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Drivers Handbook

CHIEF CARRIERS DRIVER'S HANDBOOK

INTRODUCTION

We at Chief Carriers, Inc. would like to take this time to welcome you to our team and company. We are a wholly owned subsidiary and dedicated carrier for Chief Industries, Inc. Chief Industries has multiple production plants located in Grand Island, Kearney, Aurora, Hastings, NE and Rensselaer, IN. We haul finished product out of the plants and bring raw materials back into the plants. Besides taking care of the Chief plants, we also haul many other materials such as lumber, brick, pipe and steel. Our employees are the backbone of our company. All of us at Chief Carriers appreciate the hard work you do. If there is anything, we can do to help in anyway, please be sure to give us a call. Driver retention is very important to us; we will work very closely with each one of you to maintain your employment here at Chief Carriers, Inc. Again, welcome aboard!

This orientation process covers many of the procedures we will go over during orientation while you are here. It is a lot of information to absorb in a short period. We ask you to keep this book in your truck and when you get a chance, take the time to read this booklet. If, at any time, you do not understand something, please ask. You may refer to this book to answer many questions on a regular basis.

Over the long term, we hope this Drivers Handbook will help promote safety, reduce losses, improve public relations and standardize procedures throughout our entire operation.

Information, rules and guidelines in this book are for your safety and the safety of others. Chief Carriers, Inc. is committed to safety and compliance while providing a safe workplace for all employees and contractors. To do this we must constantly be aware of conditions in all work areas that can produce injuries. No employee is required to work at a job he or she knows is not safe or unhealthy. Your cooperation in detecting hazards and, in turn, controlling them is a condition of your employment. Safety is your and our number one priority at all times. Inform your supervisor immediately of any situation beyond your ability or authority to correct and perform safely.

The policies, procedures, and programs outlined in this handbook are designed to serve as guidelines to keep you informed of relevant facts about your association with Chief Carriers, Inc. They are not intended to create any kind of contractual relationship and are subject to change at Chief Carrier's discretion, with or without notice. While the policies and procedures outlined in this manual should give you answers to most of the general questions, you might have about your job, any questions about these guidelines or need further information about any subject, please consult with the appropriate Chief Carriers manager for further guidance.

Once again, welcome to the team!

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1.0 Introductory Language and Policies



1.1 About Chief Carriers, Inc.

Chief Carriers, Inc., incorporated in 1968, is an irregular-route common and contract motor carrier. Originally operating as a private fleet of Chief Industries Inc., Chief obtained closed-ended contract carriage authority in 1977 followed by irregular route common carrier authority in 1983 and contract carrier authority in January of 1986. Now, with over 50 years of experience, Chief Carriers supplies dependable transportation to 48 contiguous states.

The recipient of numerous awards, with back-to-back safety awards from the ATA in the Steel Haulers Division - Unlimited Employees, Chief Carriers is setting the industry standards for value, service, reliability and quality. Our Central Dispatch system allows us to carefully plan and monitor each load to assure its efficient and timely pickup and delivery using Chief Carriers' late model equipment.

While on the road, our drivers move with skill and professionalism to ensure that loads receive careful handling and meet their scheduled delivery appointment. Constant monitoring of the driver, load and equipment while in transit is accomplished by using OMNITRACS Satellite Communications Systems. Chief Carriers also utilizes electronic logs to assure hours of service compliance.

As a wholly owned subsidiary of Chief Industries, Inc., Chief Carriers has extensive financial and professional resources to provide maximum stability. We welcome you to share in our proud history and bright future.

1.2 Mission Statement

Our mission is to provide unparalleled personal attention to meeting the needs of our customers while treating all stakeholders with dignity and respect, thereby ensuring our strength and stability.

1.3 At-Will Employment

Your employment with the Company is an "at-will" basis. This means your employment may be terminated at any time, with or without notice and with or without cause. Likewise, we respect your right to leave the company at any time, with or without notice and with or without cause.

Nothing in the employee handbook or any other Company document should be understood as creating guaranteed or continued employment, a right to termination only "for cause", or of any other guarantee of continued benefits or employment. Only the President/CEO has the authority to make promises or negotiate regarding guaranteed or continued employment, and any such promises are only effective if placed in writing and signed by the President/CEO.

