees must not release any information without Management's express approval. Any requests from the following entities must be referred to Management: EEOC, Office of the Federal Contract Compliance Program, DOL, DOT, Department of Fair Housing, Civil Rights Bureau, National Labor Relations Board, OSHA, Justice Department, EPA, and any other official-sounding agency. In addition, refer to Management any request from insurance companies, adjusters, any attorney, or Local, State, or Federal official.

Employee Benefits

4.1 Holidays

Source Logistics, Inc. observes New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Holiday pay is provided by Source Logistics, Inc. after 90 days of continuous employment with regular full time status.

4.2 Vacation

Employees/Drivers receive:

- a. 2 weeks (10 work days) of paid vacation after 1 year of continuous employment with Source Logistics, Inc.
- b. 3 weeks (15 work days) of paid vacation after 5 years of continuous employment with Source Logistics, Inc.

Vacation pay will not accrue on a pro-rated basis for employment periods of less than one year (52 weeks) of continuous employment.

Vacations are scheduled on a first-come-first-served basis. Requests for vacation must be submitted to the employee's supervisor. An employee should never take vacation time without the approval of management.

Hourly/Salary employees will receive forty (40) hours of pay at their regular rate of pay for each week of vacation earned. All drivers will receive vacation pay based on applicable mileage rate multiplied by 1800 miles.

Vacation time will not be cumulative beyond a one year period. If allotted vacation time is not taken within one year, it must be forfeited. At least one (1) week of vacation time must be taken as time-off and on continuous days.

4.3 Personal Leave

Source Logistics, Inc. may grant any full-time employee a personal leave-of-absence without pay for a period of up to one week. This leave is not available to employees during any probationary period. Such leave will only be granted if it is in the best interest of both the Company and the employee. The leave must be requested in writing at least 30 days prior to the requested leave beginning date.

4.4 Jury Duty

Source Logistics, Inc. will fully cooperate with local, state, and federal courts in allowing employees to serve on juries. No pay is provided by the Company for work missed for jury duty.

4.5 Military Leave

Source Logistics, Inc. complies with all statutory requirements concerning military service and military training. A Company employee must supply copies of military orders stating that he/she must be present at activities requiring leave. The duration of the leave is restricted to the time of actual service or training required by a recognized branch of the Military, a Reserve Component, or the National Guard. Employees entering the military service for extended active duty are granted full re-employment rights as provided by the Universal Military Training and Service Act.

4.6 Bereavement Leave

Leave may be granted at the death of an immediate family member—your spouse, child, step-child, parent, brother, sister, mother-in-law, father-in-law, daughter-in-law, son-in-law, grandchild, grandparent, or relative living with you. An employee may request up to two days of paid leave if circumstances warrant.

4.7 Insurance

Source Logistics, Inc. offers medical, dental and vision coverage to our employees after 60 days of full time employment. Source Logistics, Inc. will pay a portion of the employee's medical premium only with the employee contributing the difference. Even though the company offers coverage to your family, the company DOES NOT pay for any of the coverage. This also includes vision and dental for all enrollees. When an employee is off work for more than one week (for any reason), the employee must send in payments for their premium contributions. Employees on leave or work comp will be turned over to COBRA 90 days from injury. Once on COBRA the employee is responsible for their premiums. Contact the Payroll Department for more information. Coverage options are subject to change as deemed necessary.

Safety Policies

5.0 Federal Motor Carrier Safety Regulations Statement

Title 49 of the Code of Federal Regulations relates specifically to motor carrier transportation. We will refer to specific regulations throughout this document to emphasize our focus on compliance. Further, our company safety policy demands consistent adherence to industry best practices, which are consistent with local, State, and Federal regulations governing workplace safety, worker health, and motor carrier transportation.

5.1 Driver Qualifications and Disqualifications

Part 391 sets minimum qualifications for drivers. Motor carrier may set more stringent requirements for drivers. Part 391 sets the following regulations for driver qualifications:

- At least 21 years of age *
- Can read and speak English
- Can safely operate a CMV by reason of experience and training
- Is physically qualified
- Has (only one) current CDL
- Has furnished Violation and Review (V&R)
- Has successfully completed a Company road test
- Is not disqualified based on the regulations of this part
 - a) CDL suspension, revocation, etc.
 - b) Disqualification due to the following while operating a CMV:
 - DUI for alcohol or drugs
 - Refusal to submit to drug/alcohol test
 - Transportation, possession, or unlawful use of controlled substances, narcotics, or amphetamines
 - Leaving the scene of an accident
 - Felony involving the use of a CMV
 - Operating a CMV on an out-of-service order

Disqualification period is for the duration of the revocation, suspension, withdrawal, or denial of CDL (usually a period of 3 years or less, depending upon whether or not the driver is a repeat offender)

*In some instances a driver may be considered for employment if he or she has less than 2 years experience. In the event that the driver is hired he or she has to drive with a trainer for a minimum of 2 weeks. At the completion of the training program the decision will be made to release the driver to full driving status, continue training or to terminate his or her employment

5.2 Driver Background and Character

FMCSR 391, Subpart C:

Driver Employment Application

- Can't drive unless application is completed as described
- Must be motor carrier's form
- Must be completed and signed by applicant
- Motor carrier can require additional information beyond DOT mandates
- Applicant must be informed (in writing) that the information provided may be used to contact former employers, and that applicant has appeal rights if employment is refused based on information gained from other employers

Information required on application:

- Name and address of employing motor carrier
- Applicant's name, address, DOB, and Social Security number
- Home addresses for the past 3 years
- Date on which application is submitted
- Issuing State, number, and expiration date of each unexpired CDL
- Nature and extent of commercial motor vehicle experience, and CMV type
- List of motor vehicle accidents and details of accidents for past 3 years
- List of violations of motor vehicle law, other than parking tickets, for the past 3 years (either convicted or paid)
- Statement of details of any CDL suspension, denial, or revocation (or statement that none has occurred)
- List of employers for the last 3 years, including addresses, phone numbers, dates of employment, and the reasons for leaving employment
- List of any additional employers for an additional 7 years wherein applicant operated a CMV, including addresses, phone numbers, dates of employment, and reasons for leaving employment
- Certification that application was completed (or caused to be completed) by applicant and that the information therein is true and complete

Investigation and inquiries shall be completed by Source Logistics, Inc. whenever possible prior to allowing the new employee to perform in Safety Sensitive function, but in all cases prior to the DOT regulations as stated below:

- Within 30 days of beginning employment, an inquiry into the driver's driving record for the past 3 years from all states wherein the driver held a CDL
- Within 30 days of beginning employment, an investigation of employment record for the past 3 years
- Within 30 days of beginning employment, an inquiry into the employee's drug and alcohol testing results from previous employers for the past 3 years to include (as specified in FMCSR Parts 40 and 382):
 - a) Alcohol tests with result of 0.04 or higher
 - b) Verified positive drug tests
 - c) Refusals to be tested (including verified adulterated or substituted drug test results)
 - d) Other violations of DOT agency drug and alcohol testing regulations
 - e) Information from employer (or employee) of any rehabilitation program subsequent to a positive test
 - f) Must also ask employee if he/she has tested positive on any pre-employment test
- Annual inquiry and review of driving record (MVR)
 - a) Must be done at least every 12 months
 - b) Must cover a period of at least 12 months
 - c) Inquiries must be submitted to the proper State agency

- d) Motor carrier must consider violations of FMCSRs, accident records, traffic violations, and other violations
- e) A copy of response from State(s) must be kept in Driver's Qualification (DQ) file
- f) A note with name of person doing review and date of review must be maintained in DQ file
- Record of Violations (Violation and Review) from driver
 - a) Must be received from driver at least every 12 months
 - b) Driver must record all violations (other than parking) for which he/she was convicted or forfeited bond for the past 12 months
 - c) Driver must also certify if he/she received no convictions or forfeited any bond
 - d) Must be maintained in DQ file

5.3 Road Tests

Although FMCSR (Part 391, Subpart D) only requires the driver to furnish a copy of his/her CDL to qualify to drive a CMV, Source Logistics, Inc. requires each applicant to satisfactorily complete a road test. The road test must be of sufficient duration to evaluate the driver's skill in the vehicle type that will be assigned. The examiner must complete the proper form and certify whether or not the driver passed the test. The minimum elements of the road test include:

- Pre-trip inspection
- Coupling and uncoupling
- Placing CMV in operation
- Use of controls and emergency equipment
- Operating in traffic while passing other vehicles
- Turning
- Braking and slowing of CMV
- Backing and parking

5.4 Driver Physical Qualification and Examinations

According to 391, Subpart E, every driver is required to pass a physical qualification examination prior to operating a commercial vehicle. Also, every driver is required to report any diagnosis of the below listed medical conditions and any changes in a known medical condition to Kim Hill (Safety Department). Kim will ensure that any reports (or observed symptoms) of medical conditions that could adversely affect the driver's safe operation of a vehicle are addressed by our designated clinic according to DOT instructions.

Waivers

Any driver granted a waiver of physical disqualification through a Skill Performance Evaluation (SPE) Certificate granted by the FMCSA, must provide documentation of the waiver to the Supervisor.

Medical Examination and Certification

Every commercial vehicle operator must be examined and certified by a DOT-approved physician every 24 months, unless a clinically diagnosed medical condition requires the examinations and certifications to be completed more often. Each driver is required to submit to medical examination and certification prior to his/her expiration date and submit the new certification to his/her Supervisor prior to the expiration date

Driver is physically qualified to drive a CMV as long as he/she:

- Has no loss of foot, hand, leg, or arm (unless granted a DOT waiver)
- Has no impairments that affect ability to operate a CMV safely of hand, finger, arm, foot or leg (unless granted a DOT waiver)
- Has no insulin-dependent diabetes (unless granted a DOT waiver)

- Has no heart problems that cause syncope, dyspnea, collapse, or congestive heart failure (MI, angina pectoris, coronary insufficiency, thrombosis)
- Has no respiratory dysfunction likely to interfere with safely operating a CMV
- Has no hypertension likely to interfere with safely operating a CMV
- Has no rheumatic, arthritic, orthopedic, muscular, neuromuscular, or vascular disease likely to interfere with safely operating a CMV
- Has no epilepsy or other condition likely to cause unconsciousness
- Has no mental, nervous, organic, or functional disease or psychiatric disorder likely to interfere with safely operating a CMV
- Has proper eyesight: 20/40 in each eye(corrected or uncorrected), 70° peripheral vision in each eye, and ability to recognize colors (unless granted a DOT waiver)
- Hearing ability in good ear to first receive a forced whisper at 5 feet
- Has no current clinical diagnosis of alcoholism
- Does not use a 21 CFR 138.11 *Schedule 1* controlled substance, an amphetamine, a narcotic, or other habit forming drug except:
 - A driver may use such a drug (except Schedule 1 drugs) if prescribed by a licensed medical examiner who is familiar with the drivers medical history and assigned duties, and has advised the driver that the prescribed medication will not adversely affect his/her ability to safely operate CMV

Note: Source Logistics, Inc. will require such advisement in writing before allowing the operator to operate a CMV

Drivers are required to be medically certified by a licensed medical examiner if he/she:

- Hasn't been examined and certified
- Hasn't been examined and certified within the past 2 years
- Has physical or mental injury or disease that has impaired his/her ability to perform normal duties (since last examination)
- Any driver whose physical has expired

To be accepted, the physical form must be complete and accurate. We require our drivers to accurately complete the "health history" section of the report and fully explain to the examiner the elements of any "yes" answer on the report. Inaccurate, incomplete, or false statements will invalidate the medical examination report.

