

2.23.23

VEHICLE USE 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 Company-owned and leased 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 RESPONSIBILITIES

- Responsible for all owned and leased Company vehicles and drivers under their control.
- Provide the Environmental Health and Safety staff with the names of drivers before they are allowed to drive a Company vehicle.
- Spot-check vehicles on a monthly and random basis and report any problems to the local equipment supervisor.

SAFETY/HR TEAM RESPONSIBILITIES

- Follow up on vehicles and drivers to make sure that this policy is implemented and followed.
- Maintain the qualified drivers list, drivers file, and matrix.
- Obtain and approve driving records before an employee-owner is allowed to drive a Company vehicle.

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 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.

USE OF COMPANY VEHICLES:

Company-owned or leased vehicles are provided to the employee-owner primarily for business purposes; however, limited personal use is permitted. Employee-owners should not use Company vehicles to pull personal trailers, boats, or recreational vehicles without permission from managers. 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 the use of Company vehicles:

- Personal vehicle use and guidelines will be on a case-by-case basis as directed by management. Only authorized employee-owners 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 the Environmental Health and Safety staff.
- Maintain a valid driver's license. It is the employee-owner's responsibility to provide HR with a copy of their current driver's license.
- Do not operate vehicles that appear unsafe or appear to have discernible operating problems and immediately report such vehicles to their supervisor.
- Maintain current state vehicle inspections when required.
- Hands-free should be used when operating a Company vehicle. Texting and driving is not permitted.
- If any changes occur to your driving record Safety/HR should be notified immediately.
- 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.



VIOLATION OF THESE RULES

MAY RESULT IN DISCIPLINARY ACTION

UP TO AND INCLUDING TERMINATION.

VEHICLE ALLOWANCE PROGRAM

The Company has partnered with Motus to manage our vehicle allowance program and 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 as mentioned above.

In addition to those policies, the driver must provide a certificate of insurance, to Motus, that shows limits of liability of at least \$100,000 - \$300,000 - \$50,000. 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 is expected to cover the cost of additional 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. Failure to provide Motus with insurance information, or if insurance does not meet minimum requirements, vehicle allowances will be suspended until the insurance requirements are met.

The IRS mandates that the Company tax any portion of your vehicle allowance that is above what would have been allowed by the IRS mileage reimbursement rate (example: 2023 is 65.5 cents per mile). The IRS considers daily commute to be a personal expense and as such it is not eligible for reimbursement. On any day you travel for business, Motus will automatically deduct your first and last trip of the day. The one-way deduction has been capped at 5 Miles.

Business miles submitted to Motus will be utilized to offset taxation associated with the vehicle allowance program. Each month business mileage will be submitted via the Motus App. This mileage will be used at the end of the year to offset any taxable income. Although business miles should be entered each month, the Company does have a three-month cutoff for mileage entry. Employee-owners will be able to enter mileage for the previous three months; any mileage that exceeds that time period is not eligible.

Motus has a Help Center, available 24/7 and contains answers to frequently asked questions. Specific questions regarding the reimbursement program can be directed to Motus Member Services at 888-801-6714 or memberservices@motus.com.

Guidelines and Procedures related to Vehicle Allowance Program are subject to change at any time.

DRIVING RECORD REVIEW

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.

- 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 and a semi-annual review of driving records. 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.
- Employee-owners who are considered regulated drivers under FMCSA and are considered in the "poor performance rating" may result in removal from the driver's list. 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/alcohol test
 - + Refusal to take a drug/alcohol 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 loss 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 QUALIFICATIONS

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 have proper license classification for the vehicle or vehicle trailer combination they are driving
- 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 able to meet the following qualifications:

- Must be at least 21 years old
- Must be enrolled in the DOT drug program
- Must hold a valid CDL for the type of vehicle which is operated
- Must comply with all DOT requirements.

In order to operate a Commercial Motor Vehicle across state lines, drivers must be able to meet the following qualifications:

- Must be 21
- Must pass a DOT Physical

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. This requirement includes those employee-owners who are operating a vehicle covered under a vehicle allowance.

ACCIDENTS INVOLVING COMPANY VEHICLES

IN THE EVENT OF AN ACCIDENT:

- 01 Are you okay? Assess yourself.
- 02 Call the police if injury to others is involved. You may want to call the police even if there are no injuries.
- 03 Contact your supervisor and Safety Department immediately, even on nights and weekends.
- 04 Do not admit negligence, fault, or liability.
- 05 Do not attempt settlement, regardless of how minor.
- 06 If you are able, get the name, address, and phone number of the injured person(s) and witnesses.
- 07 If you are able, take photos of the vehicle identification, insurance company name, and policy numbers from the other driver.
- 08 If you are able, take photos of the scene of the accident.
- 09 If you are able, obtain a copy of the police report, officer's name, and/or case number.
- 10 Complete the accident report and **Incident Report in the Company Safety Management System** if applicable.
- 11 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 the accident was preventable.

THEFT

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

DRUG TESTING

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