1.4 Revisions of Handbook

This employee handbook is our attempt to keep you informed of the terms and conditions of your employment, including Company policies and procedures. The handbook is not a contract. The Company reserves the right to revise, add, or delete from this handbook as it determines to be in its best interest. When changes are made to the policies and guidelines contained herein, we will endeavor to communicate them in a timely fashion, typically in a written supplement to the handbook or in a posting on company bulletin boards.

2.0 Locations and Contact Info



2.1 Chief Carriers, Inc. Terminal Locations

Chief Carriers, Inc.

2405 S. North Road Grand Island, NE 68803

P.O. Box 2078 Grand Island, NE 68802 (For Mail Only)

Chief Carriers, Inc.

1225 E Maple Street Rensselaer, Indiana 47948

2.2 Office Hours

Grand Island, Nebraska

Terminal/ Office Hours: 7:00am to 5:00pm Monday thru Friday

| Business Office | 308-389-7250 |
|----------------------------|----------------|
| Maintenance Shop | 308-389-7410 |
| Driver Toll-Free | 800-845-1765 |
| General Fax | 308-389-7487 |
| Safety Fax | 308-385-4647 |
| *** After Hours (Dianatab) | 000 045 1765 0 |

***After Hours (Dispatch) 800-845-1765, Dial 1, Dial 8

***After Hours (Safety) 800-845-1765, Dial 2, Dial 3

***Day Time and After Hours (Shop) 800-845-1765, Dial 6

Rensselaer, Indiana

Terminal/ Office Hours: 7:00am to 4:00pm Monday thru Friday

Business Office 219-866-3333
Office Fax 308-389-6735

2.3 Emergency Contact Information

Emergency After-Hour Phone Numbers

OPERATIONS:

| | | | <u> </u> | | <u></u> | |
|----------------|------------|----------|----------|---------|-----------|--|
| ***After Hours | (Dispatch) | 800-845- | 1765, | Dial 1, | Dial 8*** | |

| Philip Burt, Driver Business Leader/Supervisor | 308-389-7402 Desk |
|--|-------------------|
| Sherri McCormick, Nebraska Planner/CSR | 308-389-7437 Desk |
| Brett Kleier, Indiana Planner, CSR | 308-389-7436 Desk |
| Christina Shearer, West Dispatch | 308-389-7445 Desk |
| Emily Wright, East Dispatch | 219-206-7011 Desk |

SAFETY:

After Hours (Safety)800-845-1765, Dial 2, Dial 3

| Kasey Wessels, Safety Manager | 308-379-3797 Cell |
|--------------------------------|-------------------|
| Pat Babcock, Safety Supervisor | 308-391-0144 Cell |

RENSSELAER, IN:

Emily Wright, Terminal Supervisor 219-206-7011 Desk

MAINTENANCE:

Day Time and After Hours (Shop)800-845-1765, Dial 6

| Tim Zigler, Maintenance Manager | 308-380-5594 Cell |
|-------------------------------------|-------------------|
| Dean Lewis, Shop Foreman | 308-390-6727 Cell |
| Rod Hanquist, OTR Breakdown Support | 308-380-3338 Cell |

3.0 General Policies and Procedures

Listed in this section are general policies and procedures necessary to safely and efficiently conduct business while maintaining a high standard of customer service. It is the responsibility and condition of employment for each driver to comply with all rules and regulations of Chief Carriers, Inc., Chief Industries, Inc., Local, Federal and State laws and all regulatory agencies having jurisdiction.

The first 90 days of your employment is critical to learn and understand about Chief Carriers, Inc. and inturn, the Chief Carriers team gets to learn about you. It is a good time to make sure all your questions have been answered and that you really understand the workings of the company. It is a good time to talk to Operations, Payroll, Maintenance and Safety about any concerns you have. These concerns could include regulations or procedures you do not understand or just about, anything that you are afraid might keep you from doing your job in a professional and safe manner. Remember good communication is the key to success.