5.5 Driver Qualification (DQ) Files and Records

As mandated by 391, Subpart F, the following documentation must be maintained in the Driver's Qualification (DQ) file:

- Complete employment application
- Written employment verifications
- Certificate of driver's road test (if required)
- Annual driver record review (MVR)
- Note relating to annual review
- Violation and Review
- Medical Examiner's Certificate (Physical)
- Skills Performance Evaluation (SPE = DOT waiver) if applicable
- Drug and Alcohol Program employee receipt
- Driver's drug and alcohol pre-employment statement
- Hazardous Materials training documentation (where applicable)
- Negative pre-employment drug test and COC (may be kept in separate file)
- Driver's statement of on-duty hours (must be kept for 6 months)

- Driver's rights pertaining to release of driver's information (proof of provision of this information to the driver)

5.6 CDL and CMV Operation

According to 383, 390, and 393, CMV drivers may have only one CDL or Learner's Permit. Drivers must notify the State in which they hold their CDL of any driving convictions (except parking) within 30 days of the conviction. Although the DOT requires notification of convictions to the motor carrier within the same timeframe, Source Logistics, Inc. requires immediate notification from the driver if he/she receives a citation, and the Company requires notification within 10 days of any final conviction. **(See Citations/Suspensions/Inspections below)**

As required by DOT regulations, Source Logistics, Inc. will not knowingly allow, require, or permit a driver to operate a CMV, and no driver shall operate a CMV:

- During any CDL suspension, revocation, etc.
- During period where the driver has more than one CDL
- During any driver, vehicle, or carrier out-of-service order or period
- In violation of any law pertaining to Railroad Crossings
- During any period wherein driver doesn't have a current medical examiner's certification
- During any period wherein driver is so ill or fatigued (or likely to become so) as to make it unsafe for him/her to operate a CMV (except in grave emergency wherein it is less hazardous to proceed to the nearest place where the hazard can be removed, than to remain at the point where he/she became ill or fatigued)
- During conditions that are so hazardous that an accident or injury is very likely to occur (such conditions may include, but are not limited to, severe weather, dust or smoke)

Source Logistics, Inc. maintains compliance with the regulations by requiring its employees to be knowledgeable of applicable DOT regulations. This is accomplished through proper orientation, seminars, personal study, and Company administered training. Additionally, Source Logistics, Inc. ensures that Company equipment is maintained within compliance, and instructs our drivers to properly inspect equipment and report any defects discovered. Following are several Company standards:

- Before operating Company equipment, each driver must be satisfied that the vehicle is safe to operate (392.7)
- Before operating Company equipment, each driver must be sure that emergency equipment is ready to use, and the driver shall use it when necessary (392.8)
- Drivers shall inspect cargo to make sure that it is secured properly and not leaking or spilling prior to beginning the trip and each time the driver stops (duty status change). Except for hazardous materials and sealed loads, the driver should inspect the cargo every 150 miles or every 3 hours (392.9)
- All drivers must slow down enough to stop before reaching a railroad crossing if need be, and hazardous materials haulers must stop before reaching the crossing (392.10 and 392.11)
- Hazardous conditions require extreme caution and may require stopping at a safe location, rather than continuing the run (392.14)
- All drivers must wear their seatbelts in accordance with DOT and Company policy (392.16)
- Emergency (four-way) signals and triangles must be properly displayed whenever a driver is parked on the roadway or shoulder (392.22)
- Fueling can only be done with the engine shut off and the fuel hose nozzle in contact with the fuel tank

intake pipe at all times. No smoking is allowed within 25 feet of fueling process (392.5)

- Source Logistics, Inc. prohibits unauthorized passengers—those without prior written authorization or Company employees (392.60)
- No pets are allowed in Company vehicles (without written permission)
- Radar detectors are prohibited (392.71)
- Firearms are prohibited in Company equipment or on Company premises

5.7 Accidents and Disabling Damage

Definitions (Part 390):

- Disabling Damage = Damage to motor vehicles that precludes departure from the scene in the usual manner in daylight after simple repairs.
 - Includes damage to vehicles that could have been driven but would have been further damaged if so driven
 - Excludes damage which can be remedied temporarily at the scene without special tools or parts
 - Excludes tire disablement without other damage, even if no spare is available
 - Excludes headlight or taillight damage
 - Excludes damage to turn signals, horn, or windshield wipers which makes them inoperative
- Accident = An occurrence involving a CMV operating on the highway in commerce which results in:
 - Fatality; or
 - Bodily injury resulting from accident wherein victim receives immediate medical treatment away from the scene; or
 - One or motor vehicles receives disabling damage requiring towing

Does not include occurrence involving only boarding and/or alighting from stationary motor vehicle, or loading and unloading of cargo.

Source Logistics, Inc., as directed by DOT regulations, maintains an accident register (in accordance with the above accident definition) for the past 3-year period.

5.8 Accident Policy

The following procedures prescribe methods and practices for reporting and investigating accidents. Though all accidents are preventable through establishment and compliance with safe work procedures, accidents happen occasionally due to human or system error. Therefore, these written procedures and guidelines are intended to standardize all workplace accidents and demonstrate our company's compliance with the reporting requirements of 29 CFR 1904. In addition, it is the policy of Source Logistics, Inc. to comply with all DOT and workers' compensation laws and regulations.

INJURY REPORTING PROCEDURES

Our injury reporting procedures include the following:

1. Employees injured on the job are to report the injury to Management as soon as possible after an incident/accident. "Near miss" accidents or incident should be reported as well, i.e., when an employee nearly has an accident but is able to avoid an injury or illness.

2. Management will complete the appropriate company accident report form with the employee, any witnesses, and/or other relevant people. **(See the specific instructions for work comp and vehicle accidents).**
3. Any employee witnessing an accident at work is to call for emergency help or whatever assistance appears to be necessary. In addition, the employee is immediately to report the accident to Management and take part in answering questions related to the accident report form and accident investigation form.

ACCIDENT INVESTIGATION PROCEDURES

Thorough accident investigations will help the company determine why accidents occur, where they happen, and any trends that might be developing. Such identification is critical to preventing and controlling hazards and potential accidents. For all accident investigations, Management (on-site where possible) will perform the following duties:

1. Conducts the accident scene investigation as soon as safely possible.
2. Asks the employee involved in the accident and any witnesses, in separate interviews, to tell him/her in their own words exactly what happened.
3. Repeats the employee's version of the event back to the employee or witness and allows him/her to make any corrections or additions.
4. After the employee or witness has given his/her description of the event, asks appropriate questions that focus on causes.
5. Uses the accident investigation forms for:
 - Tracking and reporting accidents and injuries
 - Grouping accidents and injuries by type, cause, damage, body part affected, costs, time of day, and process involved
 - Determining if any trends in accident/injury occurrence exist and graphing those trends if possible
 - Identifying any equipment, materials, or environmental factors that seem to be commonly involved in accidents/injuries
 - Discussing with management/consultants the possible solutions to the problems identified
 - Proceeding with improvements to reduce the likelihood of future accidents/injuries

EMPLOYEE INVOLVEMENT AND TRAINING

This plan is an internal document guiding the action and behaviors of employees, so they need to know about it. Management or a designated trainer will conduct periodic training (normally annually) to thoroughly explain to all employees why the accident reporting and investigation procedures and guidelines were prepared and how they may affect employees. Employees are informed in how to report an injury, illness, or accident.

Our company does not discriminate against employees for:

- Reporting a work-related fatality, injury, or illness
- Filing a safety and health complaint
- Exercising any rights afforded by the Occupational Safety and Health Act

5.9 Auto Accidents

What is a company reportable vehicle accident/incident? A company reportable vehicle accident/incident is an occurrence whereby any company vehicle, whether owned, leased, or rented, comes in contact with anything

other than the normal driven portion of the roadway while any company employee either is responsible for the vehicle or was the last person responsible for the vehicle. **The driver must report all accidents/incidents, regardless of severity, to Management in the required time frame established by Company policy.**

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IF DEATH RESULTS FROM ACCIDENT, NOTIFY MANAGEMENT IMMEDIATELY!

Phone: Call your Driver Manager or 866-231-3855

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For every accident, drivers must provide the following:

- a. Was there a fatality?
 - b. Was our driver issued a citation?
 - c. Was any person taken from the scene for medical treatment?
 - d. Was any vehicle disabled?
 - e. Give a general description of the accident.
 - f. Was there a fuel spill? If so, how much fuel was spilled (approximately)?
 - g. Where is the accident? (Give the closest city and state, include street or highway).
 - h. What tractor and/or trailer number involved?
1. Drug and alcohol testing may be required. **(See Drug and Alcohol Policy)**
(*If the driver is not on a return trip to the terminal, he/she may be requested to fax all information to the Company from the layover or relay point to ensure the timely reporting of the accident. The driver may also be instructed to perform the required drug and alcohol tests to ensure compliance with DOT regulations and Company policy, and may be required to give a telephone interview before finishing his/her route.)
 2. If possible, Management will proceed to the accident scene and record all evidence that the scene provides.
 3. The driver is to follow all accident procedures including immediately stopping, securing the scene with emergency triangles and obtaining help for injured parties, supporting the facts by taking photos of accident and scene (if Management is not able to get to the scene to take photos), calling the police and Source Logistics, Inc., obtaining all information about the accident at the scene and completely filling out the Driver's Report of Accident. The driver must get the names, addresses, and phone numbers of any favorable witnesses, if possible.
 4. After all initial reports have been completed, the driver must give a recorded statement about the accident, if requested. This should be done no later than the beginning of the next business day. The following is a list of some of the information the driver should have in order to conduct the telephone report:
 - a. Citation(s) received.
 - b. Injuries. Names, addresses, and phone numbers of the injured people, including passengers, and the hospital they were transported to, if applicable.
 - c. Time and exact location of the accident.
 - d. Owner's and driver's name, address, phone number, and type of vehicle involved, including license number.
 - e. Other vehicle descriptions, license numbers, and damages.
 - f. Insurance information on other vehicle(s).
 - g. Police officer's name and badge number. Also, get the name of the state or local police department with which he/she is affiliated.
 - h. Damage to tractor or trailer. Drivable?

