

COMPANY VEHICLE POLICY

WE ARE RESPONSIBLE ON THE ROAD.

Operation of a Company vehicle is both a privilege and responsibility, not a right. Drivers are responsible and accountable for operating and allowing others to operate the Company vehicles according to local, state and federal laws and Company policies. Violation of these laws and rules will result in the removal of driving privileges.

SUPERVISOR'S RESPONSIBILITIES

- Supervisors are responsible for all vehicles and drivers that operate Company vehicles under their control.
- Supervisors provide the safety team with the names of drivers before they are allowed to drive a Company vehicle.
- Driving records are to be obtained and approved before an employee is allowed to drive a Company vehicle.
- Supervisors will spot-check vehicles on a monthly and random basis. Any problems should be reported to your local equipment supervisor.
- The safety team will follow up on vehicles and drivers to make sure that this policy is implemented and followed.
- The safety team will maintain the qualified drivers list, drivers file and matrix.

VEHICLE USE

Assigned Driver: No person (including spouses and children), other than the employee-owner assigned to the vehicle shall operate the vehicle unless that person is an employee-owner of the Company, is listed on the approved driver list, and has the permission from the person to whom the vehicle is assigned. (The only exception is in case of an emergency.) The employee-owner who is assigned to the vehicle will be held accountable for all incidents that may occur.

Personal Use of Company Vehicles: Company-owned vehicles are provided primarily for business purposes; however, limited personal use is permitted. Personal use is a privilege extended only to authorized employee-owners. The Company may withdraw the privilege of personal use at any time without notice.

The Following Rules Apply to Personal Use of Company Vehicles:

- Personal vehicle use and guidelines will be on a case-by-case basis as directed by management. Only authorized employees may drive.
- Possession, transportation, or consumption of illegal drugs by anyone inside the vehicle is not allowed.
- Drivers and passengers must wear seatbelts and comply with all state and federal motor vehicle laws.
- Report any accident immediately to the police and your safety team.

VIOLATION OF THESE RULES MAY RESULT IN DISCIPLINARY ACTION UP TO AND INCLUDING TERMINATION.

Employee-owners who drive or take vehicles home are responsible for all fines and parking expenses. Drivers must make sure that the vehicle and toolboxes are locked. Equipment in the bed of a truck shall be reasonably stored or secured to prevent theft and loss.

VEHICLE ALLOWANCE PROGRAM

Employee-owners who participate in the vehicle allowance program for Company business must follow all of the policies that affect the use of Company vehicles, excluding the rules apply to Personal Use of Company Vehicles. In addition to those policies, the driver must provide a certificate of insurance that shows limits of liability of at least \$100,000 - \$500,000 - \$50,000 and Emery Sapp & Sons, Inc. as an additional insured.

The Company does not assume any liability for bodily injuries or property damage. The employee-owner may become personally obligated to pay all costs arising out of an accident occurring in connection with the operation of their own car. The reimbursement to the employee-owner for the operation of their car on Company business includes the allowance for the expense of automobile insurance. The Company does not specify and assumes no responsibility for any other coverage that employee-owners carry on their own cars since this is a matter of individual status and preference.

DRIVING RECORD REVIEW MATRIX

Employee-owner driver records will be checked at least every 12 months to make sure the employee-owner has an acceptable record to operate a Company vehicle. This policy, as with all Company policies, is subject to management discretion in its interpretation and enforcement.

MOVING VIOLATIONS (LAST 3 YEARS)	PREVENTABLE ACCIDENTS (LAST 3 YEARS)			
	0	1	2	3
0	CLEAR	ACCEPTABLE	BORDERLINE	BORDERLINE
1	ACCEPTABLE	ACCEPTABLE	BORDERLINE	BORDERLINE
2	ACCEPTABLE	BORDERLINE	BORDERLINE	POOR
3	BORDERLINE	BORDERLINE	POOR	POOR
4	BORDERLINE	POOR	POOR	POOR

Clear or Acceptable performance ratings will be monitored at least annually.

Drivers rated as **Borderline** will be placed upon probation, which will include placement of a Driver's Alert Sticker upon their vehicle, and a semi-annual review of driving records. Driver Alert complaints will be investigated and considered when reviewing driving records and performance ratings. A written warning will be given to the individual and placed in their personnel file. Personnel in the Borderline designation may be required to park their assigned vehicle at the nearest office or shop.

Poor performance ratings require immediate removal from the driver's list and those employee-owners will not be allowed to drive a Company vehicle.