3.1 New Hire Orientation

All drivers will complete a new hire orientation process, which includes but is not limited to: One week of classroom and hands-on securement training in Grand Island, NE.

Training includes classroom orientation, required paperwork, DOT Physical and drug testing along with a physical assessment. For part of the training, you will work with a trainer to go over proper securement techniques for all of the types of loads Chief Carriers hauls and instruction on how to use the Omnitracs and electronic hours of service. Drivers will receive instruction from all departments to learn and understand all internal processes and procedures to assure a smooth start to your new career.

3.2 Mentor Program

The Chief Carriers Mentor Program is focused on taking the experience of our veteran drivers and passing along that knowledge to our new hires in an attempt to make their first 60 days with Chief as rewarding as possible! The first 60 days of any new hire is always the most critical. We must take extra time and care to ensure they transition into Chief's way of doing things and create an avenue to get questions answered promptly and accurately. Goals of the mentor program are:

- Ensure the new hire has a trusted peer to talk to and is able to ask questions
- A resource for straight-forward answers to trucking related questions
- To help steer the new-hire down a successful financial path
- Tips and tricks to maximize the driver's income and productivity
- Teach the driver how to work with dispatch, maintenance and safety
- Answer guestions about shippers and receivers
- Help with routing, fuel stops, directions and securement issues

The recruiting department will assign the new hire to a veteran driver enrolled in the mentor program. The mentor agrees to make regular, weekly contact with the new driver for a period of eight weeks. The mentor should document each contact with the mentee on the provided "mentor sheet" with the date and a brief description of the conversation.

The mentor also plays the role of liaison between the mentee and the company and should notify management or help find solutions to any concerns/issues the new driver is experiencing. At the completion of each four-week period, the mentor should turn in their completed mentor sheet to the recruiter who assigned the new driver.

3.3 Driver Advisory Team

Each year, Chief Carriers will select or appoint six to eight drivers to serve on an advisory board. Members of this board can expect to participate in the following types of discussions and meetings four times per year or as often as needed:

- Serve as a voice for drivers with idea sharing
- Participate in equipment planning and spec's
- Serve as an accident review board when needed
- Review and recommend policy changes
- Design and development of new driver programs
- Help disseminate information from meetings to the rest of the fleet

We encourage you to get involved and help shape the future of our company!

3.4 Truck Assignments and Upgrades

Drivers will remain in the truck they are assigned until one of the following occurs.

- 1. The vehicle is sold from Chief Carrier's inventory.
- 2. The vehicle is removed from service at Chief Carriers discretion
- 3. Seniority allows you to upgrade to a new or newer unit.
- 4. At the discretion of Chief Carrier's management.

3.5 Pet Policy

We are proud to offer our drivers the opportunity to have their favorite pet with them out on the road. Below are the guidelines and requirements to allow pets as passengers in our vehicle. All paperwork must be signed and approved by safety before the pet is allowed on the truck.

General Pet Requirements:

- Before transporting the pet, provide the safety department a current record of the pet's vaccinations. We require rabies vaccination with the previous three years of records. Original vaccination records should be carried with you on the truck.
- Pets must always be kept on a leash when outside of the truck.
- Pets are not allowed inside of any of the Chief Industries buildings or facilities.
- Do not let the pet out of the truck on a shipper, receiver or customers property.
- Driver must carry a collapsible kennel in the truck to be able to secure the pet if needed.
- A weight restriction of 75 lbs. will be enforced. No aggressive breeds allowed, such as Pit Bull or Rottweiler. Approval of the pet is at the sole discretion of Chief Carrier's management.
- Only one pet will be allowed on the truck at a time. Dogs or cats are acceptable.
- Pets are not allowed in orientation.
- Chief Industries and Chief Carriers is not responsible for any personal issues, injuries, accidents, and or claims that arise from having a pet on board the truck. The owner of the pet takes full responsibility for any liability issues that may come up.

Pet Deposit Requirements:

- Drivers will be required to maintain a pet escrow of \$1,000 at all times.
- \$500 will be due up front before the pet is allowed on the truck. The remaining \$500 can be deducted from the drivers weekly settlement at \$50 per week until the \$1,000 requirement is met.
- A \$250 cleaning fee will be retained from the pet deposit should the driver leave the employment of Chief Carriers or decide they no longer want to have a pet on the truck.
- Additional cleaning costs may be assessed against the pet deposit as needed.