- i. Damage to any other property (i.e., buildings, signs, rails, etc.)
- j. Witness names, addresses, and phone numbers.
- k. Name and phone number of towing service used, if not dispatched by supervisor.

Forms needed on every accident:

- Completed Driver's Report of Accident.
- Photos of accident and scene.
- Copy of citation and/or police accident report.
- Completed Worker's Compensation form, if applicable.

Scene Containment and Wrecker Services

Depending on the seriousness of the accident and if the accident occurs within 150 miles of our terminal (or if other circumstances warrant), Management may go to the accident scene to serve as the Accident Scene Manager. Management may also send another qualified person to handle this responsibility. For accidents that require wrecker service, the Accident Scene Manager should immediately confer with the proposed wrecker service (preferably the service that we select) and direct the number and type of both personnel and equipment that will be utilized at the scene. Our goal is to agree on an hourly fee and bring the equipment and personnel to the scene as they are needed and not until they are needed, then to dismiss any unnecessary equipment and personnel as soon as their job function is completed. Typically, the wrecker service will bring out all of their expensive equipment and attempt take control of the scene with the goal of expending as much time as possible.

Have the wrecker service provide the hourly rates and fixed rates for the equipment and personnel on your first contact. Ask them to give you the details of how they will undertake to right, move, protect, and secure the scene, equipment, and cargo. If the wrecker service owns airbags (an expensive service), they will always want to use them for overturned equipment, even though the situation doesn't require airbag use. Unless the equipment is in a negative incline, the wreckers can't be positioned to right the equipment using straps, or the cargo can't be effectively off-loaded, there is typically no requirement for the use of airbags. A better and more cost-effective method is to off-load the cargo onto another trailer and to use straps to right the equipment.

Due to liability considerations, always make sure that Source Logistics, Inc. personnel and all contractors working for us follow safe working practices and procedures at the scene. If there is ever a question as to proper procedure, or help is needed in negotiating rates, call Management for assistance. Work with the government officials at the scene with the common goal of protecting the general public and using the quickest and safest methods (within reason) for scene remediation. Provide for transportation of our driver to a medical facility, drug/alcohol test location, or motel, if necessary. **DO NOT ADMIT GUILT TO ANYONE OR GIVE STATEMENTS REGARDING THE ACCIDENT TO ANYONE OTHER THAN LAW ENFORCEMENT INVESTIGATING THE ACCIDENT.**

5.10 Accident Cameras and Scene Instructions

Each driver may be issued an accident camera and accident forms. Drivers are to keep this material with them at all times while operating Company equipment and use it to document any company accident event. The camera and forms must be kept dry and free from damage. Following are directions for employees concerning accident reporting and the use of cameras.

HOW TO REPORT AN ACCIDENT:

TO REPORT ALL ACCIDENTS, IMMEDIATELY CALL MANAGEMENT

WHAT TO DO AT AN ACCIDENT SCENE

At the scene on the accident, complete an accident report. Obtain the names, addresses, telephone numbers, license numbers and employment information for all involved parties and witnesses. Get complete vehicle descriptive and insurance information.

Take pictures which support the facts of the accident. At a minimum, take the following pictures:

- the overall accident scene (see below)
- all involved vehicles (including license plates, unit numbers, company information, overall condition, occupants and damage)
- all involved parties or other property
- skid marks, traffic signs, roadway conditions or defects
- the overall condition of all vehicles as well as vehicle damage
- anything else which helps to explain what happened.

You should take an initial picture from about 3 feet away from the subject and then take several steps backwards and take another picture of the same subject. Continue to take steps backwards and take progressively wider view pictures until you see the entire accident scene in the camera's viewfinder. Repeat this process from as many different angles as possible. Before backing up or moving to take pictures, be careful that where ever you are stepping is safe and does not place you in physical danger, especially if you are taking pictures along side of a roadway.

Immediately after an accident, you are to turn the camera and completed accident forms along with any other material you received in connection with the accident to the Company.

HOW TO OPERATE THE CAMERA

To take a picture, remove the camera from its package and look through the viewfinder at the subject. While holding the camera steady, press the shutter release button located on the top of the camera. If you have any problems with the operation of the camera, call Management for assistance.

Your camera is equipped with a flash unit. To use the flash, press and hold the flash button as indicated on the front of the camera. When the flash is ready, the small red "flash ready" light will start to flash on the back of the camera by the viewfinder. When the light is flashing, the camera's flash unit is ready for use. After taking a picture, you will have to press the flash button again before the camera is ready to take another picture. The small red "flash ready" light will again flash to indicate that the flash unit is ready for use.

After each picture, you must wind the film to the next picture frame. To advance the film, slowly turn the firm advance disc in the indicated direction. The disc is on the back/side area, to one side of the viewfinder. A small numbered counter on the top of the camera will tell you how many pictures are remaining on the roll.

EMPLOYEE RESPONSIBILITY

You are responsible for having the camera and accident forms with you at all times while you are operating company equipment. If you do not have the material with you or you fail to properly use or document an accident you may be subject to discipline.

If for any reason you do not have the camera with you at the time of an accident, it is your responsibility to obtain pictures of the accident from whatever means are available. If necessary, purchase a disposable camera when Management asks you to do so.

If your camera needs to be replaced, contact the Company. When you use an issued camera to document an accident, you will be given a replacement camera. If the camera has reached its expiration date, it will be replaced.

If the camera has been abused, neglected or damaged, you will be given a replacement camera but you will be charged for the replacement cost.

If you need additional accident report forms, contact your supervisor.

5.11 Driver Accident Report

Forms are listed in the appendix along with an acknowledgement form.

5.12 Parked Vehicle Accidents/Incidents

Due to the high number of industry accidents/incidents reported as “hit and run” we have adopted these procedures and policies. In addition to providing the information as described in the **Accident Policy** above, drivers must adhere to the following procedures:

1. Inspect your equipment anytime you have left it even for a few minutes.
2. Note any new damage and take photos of the damage, debris, skid marks, scene, etc.
3. Look for witnesses and record names, addresses, phone numbers, and description of what they saw.
4. Notify the police. If they will not come to the scene, notify the manager of the facility where your vehicle was parked. Record the name of the business, the manager’s name, and business phone number.
5. Immediately notify the Company of the damage and provide the information collected in the above procedures. **(Management will go over all the procedures with the driver, obtain all the information the driver collected, and advise the driver as to any other issue or information that needs to be covered.)**

(Note: if the driver doesn’t follow the above procedures, it is likely that he/she will be charged with an at-fault accident or incident).

5.13 Citations, Violations, Inspections, and Suspensions

Citations

Every Source Logistics, Inc. driver must report all citations (except for parking violations) to the Company within 24 hours. A **Notification of Citation, Violation, Inspection, or Suspension Form** should be used. A copy of the citation must be presented to the Company within 10 days of the citation. In addition, every driver who is cited outside the state wherein he/she is licensed must provide notice to his/her licensing state within 30 days of receiving the citation. The information required in this state notification is detailed in 49 CFR, Part 383.31. All citations, whether received in a commercial vehicle or personal vehicle, must be reported to Source Logistics, Inc. and to the state that issued the driver his/her CDL.

Suspensions

Any license suspension, revocation, disqualification, cancellation, or loss of rightful operation shall be reported to Source Logistics, Inc. within 24 hours of the occurrence.

Out of Service (OOS) Violations/Roadside Inspections

All Source Logistics, Inc. drivers are required to comply with all hours of service, inspection, repair, and maintenance regulations as stated in 49 CFR, Parts 395, 396, and other specific regulations. Any driver undergoing a roadside inspection **or** is declared “out-of-service” for any of these reasons shall comply with all the requirements of the “out-of-service” declaration, and shall immediately advise Management of the violation and/or the results of the roadside inspection. The written record of violation or roadside inspection must be delivered or mailed to Source Logistics, Inc. within 24 hours of receipt of the violation. A **Notification of Citation, Violation, Inspection, or Suspension Form** should be used.

Source Logistics, Inc. authorized personnel (managers and mechanics) shall tag any unsafe equipment out of service by affixing an “Out of Service Vehicle” to the vehicle. The Company shall not allow the out of service vehicle to be operated and no driver shall operate an out of service vehicle until all repairs required by the out of service notice have been completed. No person shall remove the “Out of Service Vehicle” sticker until all required repairs have been completed. It is an **acute** violation to operate “out-of-service” equipment without law enforcement permission to do so. **Violations will not be tolerated and the violator will be disciplined, up to and including termination.**

5.14 Notice of Citation, Violation, Inspection, or Suspension

Within 24 hours after receiving a citation for a moving violation of any kind (including but not limited to warnings or any inspection), you must properly report that citation to the Company by completing and turning in this form along with a copy of the citation. You must report any citation you receive, including those received while operating personal vehicles, any Company equipment or any vehicle operated for another employer.

Out of Service (OOS) Violations and Roadside Inspections must be reported to the Company **immediately upon receipt.**

License and Physical Certificate suspensions, revocations, disqualifications, and cancellations must be reported to the Company **immediately upon receipt.**

5.15 Workers’ Compensation Accidents/Injuries

It must be stressed that workers’ compensation is the law, not a benefit. Source Logistics, Inc. will fully comply with the workers’ compensation laws governing this operation. Therefore, we will work to ensure that any employee that incurs a legitimate workers’ compensation claim will receive the full benefits of the law. On the other hand, any employee

that commits fraud as defined by the law, must expect that Source Logistics, Inc .will work to ensure that the full law is administered in such cases.

WHAT TO DO AS A MANAGER:

You should report all claims, other than first aid, to our insurance provider. The definition of first aid is any abrasion, cut or similar injury that requires no medical attention by a Doctor. First aid is left to your discretion. However, if you have any doubt, the claim should be immediately reported. Any employee that complains of a back, shoulder or neck injury will not be treated as first aid.

You should complete the non-state-specific “First Report of Injury” form. Management may complete it in accordance to the verbal statement given over the phone.

Fatality injuries are to be called immediately to the Company (after hours phone: 886-231-3855) for OSHA reporting purposes.

You must send the employee for a drug and alcohol screen immediately. If applicable, use the same facility the employee will visit for his/her immediate medical needs. If that facility cannot perform the alcohol and/or drug screen function, then you will utilize the nearest facility to the employee or use the same facility you normally would use after the employee has received medical attention. A refusal by the employee for either an alcohol or drug test will be considered the same as a “positive” and discipline will apply in accordance to Company policy.