Any of the following occurrences can be considered Poor performance ratings:

- An accident or citation involving alcohol or drugs.
- Upon second preventable accident within one calendar year involving property damage or bodily injury exceeding \$5,000.00 total cost.
- Any major violation within the past 36 months, such as hit and run, fleeing or eluding a police officer, racing/contest for speed, driving while license suspended or revoked, manslaughter, or any felony.
- Suspension or revocation of driver's license.
- Failure to consistently drive in a safe manner, as determined by management.
- Failure to pass a drug test.
- Refusal to take a drug test.
- Failure to notify management within one business day of any moving violation and/or accident.
- Any citations received while in the borderline category will be reviewed and a case-by-case risk assessment and determination will be made.

ALCOHOL AND SUBSTANCE-RELATED VIOLATIONS

Any alcohol or substance-related conviction (BAC, DWI, DUI, etc.), Administrative Suspension, Chemical Test Refusal, or Abuse and Lose violations within the past three years will result in a Poor classification for 36 months and thereafter a Borderline classification for 24 months. If the driver has multiple alcohol-related offenses within the past five years, violations will result in a Poor classification for 60 months and thereafter a Borderline classification for 24 months.

HEADS UP!

DRIVERS ARE REQUIRED TO IMMEDIATELY NOTIFY MANAGEMENT AND THE SAFETY DEPARTMENT IF THEIR DRIVING STATUS CHANGES PER THE ABOVE.

DRIVER QUALIFICATION

Before employee-owners are assigned or designated to operate Company vehicles or provided with an allowance, they must be able to meet the following qualifications:

- Must be at least 18 years old.
- Must have a valid driver's license in the state in which they live.
- Must be on the Company approved driver list.
- Must pass the Company drug test and physical, if required.
- Must comply with Company's DOT drug policy.
- To drive a Commercial Motor Vehicle, per DOT definition, drivers must be at least 21 years old, enrolled in the DOT drug program, hold a valid CDL for the type of vehicle which is operated, and comply with all DOT requirements.

MAINTENANCE AND UPKEEP

Drivers are responsible for ensuring their vehicle is well maintained. The assigned driver is responsible for taking the vehicle to approved service stations to have scheduled fluid changes, brake inspections, tire changes, and other repairs completed. Employee-owners are responsible for keeping vehicles clean and orderly as job conditions permit.

Employee-owners are responsible for reporting any damage, faulty equipment, or other needed repairs to their supervisors. Employee-owners are also responsible for making sure the equipment is safe to operate on the road.

ACCIDENTS INVOLVING COMPANY VEHICLES

IN THE EVENT OF AN ACCIDENT:

- Are you okay? Assess yourself
- Call the police, if injury to others is involved. You may want to call the police even if there are no injuries.
- Contact your supervisor and safety department immediately, even on nights and weekends.
- Do not admit negligence, fault or liability.
- Do not attempt settlement, regardless of how minor.
- If you are able, get the name, address and phone number of the injured person(s) and witnesses.
- If you are able, take photos of the vehicle identification, insurance company name and policy numbers from the other driver.
- If you are able, take photos of the scene of the accident.
- Complete the accident report and HCSS incident report if applicable.
- Comply with any post-accident direction given by your supervisor or the safety department.

ACCIDENT REPORTING AND REVIEW

All drivers are required to promptly report to their supervisors regarding any accident in which they are involved while operating a Company owned or leased motor vehicle. All vehicle accidents must be reported regardless of the severity of damage to the vehicle or injury to the driver.

All facts, favorable or otherwise, must be reported. Copies of any police reports generated by the accident will be requested by management for review.

All motor vehicle accidents will be reviewed by the safety team to determine if an accident was preventable.

PREVENTABLE ACCIDENTS

A preventable accident is defined as any accident involving a Company vehicle—whether being used for Company or personal use—or any vehicle while being used on Company business that results in property damage and/or personal injury, and in which the driver in question failed to exercise every reasonable precaution to prevent the accident. In the case where the fault cannot be easily determined, the safety team will make the final decision. The National Safety Council publications regarding chargeability will be used as a guideline for determining preventability. Some preventability factors include: following too close; driving too fast for conditions; failure to obey signs; failure to yield; improper braking, etc.

THEFT

In the event of theft of a Company vehicle, notify local police immediately. Report all losses to your supervisor and the safety team. A list of all tools and equipment in the vehicle should be kept by the driver.

DEFENSIVE DRIVING TRAINING

Drivers may be required to complete a defensive driving course provided by the safety department if their driving records reflect the following:

- New assignment to a vehicle
- Two citations for moving violations within a period of three years
- One preventable accident within a period of three years

DRUG TESTING

Any employee-owner that will drive a Company vehicle or personal vehicle for Company business will be drug tested at hire, post-accident, and suspicion. The drug testing procedure will follow the established Company drug policy.