 The refundable portion of the pet escrow will be returned to the driver after Chief Carriers have inspected the truck and no excessive damage has been found. If additional damage is found caused by the pet, Chief Carriers will replace or repair the damage with the true costs being charged to the pet escrow.

Truck Maintenance & Inspections:

- The pet must be removed from the truck and secured in a designated location before any maintenance will be performed on the truck.
- Technicians will inspect the truck prior to performing any maintenance to ensure the equipment is being reasonably maintained by the driver. We recommend you regularly vacuum and clean the interior of the truck. If a truck is found to be too dirty or unsafe for the technician to perform work, the driver will be notified the truck must be cleaned before work can begin.
- Failure to maintain cleanliness of the truck can result in cancellation of the pet authorization.
- Drivers with pets can expect to be assigned to their current tractor until it is taken out of service or sold. In the event you are assigned a new truck, pet deposits can be rolled over to the new vehicle.
- If your assigned truck is in need of repair and a pet friendly truck is not available for use, the driver will be responsible for any additional expenses from motels or pet boarding fees.

3.6 Tractor Modification Policy

Chief tractors and trailers are not to be modified, altered or changed in any manner. This would include tampering or changing the engine, ECM settings, mobile communications system, any safety systems installed on the trucks, lights, decals, signs, interior and exterior areas of the vehicle. No holes are to be drilled by anyone other than our shops, this includes interior, exterior, headache racks and frame rails. Contact the shop manager for further details.

3.7 Load Securement Equipment

All required chains, straps, binders, protectors, dunnage, coil racks, tarps etc. are provided by Chief Carriers and are checked out to the driver. Drivers are allowed to check out additional equipment at the Grand Island shop as required and will be added to that driver's inventory. Any additional desired equipment outside of what Chief Carriers provides will be at the driver's expense and must be approved by safety or the shop manager. Any time your gear becomes damaged and needs repaired or replaced, stop by either Chief Carriers terminal and exchange it with management.

3.8 Personal Items

Chief Carriers, Inc. is not liable for damaged or stolen personal property. This includes vehicles, items carried in our vehicles or items left at our facilities. This would also include items owned by persons riding in our vehicle as part of the rider program. Any items left over thirty days past employment will be considered abandoned property and disposed of by Chief Carriers.

3.9 Personal Use of Chief Vehicles

Chief Carrier's trucks are not to be used for personal transportation during your home time. It is to remain parked at a safe location until dispatched.

Please refer to the safety section of this manual for guidance on personal conveyance use while conducting business out on the road.

3.10 Home Time Parking

All equipment is to be parked at the Grand Island or Rensselaer terminal location when a driver is taking scheduled time off. An exception will be made for drivers that live beyond a 100-mile radius of either terminal. It is the driver's responsibility to obtain permission to park legally at an alternate location. Failure to obtain permission may result in driver being charged towing and storage fees for illegal parking. Drivers are expected to use good judgment when choosing a place to park. It may be necessary to use kingpin locks and other devices to prevent theft. Chief Carriers provide kingpin locks. Contact the Maintenance Manager for more details.

3.11 Personal Vehicle Parking

Each terminal location has designated parking areas for driver's personal vehicles. Check with the maintenance manager or terminal supervisor for instructions on where to park. Vehicles not currently insured and/or licensed shall not be stored on company property. Parking is limited to vehicles driven to and from home by current drivers. Chief Carriers is not responsible for lost, stolen or damaged personal property and vehicles.

3.12 Change of Address or State of Residence

If you are moving your place of residence, please contact Safety with your new address. Remember that if you are changing states you must present Chief Carriers with a new driver's license from the new state within 30 days. We will also need a new address to update our systems. Failure to do so will result in removal from the active driver board until the issue is resolved and possible corrective actions may result. You will also need to contact operations in advance of the move to work out details of getting the truck to your new location unless both old and new residence allow for parking at a company terminal.