Any employee that is under a Doctor’s care for a work-related injury will normally not be allowed to take a vacation during that time. However, the injured employee may elect to receive his/her vacation pay. This applies to any employee that has not been fully released by a physician for their work-related injury.

Important

Should an employee go to the company doctor or any other physician and obtain a full duty release immediately after the injury but later have a problem with the injury that may cause a change from full duty to another status, you must:

- a. Have the employee report back to our company doctor (or specialist) for re-evaluation.

Forward all workers’ compensation medical bills to the insurance provider.

After Hours:

The company clinic may be closed if the employee calls in after normal working hours. In such cases, have the employee report to the nearest hospital or medical facility that can give them immediate medical attention and the drug and alcohol testing.

5.16 Workers’ Compensation Injury – Employee’s Duty

It is the duty of the employee to immediately report an injury to the Company. It is also the employee’s duty to complete and sign the Employee’s Notice of Injury form.

Failure to immediately notify the Company of an injury occurring on the job may result in a denial of coverage by the insurance company, and the employee may be subject to disciplinary action, which may include termination.

It is the duty of the employee to immediately report to the nearest facility for an alcohol and drug screen. **The Company will assist you in determining the facility that is appropriate. Failure to immediately report to the facility as instructed or a refusal to submit to an alcohol or drug screen will be considered the same as a “positive” and discipline will apply in accordance to Company policy.**

If released by the company doctor or by any other physician to full duty with no restrictions, it is the employee’s responsibility to immediately report directly to the Company for return to work instructions.

If the employee has been released to full duty but later has a medical change in his or her condition that is related to the work comp injury, it is the employee’s duty to immediately report the medical change to the Company. The employee then has to immediately report back to the company doctor or specialist for re-evaluation.

It is the employee’s duty to cooperate with our insurance carrier and its’ representatives. **If requested by our insurance carrier, it is also the employee’s duty to give a recorded statement. A rehabilitation nurse may be assigned to help the employee through the workers’ compensation process.**

It is the employee’s duty to keep all scheduled medical appointments and deliver all medical reports to the Company. It is also the employee’s responsibility to contact the Company to give weekly progress reports.

5.17 Workers’ Compensation Employee’s Notice of Injury Form

See appendix.

5.18 Work Comp Medical Authorization and Consent Form

See appendix

5.19 Pre-trip, Post-trip, and Walk-Around Inspections

Vehicle Inspections (FMCSR Part 396)

DVIR (Driver Vehicle Inspection Report)

Every Source Logistics, Inc. driver shall prepare a written report (DVIR) at the end of each day’s work on each vehicle operated. Always complete a DVIR for each tractor operated and you must indicate all trailers towed (each trailer that is towed must also be indicated on the log either in the box provided or in the remarks section).

Each DVIR that is completed shall identify the vehicle and list any safety defect or deficiency discovered by or reported to the driver that could affect the safe operation of the vehicle. If no defects or deficiencies are discovered, the report should so indicate. Each DVIR shall be signed by the driver (or one member of the team). The original DVIR shall be submitted to the Company at the end of each trip (or as soon as possible). The copy shall be retained in the power unit until a new DVIR is prepared at the end of each day’s work. The DVIR book copies should remain bound in the DVIR book.

Before driving a motor vehicle, the driver shall:

- (a) Be satisfied that the motor vehicle is in safe operating condition,
- (b) Review the last driver vehicle inspection report (*if safety defects were found and a book DVIR was completed*), and

- (c) Sign the report if the previous driver noted defects, and the defects have been corrected (*or the defects listed are either not correct, or won't affect the safe operation of the vehicle*)

Source Logistics, Inc. shall not allow the operation of any vehicle until all known safety defects or deficiencies have been corrected, and shall certify in writing that all defects or deficiencies listed on the DVIR were either repaired or the repair was unnecessary before the vehicle is operated again. Original and copies of DVIRs shall be retained for 90 days before discarding.

Pre-trip Inspection

Every Source Logistics, Inc. driver shall perform a pre-trip inspection on each power unit and trailer unit operated prior to the operation of each unit. This inspection shall be performed at least once in each 24-hour period that the unit is operated and shall be indicated on the "Record of Duty Status." Any safety defect or deficiency must be immediately reported to the Company.

Post-trip Inspection

Every Source Logistics, Inc. driver shall perform a post-trip inspection on each power unit and trailer unit operated after the operation of the unit. This inspection shall be performed at least once in each 24-hour period that the unit is operated. Any safety defect or deficiency must be immediately reported to the Company. Completing the DVIR is an appropriate post-trip inspection.

"Walk Around" Inspection

Every Source Logistics, Inc. driver shall do a "walk around" inspection of each power unit and trailer unit each time the unit is left unattended while "en route" between the completions of the pre-trip inspection and post-trip inspection. Any safety defect or deficiency must be immediately reported to the Company. If any new damage is discovered, each driver must follow the procedures defined in the "**Parked Vehicle**" **Accidents/Incidents** instructions.

En Route Repairs

Occasionally, mechanical defects may not be caught in the pre-trip inspection, necessitating repairs while en route. Also, equipment may be inspected by a law-enforcement official who may require repairs before allowing you to continue your trip (due to an out-of-service order). Anytime repairs are done, whether by the driver or by a vendor, documentation of the repairs must be placed in the vehicle maintenance file. The driver must ensure that the work order/invoice is delivered to the terminal. If the driver does the repairs, documentation can be as simple as the appropriate designation on a DVIR or other piece of paper.

5.20 Hours-of-Service Regulations

Hours-of-Service (FMCSR Part 395)

All Source Logistics, Inc. drivers must comply with the federally mandated hours-of-service (HOS) procedures and regulations as contained in 49 CFR, Part 395.

For those drivers not required to maintain logs, you and your Company must maintain time records indicating the time you report for work each day and the time you leave work each day. You must be relieved of duty within 12 hours of reporting for duty and you can't driver more than 11 hours of the 12-hour period. The record must show the total on-duty time for the previous 7 days. At least 10 hours off-duty must be obtained after each 12-hour on-duty period for you to be eligible to drive again.

The following are general requirements and regulations for those drivers that are required to prepare logs:

- 1) Manually recording hours of service in duplicate in a Company-approved Log Book. Unless circumstances dictate otherwise, every driver will use the Log Book supplied by the Company.
- 2) Every new-hired driver shall submit a completed Driver Data Sheet for the immediate seven-day period prior to the date of the first work assignment. In addition, every driver shall submit a completed Driver Data Sheet for the immediate seven-day period after returning from an extended leave-of-absence or other days off work.

Note: Logs for each day may be submitted instead of a Driver Data Sheet.

Every driver shall submit the logs as weekly. Every log shall be neat and legible with all information completed correctly. A straight edge shall be used to draw the hours-of-service grid requirements. Failure to complete the logs as specified shall not be tolerated. The driver must retain in his/her possession copies of the current day's log plus logs for the previous 7 days while operating a CMV.

General Logging Rules

- On-duty time shall include:
 - All time at any business facility, waiting to be dispatched, unless the driver is relieved of duty by the company
 - All time inspecting, servicing, or conditioning of the CMV
 - All driving time
 - All other time in or upon the CMV (except time in the sleeper berth)
 - All time loading, unloading, supervising, assisting, attending to equipment or load, and giving or receiving of receipts
 - All time repairing, obtaining assistance, or remaining in attendance of disabled vehicle
 - All drug/alcohol testing and travel time (except pre-employment)
 - Performing any other motor carrier-directed work
 - Performing any compensated work for anyone that is not a motor carrier
- Each change of duty status must be recorded, and nearest town (spelled) and state (abbreviated) designated
 - If change of duty status occurs in other than city or town, the highway number and milepost followed by the nearest town, or the nearest intersecting highways followed by the nearest town can be used (be sure to indicate the State abbreviation as well)
 - Logs must be current to the last duty status change
- The following information must be recorded on the log:
 - Date
 - Total miles driven today
 - Truck and trailer numbers
 - Name of carrier
 - Driver's signature
 - 24-hour period starting time
 - Main office address
 - Remarks section (below the grid) is to be used to explain all details of the trip, including recording of inspections, additional equipment, etc.
 - Name of co-driver (if applicable)
 - Total hours
 - Shipper and commodity
 - Completed grid
- The time indicated on the log shall correspond to the Company home terminal

- The Company shall retain the original logs (or electronic images thereof) for a period of six months
- Two or more off-duty days can be combined on one log, provided the period doesn't cross the month change
- Drivers must log the hours the way they are run
- Logs must agree with all other written documentation (i.e., DVIR, roadside inspections, law enforcement stops, citations, fuel receipts, drug/alcohol tests, accident reports, etc.)
- All entries must be legible and in the driver's own handwriting

General Regulation Maximums (395.3)

11-Hour Rule – A driver may drive a maximum of 11 hours after which he/she must have 10 consecutive hours off-duty before driving again. [There is one exception to these rules: If a driver encounters adverse weather or road conditions (snow, sleet, fog, or unusual road or traffic conditions) that could not have been foreseen before the trip began, and the trip could have normally been completed in 11 hours or less, then the driver may driver an additional 2 hours. However, the driver may not drive once he/she reaches the 14-hour maximum on-duty time. The reason for the additional driving must be recorded in the remarks section, and additional driving time must be the exception rather than the norm.]

14-Hour Rule – A driver can remain on-duty for a maximum of 14 hours after which he/she must have 10 consecutive hours off-duty before driving again. (There are no limits to the amount of time that a driver can remain on-duty, but he/she just can't drive again until incurring at least 10 consecutive hours off-duty. There is no "adverse weather or road" exception to the 14-Hour Rule). Off-duty time should still be logged as such, but all on-duty and driving time counts toward the 14-hour on-duty total, after which the driver can't drive again until obtaining a 10-hour consecutive break.

Rest Break – Per section 395.3 (3) (ii) of the Federal Motor Carrier Safety Administration regulations, driving is not permitted if more than 8 hours have passed since the end of the driver's last off duty or sleeper berth period of at least 30 minutes. Prior to being on duty any 8 consecutive hours, a driver is required to take a minimum 30 minute rest period either off duty or in sleeper berth.

70-Hour Rule/60-Hour Rule – A driver may be on-duty a maximum of 70 hours in 8 consecutive days (or 60 hours in 7 consecutive days) after which he/she can't drive until the number of hours on-duty total less than 70 for the previous 8 days (or 60 in the previous 7 days). Off-duty time does not count against the 70-hour limit (or 60-hour limit).

There is an exception to this rule: 34 consecutive hours off-duty allows the driver to start a new 70-hour clock (or 60-hour clock), without regard to the previous 8 days (or 7 days).