3.13 Fuel Policy

All fuel purchases are to be within the Chief fuel network. Drivers should use the EFS fuel locator feature on the mobile app to help find the best discounts along a route. All out of network fuel needs pre-approval from management and must be done on the EFS card. Drivers are not permitted to use personal credit cards or cash for the purchase of fuel. All oils and additives should be picked up at terminals to minimize cost whenever possible.

3.14 Fleet Minimum MPG Expectations and Standards

Chief Carriers currently governs company trucks at 70 MPH. We know that we could realize a substantial fuel savings by reducing the top speed of the trucks, but also know this is one of the many things that sets Chief apart from the competition. Drivers appreciate the ability to stay out of congestion while traveling on the interstates.

Because the fleet is set at 70 MPH, it becomes critical that we manage our fuel costs in other ways to keep operating costs in check. Our expectation is for each driver to meet or exceed the minimum standards set below to manage fuel costs:

Minimum MPG
 Winter 6.2 MPG
 Summer 6.5 MPG

Idle Time
Top Gear Usage
Cruise Control Usage
Below 10%
Above 70%
Above 40%

If the average MPG on the trucks drops below expectations for two consecutive calendar quarters, the company will:

- 1. Inspect the truck for mechanical issues related to poor MPG
- 2. Review operating factors with the driver that could be contributing to poor MPG
- 3. Provide additional training for driver on OEM "best practices" for that model of truck
- 4. Turn on gear-down protection to ensure truck is operating in top gear
- 5. Set the foot control at 67 MPH and cruise control at 70 MPH
- 6. Reduce governed speed to 65 MPH

3.15 Scale By-Pass & Toll Roads

Chief Carriers uses the Best Pass system to handle scale by-pass and tolls. The transponders are assigned to each vehicle for your convenience. Do not remove the transponder from its assigned vehicle for any reason. If you are having issues with either transponder, please contact safety for further instructions.

3.16 Dress Code, Appearance, Hygiene and Professional Conduct

"REQUIRED WORKING ATTIRE FOR COMPANY/CONTRACT DRIVERS"

Local Shag Drivers

All local drivers in Grand Island, NE and Rensselaer, IN shall always wear long pants and steel-toed shoes during all work hours. While tying loads down and untying loads, a hard hat must be worn at all times. Local drivers must always follow all additional rules of all customers, shippers or consignees. Sleeveless shirts are never allowed except inside the truck and your personal time while not at Chief Carrier's facilities. Non-Offensive attire must be worn at all times and is at the discretion of management.

Over-the-Road Drivers

All regional and over-the-road drivers must always wear long pants, steel/composite toed shoes or boots that fully cover the feet and hard hats during loading and unloading of the trailer, tying and untying loads. Long sleeve shirts must always be available if required by shipper or consignee. All drivers must always follow all additional rules of all customers, shippers or consignees. Sleeveless shirts are never allowed except inside the truck and your personal time while not at Chief Carrier's facilities. Non-Offensive attire must be worn at all times and is at the discretion of management.

**Personal injuries caused by not following the dress code policy will not be tolerated. All violations will be reviewed, and disciplinary action will follow.

Personal Hygiene and Conduct

Drivers are expected to maintain a clean, appropriately groomed and clothed standard at all times. Shower facilities are available at the Grand Island terminal and provided through our fueling network programs. Your professional image is important to our company and business.

Chief Carrier's drivers are expected to conduct themselves as professionals of the industry and not engage in any activities or behaviors that would reflect poorly on our company.

Remember, you are a representative of Chief Carriers, Inc. and usually the only direct contact with our customers and the public, the way you drive, how you conduct yourself, your personal hygiene, your general appearance, what you say in person, CB and telephone, what you write on personal social networks and how your equipment looks, reflects on you, Chief Carriers, Inc. and the driving profession.

3.17 Social Media Policy

At Chief Carriers, we understand that social media can be a fun and rewarding way to share your life and opinions with family, friends, and co-workers around the world. However, use of social media also presents certain risks and carries with it certain responsibilities. To assist you in making responsible decisions about your use of social media, we have established these guidelines for appropriate use of social media. This policy applies to all employees who work for Chief Industries.