10 Consecutive Hours Off-Duty – A driver may obtain this 10 hours off-duty through normal off-duty time, sleeper berth time, or a combination of the two, but time spent in the sleeper berth and off-duty must be immediately consecutive—not broken by any driving or on-duty time. (There is one exception to this rule: The driver may obtain his 10 hours off-duty through two separate periods in the sleeper berth, as long as the first period is at least 8 hours long and the second period of sleeper berth/off-duty time is at least 2 hours. A driver can't take a portion of his/her 10 hour break and then drive an additional 11 hours, rather he/she can only drive a total of 11 hours between and after the two sleeper berth times.

Split Sleeper Berth Rules – The regulations allow the 10 hours off duty to be split into two, and only two, sessions in the sleeper berth, as stated above. However, these rules require that both the driving time and the on-duty time must be calculated before and after each sleeper berth session to ensure that neither maximum is violated. The driving time before and after each sleeper berth session can total no more than 11 hours. The on-

duty time before and after each sleeper berth session can total no more than 14 hours, before the driver is allowed to drive again. The driver may use the sleeper berth for more than 2 sessions to get rest, but only two of the sessions count toward the 10-hour requirement.

General Considerations – Any off-duty time of less than 10 hours or sleeper berth time of less than 8 hours must be calculated in the 14-hour on-duty time (unless 10 consecutive hours of sleeper berth and off-duty time is achieved). If a driver exhausts either the 11-hour driving time or 14-hour on-duty time, he/she can't begin splitting the sleeper berth time, since 10 consecutive off-duty/sleeper berth time must be achieved, before he/she can drive again.

Keep in mind that you can continue to do non-driving work beyond the 14-hour time limit or the 60 or 70 hour time limit. You just can't drive again until you get the required off-duty time. Also, since off-duty time doesn't count against either the 60 or 70 hour time limit, all off-duty hours should still be logged as such.

Considering the difficulty of logging split sleeper berth under the new rule and the lack of advantage of doing so, it is best to just get the full 10 hours off duty after exhausting either your 11-hour driving time or the 14-hour on-duty time allowances.

Source Logistics, Inc. **trains all drivers on complete details of the DOT HOS regulations during orientation and recurrent training where needed.**

5.21 General Safety Training

Source Logistics, Inc. provides safety training through various means and sources. Normally, Company employees will provide safety training, but outside vendors may be used on occasion.

Each new employee will be provided basic safety training during orientation that will cover any hazards he/she may be exposed to including fire safety, emergency action, personal protective equipment, security, and other pertinent information.

Recurrent safety training for drivers, mechanics, and other personnel may be required due to accidents, incidents, injuries, contributing to an accident, near-misses, or other events. This training may include classroom instruction, video, interactive CD-ROM, courses, tests, equipment operation, demonstrations, drills, or any combination of these.

Safety training and information is also provided through newsletters, memos, email, posters, or other correspondence.

A "Recurrent Training Certification" form must be completed and submitted to the Safety Department for all training.

5.22 Recurrent Training Certification

See forms in appendix.

5.23 Defensive Driving and Driver-Specific Training

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A. Merging, Maneuvering, and Turning

Merging into Moving Traffic

Drivers must be sure that adequate space exists to merge safely. Sometimes this requires jackknifing the tractor around to gain better visibility, but once the decision is made to proceed, follow these steps:

- Clearly signal your intentions
- Accelerate to proper merge speed
- Check your mirrors often (every 3 seconds or so)
- Adjust speed if necessary
- Once you begin the merge, don't stop, unless to avoid an accident
- Don't move across multiple lanes unless it is necessary to do so to set up for turn
- Complete the maneuver and turn off your signal

Although a large percentage of our driving population thinks that they have the right-of-way while merging onto the interstate, this is certainly not the case. Possession of the traffic lane determines the legal use of the lane (where no traffic controls are present). The driver that is merging has possession of the merge lane only, and is required to safely enter the roadway.

Exiting the Roadway

Though usually not as risky as merging, exiting does require vigilance and the exercise of good driving skill:

- Signal early (several seconds from the lane change or turn in most situations)
- Check your mirrors often
- Move to the lane nearest the exit at least 6 or 7 seconds prior to exit if possible
- Gradually decrease to a safe exit speed (remember that ramp speeds are posted for automobiles and are generally too fast for a CMV)
- Be aware of the possibility of load shift
- When setting up for a turn, be careful for other motorists squeezing in beside you
- Stop (if you must) at the end of the ramp at least a car length behind the intersection or crosswalk, and always a car length behind any other vehicle

Changing Lanes

The key to a safe lane change is knowing the location of the other vehicles around you. The following steps will help insure your safety:

- Signal early [at least 3 seconds (5 is better) before starting the lane change]
- Watch your mirrors and lower door windows carefully
- Make sure there is adequate space to safely enter the other lane

- If you become aware of another vehicle in the path to the desired lane, quickly, but smoothly, move completely back into your lane
- Once you have completed the lane change, turn off your signals

This sequence should require 5 to 8 seconds when properly executed. Abrupt CMV lane changes have caused many accidents, so always maneuver smoothly.

Negotiating Curves and Turning

Proper set-up is critical for safely completing a turn or negotiating a curve:

- Signal early (turning)
- Smoothly reduce your speed to at least 5 to 10 mph below posted limit (further speed reduction is necessary in inclement weather conditions)
- Shift to the appropriate gear so that you can keep both hands on the steering wheel during the turn
- Watch your mirrors and side glasses closely
- Remember off-tracking potential (wheels of rearmost axle will follow to the outside of your turn path in the direction of the turn)
- Remember tail-swing (the section of your vehicle behind the rearmost axle will swing to the outside of your turn path in the opposite direction of the turn)
- Accelerate slightly as you are completing the turn (makes the turn back to straight easier and causes less scuffing to the steer tires)
- If you hear or feel anything unusual while making a turn, signal and stop immediately (and make sure that you didn't hit anything—stopping immediately will also minimize any damage done)

Backing

Truck drivers have more accidents going in reverse than they do moving forward. Although these accidents are normally not as severe as those that occur while moving forward, the frequency and the potential for serious injuries are great causes for concern. The most frequent cause for backing accidents is focusing too much attention on too little—inattention. There is no substitute for practicing the safest backing techniques and standards each and every time a driver backs. Following are some helpful practices:

- As you pull into the backing area, be aware of everything around you (front, back, sides, above, and below)
- Signal your intentions clearly by using signal lights, 4-way flashers, horn, etc.
- G.O.A.L. (Get Out And Look) and plan your backing maneuver
- Where possible, have cars or other obstacles moved, if you can't back with them there (remember, if you can't deliver your trailer safely to the dock, don't even try)
- When you are sure that it is safe to back, get back into your truck and begin backing without delay
- Watch all your mirrors and out every glass (focusing on what you think to be the biggest obstacle to backing safely often causes drivers to hit other objects)
- If at any time you are not sure you can complete your backing maneuver safely, G.O.A.L. some more
- Use a spotter only if you are sure that he/she knows what to do and that you are mutually agreed and confident as to the proper signals to use
- Above all, don't back unless there is no other alternative (pull through if possible)

B. Interacting With Traffic

Anyone who has operated a motor vehicle in congested city traffic within the past year knows how difficult it is to drive safely. Even the best of conditions present hazards that can quickly become emergencies.

Traffic has numerous variations: bikes, motorcycles, cars, trucks, trailers, wide loads, farm equipment, etc., all present different potential hazards. Any one of them can cause you to be inattentive to your driving task by focusing too much attention on them. There is no doubt that the leading cause of accidents is inattentive driving. As a CMV driver, you can't afford to take your attention away from your driving task.

C. Speed and Space Management

Normally, motorists should drive at or near the speed limit than very much below the limit. Of course there could be many reasons not to drive the speed limit, such as inclement weather or dangerous road conditions, but generally this is a safe practice. However in some states, posted speeds for commercial vehicles have climbed to 75 mph. Source Logistics, Inc. requires that our equipment be operated at speeds of less than 70 mph, but even at speeds of 45 mph, it is necessary to increase following distance to insure maneuvering and stopping room. Since speed management includes perception, reaction, and braking distance, drivers must apply the proper formula to make sure following distances are adequate. Rather than trying to calculate these distances based on stopping formulas, it is far easier to determine how much space is needed by counting seconds. In good driving conditions a commercial driver should allow one second of following distance (the distance between your vehicle and the vehicle in front of you) for every ten feet of overall length (if your rig is 70 feet long, you will need seven seconds of following distance). To compensate for additional hazards, you should add a second each for speeds over 40 mph, night driving, and inclement weather.

In your family vehicle your following distance should be four seconds on a clear, dry day. How much distance do you travel in a second? At 60 mph, you will travel 90 feet in one second (four seconds is 360 feet). At 30 mph, the distance traveled in one second is 45 feet (four seconds is 180 feet). But, count the following distance in seconds (it will always compensate for higher speeds).

Basically, the DOT speed regulations simply require that commercial drivers obey the posted speed limits. In addition, FMCSR 392.6 prohibits a motor carrier from requiring or permitting a driver to drive faster than the speed limits.

One final point—even though you are generally safer running near the same speed as the other motorists on the road, if you lose the space in front of your vehicle, you have lost your visibility and your stopping room. Even for a professional driver, this is a very dangerous situation. Don't grow accustomed to it—instead, increase your awareness, look for a way out, and be prepared to react quickly to emergency situations. Only by being prepared for emergencies, can you safely avoid them!

D. Night Operations

Many accidents result from drivers' misconceptions of the dangers of decreased visibility. This is especially true of nighttime driving. Normally, driving at night is inherently more dangerous than driving during the day. In fact, there are certain vision defects that render some people virtually incapable of driving after the sun begins to set. A number of weather conditions can cause decreased visibility even during the day, and these conditions are especially dangerous when they are present after dark.

Visibility is the distance you can see ahead and to the sides of your vehicle. It is composed of two elements:

- Line of sight
- Field of view

Line of sight is a straight line between your eyes and the object you are focusing on. **Field of view** is the entire scene you can see at any point of time. Anything that interferes with your line of sight or field of view can result in reduced (low) visibility and can increase your risk of accident. Slowing down is your best defense against the dangers imposed by visibility reduction.

After nightfall, your clear line of sight is only about 300 feet, so you can easily overdrive your headlights and miss many important details and potential hazards that would be clearly visible during the day under normal

light conditions (highway signs, parked vehicles, animals, pedestrians, etc.). Additionally, the faster you go at night the shorter your distance that you can clearly see ahead.

Driving defensively in the dark requires that you resist the human tendency to look only as far as your headlight spray shines. Many of the hazards during low light conditions are first perceptible only as shadows or flashes of reflected light (objects on roadway, animals, pedestrians or machinery crossing the road, animal eye reflections and the like).

The following suggestions will help insure your safety during nighttime and low-light driving conditions:

- Make sure your lights are working properly
- Make sure your headlights, mirrors, and windows (inside and out) are clean
- Wear sunglasses whenever you spend several hours outside in sunny conditions (helps retain your stores of “visual purple,” a chemical that helps your eyes adjust to the dark)
- Turn your headlights on just before sunset (twilight) and remember that at twilight, objects seem further away than they actually are (also, at any time of day or night, the bigger the object, the slower it seems to be moving)
- Never drive faster than the speed limit (your ability to recognize objects decreases by 20 feet for each 10 mph increase in speed)
- Practice space-cushion driving (space between your vehicle and the vehicle in front of you should be at least four seconds plus an additional second for each 10 feet of overall tractor-trailer length over 40 feet long, plus an additional second for speeds over 40 mph, and a second each for the presence of each inclement weather condition)
- Drive defensively (gently steer around objects if possible—if not, then brake smoothly) and continually scan the roadway and your mirrors
- Use your high beams with care and switch to low beams at least 750 feet from an approaching vehicle or the vehicle you are following
- Don’t look directly at the lights of an oncoming vehicle, but look forward and slightly to the right, using the right edge of the roadway as a guide
- Oxygen is the best stimulant to help your eyes adjust to the dark, so fresh air and the absence of smoke will help you see better
- Continue to use your headlights for at least an hour after sunrise

Low visibility, regardless of the cause, is a predominant factor in many vehicle accidents, especially those involving tractors and trailers, so if you have trouble seeing the road, slow down. And if you think your vision deficiencies may be due to a medical condition, you are required to notify your manager and seek medical help.

E. Extreme Driving Conditions

Winter weather presents dangers that test the skills of even the most experienced drivers. There are many obvious precipitation problems in winter such as ice and snow, but fog, black ice, freezing bridge surfaces, and vehicular malfunctions can also wreak havoc on schedules, safety, and the peace of mind of drivers and transportation managers alike.

More truck collisions occur in winter than any other season. The primary cause of these accidents is driving too fast for conditions. Adverse weather is dangerous for any driver, but especially for the driver of a tractor-trailer rig. Speed limits are posted for safe driving on a clear, dry day—not for rainy days, and certainly not for rainy nights. The best precaution for preventing an accident in inclement weather is to slow down and increase following distance. Following a few tips will help you cope with winter weather driving and other hazardous environments:

- Perform a thorough pre-trip inspection and bring any problems to your mechanic's attention
- Check closely for air system leaks and drain moisture from tanks
- Check tires for proper tread depth and brakes for proper adjustment
- If dirty, clean lights, mirrors and windows (inside and out), and replace any defective wiper blades
- Take along tire chains if required
- Pack a snow scraper, extra warm clothing or blankets, water, high energy snack foods, sunglasses, flashlight and batteries, wet weather footwear, and perhaps a shovel
- Stay aware of the weather by radio, CB, and communication with your terminal
- Guard against erratic actions of other drivers
- Be extra careful when negotiating curves, bridges, or overpasses (never pass on a bridge)
- If you can't drive safely, find a safe place to exit the roadway
- Avoid quick or sudden turns, stops, or rapid accelerations
- Only park on the shoulder if it is an absolute emergency, and turn on your 4-way flashers and put out warning triangles
- Never park on the shoulders of highways, entrance ramps, or exit ramps to sleep or take a break (in inclement weather or clear weather). It is against the law.

Fog presents vision problems that are difficult to overcome. Remember to obey all fog-related warning signs, slow before you enter fog, turn on all of your lights (headlights on low beam), and be prepared for emergency stops.

Hot weather demands a proper pre-trip inspection as well. Special attention should be given to tires, engine oil, and engine coolant before and during your trip. If you can touch the radiator cap with your bare hand, it is probably cool enough to remove, but covering the cap with a cloth will help ensure that you are not burned by escaping steam. Also make sure your engine belts and hoses are in good shape. You may have to adjust your speed especially on up-hill pulls to avoid overheating. Always watch for bleeding tar on hot pavement, because these areas are especially slippery.

Mountain driving requires the practice of several skills including speed control, proper braking techniques, and the possible correct use of escape ramps. The setup for downhill mountain grades is critical to safely arriving at the valley. Always shift to the proper lower gear before starting down the grade. Never try to shift gears after you have built up speed because you may not be able to get the transmission back in gear. Your main braking action comes from your engine controlled by the proper gear. Your foot brakes are only auxiliary on downhill slopes. The "stab" method is generally the best way to use your brakes in the mountains.

Wind can quickly cause a CMV operator to jackknife or run off the road. Be aware of normally windy locations such as mountain passes, flat lands, cleared areas between forests, and outside of tunnels. In addition, storms present especially windy environments. Slow down where you expect to experience wind gusts. Be ready to quickly adjust your steering and watch out for other large-profile vehicles near you.

There is no substitute for proper pre-trip preparation, but it is extremely important that you remain vigilant, practice proper space management, and drive at a safe speed during unfavorable weather and in hazardous locations.

F. Security Issues

Security concerns for commercial transportation have dramatically increased over the past few years. Therefore, drivers have to be more vigilant about avoiding potential unsafe practices and questionable geographic locations. Following are some guidelines to help protect you, your cargo, and your equipment:

- Use the authorized route only, unless permission is gained from your Supervisor to deviate (or law enforcement demands it)
- Be certain of your consignee and destination
- Be aware of vehicles following you, especially if there are 3 or more people in the car
- Stop en route only when necessary
- Stop only at secure locations with adequate lighting
- Do a “walk around” inspection after every stop
- Always keep your trailer padlocked (even when empty)
- Always keep your tractor doors locked (even when you are in the cab)
- Don’t leave your engine running or your keys in the ignition when unattended
- Keep your seatbelt buckled when moving to remain in control of your vehicle
- Follow the 5 to 8 second mirror scan rule (even when moving across parking lots)
- Avoid casual conversations with strangers about cargo and routes
- While stopped at traffic lights or in traffic, be aware of anyone approaching your vehicle
- Don’t allow strangers to enter your vehicle or to step up onto your truck steps
- Understand that terrorists come in all sizes, genders, and colors
- Immediately report any suspicion incidents to your Supervisor (and police if warranted)

G. Hazard Perception

A hazard is any road condition or other road user that is a possible danger. Your goal is to not allow hazards to become emergencies by recognizing them early and by executing a proper plan to avoid them. Your plan may involve making a lane change or using the shoulder to avoid an object or other driver, or it may involve stopping or at least slowing considerably to give another road user the opportunity to regain control of a vehicle. Although your proper hazard avoidance plan will almost always involve slowing down and driving very carefully, think about the following hazards and further rehearse your plan to avoid accident and injuries:

- Work zones – narrow lanes, sharp turns, people working, uneven surfaces, road equipment
- Drop off – excavations, new pavement, spot repairs, pot holes, eroded shoulders
- Foreign objects – animals, auto parts, wood, cardboard boxes, sacks
- Offramps/Onramps – speeds posted are for cars and good weather; exits going downhill and turning at the same time
- Other drivers – blocked vision, distractions, children, talkers, workers, ice cream truck, disabled vehicle, delivery trucks, parked vehicles, shoppers, accidents, confused drivers, slow drivers, drivers in a hurry, impaired drivers

H. Hazardous Situations

Any of the above-mentioned hazards can lead to dangerous situations. Other drivers can produce hazardous situations in a second’s time. It is important to watch other drivers to determine what their likely actions will be. You may get a clue as to what another driver will do by the direction he/she is looking or from head or body movements. The geographic location where you encounter a possible hazard posed by another driver might indicate what action he/she will take.

Remember that you are in conflict when you are forced to change speed and/or direction to avoid a collision. Conflicts can present themselves at any time and any place, but are more likely at intersections, ramps, and lane changes. Other common conflicts are due to slow traffic, heavy congestion, construction areas, accident scenes, and inclement weather. Always be prepared, remain alert, and learn to recognize hazards as far away as possible. The key to executing your hazard avoidance plan in time to remain out of conflict is early recognition of the hazard.

I. Maintenance and Troubleshooting

One of your best tools to insure the security of you and your equipment is proper troubleshooting and maintenance. Driver, you are in the best position to catch mechanical problems before they result in a roadside breakdown. DOT sets minimum standards for vehicle inspections. Source Logistics, Inc. requires compliance with these standards and adheres to strict company maintenance schedules. *Consult our "Preventative Maintenance Guide & Policy" for detailed maintenance information.*

J. Routes and Trip Planning

You must use the designated route. However, if a route deviation becomes necessary due to accidents, detours, etc., you must communicate your route to Management for permission. Always exercise extreme caution when traveling over unfamiliar roadways.

Nevertheless, it is important to use a map to plan your stops for fuel, food, bathroom, etc., in order to choose the safest and most secure places to make your stops. Ask your Supervisor for advice if questions arise.

K. Cargo and Weight Considerations

As part of your pre-trip inspection, make sure the truck/trailer is not overloaded and the cargo is balanced and secured properly. You must make sure that your tractor/trailer is not over gross weight and/or over axle weight.

5.24 Proper Entry/Exit and Lifting

Care must be taken when entering and exiting equipment, whether the entry/exit is into the tractor, a building, dock, or a trailer. First, be sure that you are wearing shoes with good, slip-resistant soles. Then, plan your moves. Keep two hands and a foot, or two feet and a hand in contact with the surface at all times. If you are carrying anything into the cab of the truck or onto the trailer, reach up and put the items into the floorboard, seat, or trailer bed as soon as possible, then continue your climb. Watch where you step to keep from slipping or turning your ankle. Make sure your shoes are free from oil, mud, or other material that may cause you to slip. Also, watch where you are walking. Don't assume that the terrain is level and free from defects.

Use caution when lifting and carrying weight. Follow these steps:

- Size up the load to make sure you can lift it. Get help if you can't do so safely.
- Move as close to the load as possible.
- Bend your legs and tighten your abdomen muscles.
- Lift with your legs and not your back.
- Don't twist with a load in your hands.
- Hold the load close to your body and lead with your feet (don't twist).
- Watch where you are going.
- Reverse your movements to set the load down.

If you have to push or pull a load, **always push**. Pushing puts much less pressure on your back than pulling.

Use good sense when having to stress your muscles and especially your back and shoulders. If a tool is available to take the stress off your body, use it. Use pallet jacks, two-wheelers, tandem pin pullers, cheater bars, and other tools where available.

5.25 Safety Program Summary

Source Logistics, Inc. is dedicated to operating safely, following industry best practices, and remaining in compliance with all government regulations. We demonstrate these standards by following the procedures and processes contained in this written Safety Program. While this program is not exhaustive, it lays the foundation for our success by presenting the framework by which we pursue our goals in the safest possible manner.