Guidelines

In the rapidly expanding world of electronic communication, social media can mean many things. **Social media** includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal website, social networking or affinity website, web bulletin board or a chat room, whether or not associated or affiliated with Chief Industries, as well as any other form of electronic communication.

The same principles and guidelines found in Company policies and these basic beliefs apply to your activities online. Ultimately, you are solely responsible for what you post online. You may be personally responsible for any litigation that may arise should you make unlawful defamatory, slanderous, or libelous statements against any customer, manager, owner, or employee of the company. Before creating online content, you may want to consider some of the risks and rewards that are involved.

Know and Follow the Rules

Carefully read these guidelines, the Company Ethics Code, Standards of Conduct, and EEO Statement and Anti-Harassment Policy, and ensure your postings are consistent with these policies. Postings that include unlawful discriminatory remarks, harassment (as defined by our EEO policy), and threats of violence or other unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

You Are Encouraged to Show Respect

The Company cannot force or mandate respectful and courteous activity by employees on social media during nonworking time. However, everyone should be aware of the negative impact comments of this nature can have on the workplace and relationships with others. In addition, please keep in mind that you may be more likely to resolve work-related disputes by speaking directly with your co-workers or by utilizing our Open Door Policy than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video, or audio that reasonably could be viewed as unlawful, slanderous, threatening, or that might constitute unlawful harassment (as defined by our EEO policies). Examples of such conduct might include defamatory or slanderous posts meant to harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, age, national origin, religion, veteran status, or any other status or class protected by law or company policy.

Honesty and Accuracy

You should understand that honesty and accuracy are important when posting information or news, and that it is good practice to correct a mistake quickly. You may want to be open about any previous posts you have altered. Remember that the Internet archives almost everything; therefore, even deleted postings often can be searched.

Posting Information

When posting information:

- Maintain the confidentiality of Company trade secrets and confidential Company-related commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.).
- Do not create a link from your blog, website, or other social networking site to a Company website that identifies you as speaking on behalf of Chief Industries.
- Never represent yourself as a spokesperson for Chief Industries. If the Company is a subject of the content you are creating, do not represent yourself as speaking on the Company's behalf.
- Respect copyright, trademark, and similar laws and use such protected information in compliance with applicable legal standards.

Using Social Media at Work

Refrain from using social media while on your work time, unless it is work related as authorized by your manager or consistent with the Company Equipment Policy.

Retaliation Is Prohibited

Company prohibits taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in an investigation. Any employee who retaliates against another employee for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

Media Contacts

Employees should not speak to the media on the Company's behalf without contacting the Executive Office. All media inquiries for official Company responses should be directed to them.

For More Information

If you have questions or need further guidance, please contact your HR representative.

Nothing in this policy is designed to interfere with, restrain, or prevent employee communications regarding wages, hours, or other terms and conditions of employment, or to restrain employees in exercising any other right protected by law. Employees have the right to engage in or refrain from such activities.

3.18 Private Driver Facebook Group

Chief Carriers has created a private Facebook group for our drivers only. We wanted to give the drivers a platform where they could collaborate and share ideas with each other on safety, maintenance and operational issues. This is also an avenue for drivers to get in touch with one of the members of our Driver Advisory Team to help bring new ideas and solutions to the table. An administrator of the page will send you an invite to join.

3.19 Monthly Safety Meetings & Employee Roundtable Discussions

On the last Friday of each month, Chief Carriers hosts a free employee lunch followed by roundtable meeting in which all Chief Carrier employees are encouraged to attend. Agendas for each meeting will be set ahead of time. The discussions usually center on safety, maintenance and other "hot" topics in the company or industry. We also regularly solicit topics from drivers and staff, so we focus on what is important to you! While voluntary, drivers are encouraged to attend a minimum of six meetings per year to share your experiences and opinions with the team. Safety meetings and roundtables can be attended in person or by live video conference.

3.20 Weapons Policy

Weapons are not permitted at any time on Chief Industries owned properties or in Chief Carriers owned or leased equipment. This includes, but not limited to; rifles, pistols, shotguns, toy gun replicas, BB pellets or guns, bows and arrows, crossbows, blow-darts, switchblades or knives with blades over 6 inches, etc.