5.26 Hand-Held Cell Phones

Effective January 1, 2012, Source Logistics, Inc. drivers will be prohibited from using a hand-held mobile telephone while operating (driving) a commercial motor vehicle per Federal Motor Carrier Safety Administration rules. This also includes the use of any hand-held device to send or receive text messages while driving a CMV

Operations

6.1 Communications

Source Logistics, Inc. values open and effective communication with our employees. Please communicate any concerns, problems, or solutions to Management. Together we will be able to find a solution to any concern.

Drivers are required to have their Nextel phones on and available whenever they are on duty. Drivers are required to contact their dispatch prior to 9:00 am and between 2:00 and 4:00 pm when they are on duty. It is the Drivers responsibility to make sure they are aware of their dispatches.

6.2 Dispatch

Dispatch is handled by posting, by qualcomm or Nextel radio. If you have any problems that will keep you from effectively completing your assignment, you must immediately call Management.

6.3 Customers

We are in business because we meet the needs of our customers. Without our customers, we are out of business. Therefore, it is imperative that we treat our customers with the utmost respect and cooperation. Should any conflict arise at a customer, immediately contact Management so that we can get involved to broker a solution to the problem.

Remember that our customer is always right unless Management decides that he/she is wrong. Our employees do not have this responsibility.

Represent Source Logistics, Inc. well by your attitude, your appearance, and your dedication to meeting our customer's needs.

6.4 Bills of Lading and Paperwork

Our Company paperwork includes weekly timesheets, sign-in sheets, weight tickets, and fuel receipts. This paperwork must be turned in to Source Logistics, Inc. each week.

6.5 Trip Planning and Routing

The normal purpose in planning your trip should involve choosing the safest and most efficient route in both time and costs, especially fuel costs. Safety, though, is paramount in this process. Make sure that you are well-rested and in good health before beginning your trip. Should you become ill or too fatigued during your trip, find a safe haven to stop and call Management immediately.

Always consider road conditions, inclement weather, road construction, etc. as you plan your trip to avoid or compensate for delays. If the weather produces conditions too hazardous to make the trip, then don't start the trip or pull over at the nearest safe haven en route and immediately call Management. Also, try to avoid areas of known traffic congestion, low clearance structures, narrow highways, extremely sharp turns, and very steep grades.

(See **5.25 (K)** in this handbook for additional information.)

6.6 Use of Company Equipment/Equipment Security

Company equipment is to be used for Company work only. Unauthorized personal use of Company vehicles is prohibited. If you aren't sure about whether or not a particular use of Company equipment is allowed, you must contact Management for direction prior to any personal use. If you use company vehicle without authorization you will be charged \$1.25 per mile for all miles traveled. If a driver deadhead back to his home or terminal without approval he will be charged \$1.25 per mile for all miles traveled. If a driver abandons a vehicle all charges associated to recover the vehicle will be deducted from the driver's compensation and escrow.

Tractor/Trailer Security: Loaded trailers may only be dropped at Source Logistics locations, secured yards or at the customers after the load is signed for. If you must drop the trailer in different location, you must first get permission from your fleet manger which will be sent to you on Qualcomm.

Anytime a tractor and loaded trailer is parked, the driver must keep the tractor and trailer connected.

Drivers are not allowed to go home with a loaded trailer without permission by your fleet manger which will be sent to you on Qualcomm

Drivers are to park the tractor and trailer in safe and well lighted area.

Drivers are not to loose sight of the tractor and trailer for extended periods of time; even while eating, having repairs, etc.

6.7 Load Weight and Vehicle Configuration

It is the driver's responsibility to make sure that the trailer is loaded properly. This includes total gross weight, axle weight, and tandem position. If you weigh, get a good copy of your scale ticket and turn it in with your paperwork. If in doubt, you must weigh before crossing any government scales.

6.8 Fueling

Fuel at designated fuel stops only. If you have to have fuel at any other location, contact Management. Fuel receipts must be turned in with your trip pack.

Help us conserve fuel, the second most costly factor in trucking, by observing the following:

- Proper engine cranking – start at idle speed (no accelerator) with all electrical systems in off position and don't rev engine when it starts

- Proper warm-up – Allow the engine oil pressure and air pressure to rise to normal and immediately and smoothly start your move
- Progressive shifting – Stay in the best effective RPM range for your engine, skip gears when best to do so, don't accelerate all the way to governor speed in each gear, and always accelerate smoothly.
- Idling – Limit idling as much as possible since idling typically uses around ¾ of a gallon of fuel per hour

6.9 Cargo Securement & OS & D (Over, Shorts and Damage)

It is the driver's responsibility to report ANY overage, shortage, or damage at the time of delivery. If the driver fails to report any OS&D's the claim will be deducted from the driver's pay. It is the driver's responsibility to make sure his load is properly secured when loaded. On all refrigerated or frozen loads it is the driver's responsibility to make sure the temperature is the proper temperature.

6.10 Passengers and Pets

Passengers are prohibited unless prior authorization, in writing is received by the driver. If you need emergency clearance for a roadside emergency situation, call Management.

Pets are never allowed in Company equipment.

6.11 Prohibited Behaviors and Property

Firearms and weapons are never allowed on Company property or in Company equipment.

Radar detectors are prohibited in Company equipment.

Seatbelts must always be worn in Company equipment.

6.12 Personal Property and Inspections

Personal property and automobiles on Company property are always subject to inspection. Be aware that inspections may occur at any time Management chooses.

6.13 Citation Procedures or Policy

The Corporate Safety Department must be notified within 24 hours after receiving any citation, (including but not limited to warnings or any other inspections) whether they are received in a company vehicle or in your personal vehicle. Please have your ticket in hand when you call, as we will need all information off the ticket. A Notification of Citation form must be completed and a copy of the citation must be attached.

ALL CITATIONS ARE YOUR RESPONSIBILITY AND MUST BE TAKEN CARE OF IN A TIMELY MANNER. There are two options on payment available to you. You may pay the citation on your own, or you may choose to have Source Logistics, Inc. pay it and payroll deduct it from your check. You will need to let us know how you want the citation handled.

Common Citations:

Overweight is the most common citation. You need to scale your load at a certified scale and confirm you are legal. If you fail to scale your load, the driver will be responsible for the ticket. If the citation is made to Source Logistics, Inc., we will pay the ticket and deduct it from your payroll. We will reimburse your scale tickets where you weighed your load, with a valid scale receipt.

Moving Violations of any kind are the driver's responsibility.

Permits/ Registrations/ Proof of Insurance: It is the driver's responsibility to make sure you have all the proper documentation for both your tractor and trailer. This should be done during your pre-trip inspection. In the event you are given a citation for not having the proper documentation, you will be held responsible for the fine.

These are just a few examples of common citations and do not cover all possible citation.

Maintenance

7.1 Equipment Appearance

Equipment must be kept clean whenever possible. The Company provides washing facilities and supplies. You, the driver, must make sure that you keep the tractor clean. If you have any questions as to what this implies, please ask Management. You, the driver must make sure that you keep your tractor exterior and interior clean. You are also responsible for the trailer you are pulling as well. Exterior trailers must be kept clean and in the winter months extra attention must be made to the underside of the trailer to insure that road salt is removed. The interior of the trailers must be clean of all debris including food, wood, cardboard and stretch wrap. Extra attention must be made around and under the bulkhead. Debris tends to collect in this area which creates both a sanitation issues and the performance of the refrigeration unit. If a tractor is found dirty, the company at their discretions will have the vehicle detailed and charges deducted from the drivers pay or escrow

7.2 Emergency Equipment

Emergency equipment supplied in the tractors includes emergency triangles and a fire extinguisher. It is the driver's responsibility to make sure that triangles are in good shape and that extinguishers are charged and that both are secured in the mounting brackets or storage bins.

In case of an emergency where you must stop on the side of the road or in a traveled lane, immediately, with caution, put out your triangles as required by DOT regulation. One triangle should be placed ten feet from the vehicle in the direction of approaching traffic on the traffic side. A second triangle should be placed 100 feet from the vehicle in the center of the lane or shoulder that your unit occupies and in the direction of approaching traffic. The third triangle will go 200 feet from the vehicle in one-way traffic and toward approaching traffic in the center of the lane or shoulder occupied by the vehicle. Or, in two-way traffic, the third triangle must be placed 100 feet from the vehicle away from approaching traffic in the center of the lane or shoulder occupied by the vehicle.

7.3 Equipment Repairs

Equipment repairs shall be handled according to Company schedule. Keep in mind that all repairs done while en route must be properly documented by repair invoice or bill. Any repairs made by a driver must be properly documented in writing.

Appendices

- 8.2.8 Orientation Checklist and Handbook Receipt**
- 8.3.3 Drug and Alcohol Policy Receipt**
- 8.5.11 Accident Report**
- 8.5.14 Notice of Violation, Citation, Inspection, Suspension**
- 8.5.22 Recurrent Training Form**
- 8.5.23 Acknowledgement of Receipt of Camera & Accident Kit**
- 8.5.24 Medical Authorization and Consent**
- 8.5.25 Work Comp First Report of Injury**
- 8.5.26 Driver Guidelines (for new hires)**

8.2.8

Orientation Checklist and Handbook Receipt (Effective 01/01/2010)

Orientation Element	Title No.	Init.
Welcome	1.0	_____
Introduction	2.0	_____
Employee Classification	2.1	_____
Equal Employment Opportunity Policy	2.2	_____
Americans with Disabilities Act	2.3	_____
Immigration Reform and Control Act	2.4	_____
Applicant Evaluation	2.5	_____
Job Description	2.6	_____
Driver Qualifications	2.7	_____
Orientation	2.8	_____
Employee Retention Guidelines	2.9	_____
Standards of Conduct	3.1	_____
Substance Abuse Policy Summary	3.2	_____
Drug and Alcohol Policy	3.3	_____
Sexual Harassment	3.4	_____
Conflict of Interest	3.5	_____
Attendance	3.6	_____
Dress Code, Hygiene, and Personal Protective Equipment	3.7	_____
Probationary Period	3.8	_____
Disciplinary Policy	3.9	_____
Payroll	3.10	_____
Confidentiality and Release of Information	3.11	_____
Holidays	4.1	_____

Vacation	4.2	_____
Personal Leave	4.3	_____
Jury Duty	4.4	_____
Military Leave	4.5	_____
Bereavement Leave	4.6	_____
Federal Motor Carrier Safety Regulations Statement	5.0	_____
Driver Qualifications and Disqualifications	5.1	_____
Driver Background and Character	5.2	_____
Road Tests	5.3	_____
Physical Qualifications and Examination	5.4	_____
Driver Qualification (DQ) Files and Records	5.5	_____
CDL and CMV Operation	5.6	_____
Accidents and Disabling Damage	5.7	_____
Accident Policy	5.8	_____
Auto Accidents	5.9	_____
Accident Cameras and Scene Instructions	5.10	_____
Driver Accident Report	5.11	_____
Parked Vehicle Accidents/Incidents	5.12	_____
Citations, Violations, Inspections, and Suspensions	5.13	_____
Notice of Citation, Violation, Inspection, or Suspension	5.14	_____
Workers' Compensation Accidents/Injuries	5.15	_____
Workers' Compensation Injury – Employee's Duty	5.16	_____
Workers' Compensation Employee's Notice of Injury Form	5.17	_____
Workers' Compensation Medical Authorization and Consent Form	5.18	_____
Pre-trip, Post-trip, and Walk-Around Inspections	5.19	_____
Hours-of-Service Regulations	5.20	_____
General Safety Training	5.21	_____
Recurrent Training Certification	5.22	_____
Defensive Driving and Driver-specific Training	5.23	_____
Proper Entry/Exit and Lifting	5.24	_____
Safety Program Summary	5.25	_____
Hand-Held Cell Phones	5.26	_____
Communication	6.1	_____
Dispatch	6.2	_____
Customers	6.3	_____
Bills of Lading and Paperwork	6.4	_____
Trip Planning and Routing	6.5	_____
Use of Company Equipment/Equipment Security	6.6	_____
Load Weight and Vehicle Configuration	6.7	_____
Fueling	6.8	_____
Cargo Securement & OS&D	6.9	_____
Passengers and Pets	6.10	_____
Prohibited Behaviors	6.11	_____
Personal Property & Inspections	6.12	_____
Equipment Appearance	7.1	_____
Emergency Equipment	7.2	_____
Equipment Repairs	7.3	_____

I acknowledge that I have received and read a copy of the Source Logistics, Inc. Handbook and have completed orientation covering the initialed topics above. This handbook is effective 01/01/2012 and replaces all others.

Facilitator's Signature

Employee's Signature

8.3.3

DRUG AND ALCOHOL PROGRAM EMPLOYEE'S RECEIPT

I acknowledge receipt of Source Logistics, Inc. Alcohol and Drug Testing Policies, including DOT required §382.601. The information that I received covers the following topics:

Introduction

Abbreviations and Definitions

Whom does the alcohol & drug rule cover?

What is a safety-sensitive function?

Part 382 testing requirements and testing validity and integrity

The designated people to answer questions about these policies

What are alcohol & drug prohibitions?

Controlled Substance Testing

- What happens if I refuse to be tested?
- What are the consequences of violating the alcohol or drug prohibitions?
- Where can I go for help?

Testing Requirements

- Pre-employment
- Post-accident
- Random
- Reasonable suspicion
- Return-to-duty/Follow-up
- Return-to-work
- Post injury/illness

I also understand that as an employee of Source Logistics, Inc., I will be subject to pre-employment, random, reasonable suspicion,

post-accident, return-to-work, and post injury/illness testing for controlled substances and alcohol.

Participants Signature _____ Date _____

Facilitators Signature _____ Date _____

NOTE: This receipt shall be read and signed by the participant. A responsible Company Manager shall countersign the receipt and forward it to the Home Office for filing.

8.5.11

DRIVER ACCIDENT REPORT

**Immediately notify Source Logistics, Inc. of all accidents.
Call the police and file an accident report.
Complete this form before leaving the accident scene.
Turn in this form and all other paperwork to the Company.**

Date of Accident _____ Time _____ am / pm

Your Name _____

Home Terminal _____

Tractor No. _____ Trailer No(s). _____

Nearest City _____ State _____

If the accident was outside city limits, indicate distance from nearest town

_____ miles _____ of _____
north south east west City or Town, State

Location of Accident

- Urban Rural Private Property Terminal Interstate

Roadway on which accident occurred _____

at its intersection with _____
name of intersecting street or highway

not at intersection, _____ feet/ miles _____
north south east west

of _____
nearest road, highway, mile marker overpass or other landmark

Road Surface (blacktop, concrete, gravel, other) _____

Road Conditions (dry, wet, snowy, icy, other) _____

Weather Conditions (clear, raining, snow, fog, windy, other) _____

Light Conditions (daylight, dawn, dusk, dark, artificial, other) _____

As a result of this accident, was there any:

1. Human Fatality? NO YES
2. Injury Which Required Medical Treatment Away From The Accident Scene? NO YES
3. Disabling Damage To Any Vehicle? NO YES
4. Release Of Hazardous Material? NO YES

The Other Vehicle (No. 1)

Driver's Name _____ Phone (_____) _____

Address _____

City _____ State _____ Zip _____

License Number _____ State _____

Owner's Name _____ Phone (_____) _____

Address _____

City _____ State _____ Zip _____

Vehicle Make _____ Year _____ Model/Unit _____

Tag _____ State _____

D.O.T. - I.C.C. - M.C. No. _____

Insurance Company _____ Agent _____

Policy No _____ Phone (_____) _____

Passenger - Occupant Name(s) _____

Address _____ Phone (_____) _____

Police Information

Department _____ Phone (_____) _____

Officer's Name(s) _____ Badge No. _____

Accident Report/Case/Incident No. _____

Were you issued a citation? NO YES

if YES, what charge(s) _____

Was anyone else issued a citation? NO YES

if YES, what driver _____ and

what charge(s) _____

Witness Information

Name _____ Phone (_____) _____

Address _____

City _____ State _____ Zip _____

The Other Vehicle (No. 2)

Driver's Name _____ Phone (_____) _____

Address _____

City _____ State _____ Zip _____

License Number _____ State _____

Owner's Name _____ Phone (_____) _____

Address _____

City _____ State _____ Zip _____

Vehicle Make _____ Year _____ Model/Unit _____

Tag _____ State _____

D.O.T. - I.C.C. - M.C. No. _____

Insurance Company _____ Agent _____

Policy No _____ Phone (_____) _____

Passenger - Occupant Name(s) _____

Address _____ Phone (_____) _____

Injuries

Was anyone injured in this accident? NO YES

if YES, Name of injured person _____

describe injury _____

Was anyone taken to a Hospital? NO YES

if YES, Hospital Name _____ and

City _____ Phone(_____) _____

Towing

Was any vehicle towed from the accident scene? NO YES

if YES, which vehicle _____ and

Towing Name _____ Phone (_____) _____

describe damage _____

Source Logistics, Inc.

Notification of Citation, Violation, Inspection, or Suspension Form

Within 24 hours after receiving a citation for a moving violation of any kind (including but not limited to warnings or any inspection), you must properly report that citation to the Company by completing and turning in this form along with a copy of the citation. You must report any citation you receive, including those received while operating personal vehicles, any Company equipment or any vehicle operated for another employer.

Out of Service (OOS) Violations and Roadside Inspections must be reported to the Company immediately upon receipt.

License and Physical Certificate suspensions, revocations, disqualifications, and cancellations must be reported to the Company immediately upon receipt.

Attach a copy of the citation, inspection report, and/or the license or physical certificate suspension, revocation, etc. to this form and give the material to the Company.

Print or type your responses in the spaces provided below:

Your Name: _____ SSN: _____

Your Address: _____
street

city state zip

Your Driver's License Number: _____ State: _____

Date of Citation: _____ Citation Number: _____

Location of Citation: _____
city state roadway

Nature of Citation: _____

Vehicle Operated: Personal Vehicle
 Company Vehicle *unit numbers:* _____
 Other Vehicle *specify:* _____

Recurrent Training Certification

Employee: _____

Date of Training: _____

Driver Code: _____

Training Start Time: _____

Trainer: _____

Training End Time: _____

Wages Paid? Yes No

Elements of Training

Videos:

CD-ROM:

Lecture/Discussion:

Demonstrations:

Tests:

Handouts:

Comments:

Employee Signature

Trainer Signature

ACKNOWLEDGEMENT

I received an accident camera and two copies of the preliminary accident report.

Employee's Printed Name: _____

Employee's Signature: _____

Employee Number: _____ *Terminal:* _____

Date or Acknowledgement: _____

MEDICAL AUTHORIZATION AND CONSENT

This will serve as authorization and consent for all health care providers, including but not limited to physicians, nurses, office managers and staff, to release any and all records concerning my medical history, treatment, diagnosis, prognosis, and any other information relating to any injury to Source Logistics, Inc., the insurance company, and/or their representatives/agents that represent Source Logistics, Inc., for the limited purpose of evaluating a Workers' Compensation claim and those medical issues related to any claim. This will further serve as authorization to permit photocopying of any medical records released.

The undersigned additionally grants authorization and permission for all health care providers, including but not limited to physicians, nurses, office managers and staff, to communicate, orally and/or in writing, with Source Logistics, Inc., the insurance company, and/or their representatives/agents that represent Source Logistics, Inc. concerning my medical history, treatment, diagnosis, prognosis, and any other information relating to any injury, upon presentation of this authorization.

A photocopy or facsimile copy of this Authorization is specifically authorized by the undersigned, and your cooperation in furnishing the requested information is solicited.

Date: _____

Employee/Patient

Print Name

Signature

Driver Guidelines

- Newly hired drivers must be reported to insurance carrier.
- If record indicates seven or more points within the previous thirty-six month period, that person is disqualified as a driver.

Point Valuation:

Seven Points	DWI (last seven year)
Seven Points	Any driver 22 or younger
Five Points	Reckless Driving
Five Points	Driving with Suspended License/Revoked License
Five Points	Allowing Unlicensed Operator
Five Points	Fleeing a Police Officer
Four Points	Speeding in excess of 20 mph over limit
Four Points	Racing on Public Highway
Four Points	Failure to Stop for School Bus
Four Points	Leaving Scene of Accident
Three Point	Disregarding Traffic Control Device/Red Light/Stop Sign
Three Point	Careless Driving
Three Point	Operating Unsafe Vehicle
Three Point	Failure to Yield Right of Way
Three Point	Speed Too Great for Conditions
Two Points	Failure to Have Vehicle Under Control
Two Points	Improper Passing/Lane Change/Use
Two Points	Improper Backing or Turning
Two Points	Driving on Wrong Side of Road
Two Points	Speeding 19mph or Under
One Point Five	Equipment Violation/Tires/Lights/Etc
One Point Five	Tag or Overweight/Length/Height/Load Dropping
One Point Five	Improper Stand/Stop/Parked Vehicle
One Point Five	Financial Responsibility/Operating Vehicle Without Insurance
One Point	Passing Through/Around Crossing Barriers
One Point	Seat Belt Violation
One Point	Failure to Signal for Direction/Slowing
One Point	Obstructed Vision
One Point	Failure to Pay Traffic Ticket
One Point	Improper Enter/Exit Traffic Way
Three Points	1 st at Fault Accident
Four Points	2 nd at Fault Accident
Seven Points	Three Accidents