3.21 Performance Evaluations and Disciplinary Process Driver Performance Reviews

Drivers will receive performance reviews at 60 days, 90 days and annually thereafter. These cover maintenance, safety, mileage, fuel economy, idle time as well as interaction with Chief Carrier's staff, customers and how you are performing in our system. The goal is to help you to become and remain successful at Chief Carriers, Inc.

Quarterly Driver Scorecards and Benchmarking

At the conclusion of each calendar quarter, each driver will receive a "scorecard" showing your performance in the key areas of safety, customer service, productivity and fuel mileage. A member of the staff will generally review this with you in person or over the phone.

Once the individual scorecards have been produced, the company will also "benchmark" your performance against the other drivers in the fleet anonymously. These rankings will be posted and can be found in the drivers lounge and near dispatch on the information board.

Disciplinary Process

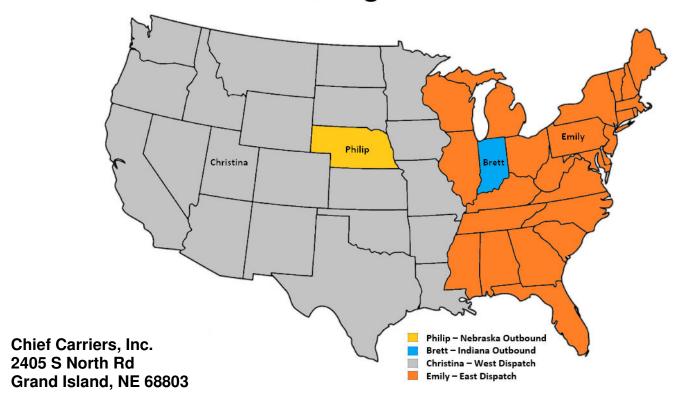
Violation of company policies or procedures may result in disciplinary action including demotion, transfer, suspension without pay, or termination of employment. The company encourages a system of progressive discipline depending on the type of prohibited conduct. However, the company is not required to engage in progressive discipline and may discipline or terminate an employee where he or she violates the rules of conduct, or where the quality or value of the employee's work fails to meet expectations at any time. Again, any attempt at progressive discipline does not imply that your employment is anything other than on an "at-will" basis.

The disciplinary action will generally depend upon the nature of the offences and circumstances surrounding the violation, and may take the form of verbal warnings, written warnings, suspensions, probation or termination. Understand that while the company is concerned with the consistent enforcement of our policies, the company is not obligated to follow any disciplinary or grievance procedure and that depending on the circumstances, employees may be disciplined or terminated without any prior warning or procedure.

4.0 Operations & Dispatch

4.1 Dispatch Office Hours and Contacts

Planning Zones



Office Hours: 7:00 am to 5:00 pm, Monday thru Friday

Business Phone 308-389-7250
Driver Toll Free 800-845-1765

DispatchPress 1Brett KleierPress 2Christina ShearerPress 3Sherri McCormickPress 4Philip BurtPress 5

Rensselaer Terminal

Emily Wright 219-206-7011

Office Hours: 7:00 am to 4:00 pm, Monday thru Friday

4.2 Customer Service Statement and Expectations

Chief Carriers has built a reputation for providing customers with premium level transportation services. Our goal is to exceed customer's expectations by providing safe, professional on-time service with every load we move. We <u>all</u> play a critical role in delivering our promise to the customer, but the driver is clearly the most important link in the chain when it comes down to communicating and executing the customer service experience.

Customer Service Pledge:

"The customer service team at Chief Carriers is focused on providing exceptional transportation service and communication to our customers. In the event of a late shipment, regardless of the reason, our commitment is to notify the customer as soon as reasonably possible and <u>before</u> the scheduled delivery."

Please re-read that statement.

We expect our service to be 98% on time or better. In the event we cannot keep our original schedule, then communication becomes the most important factor for driver and dispatch. Our goal is to always notify the customer before the delivery becomes late. As soon as you are aware you cannot meet your planned schedule, you <u>MUST</u> call dispatch immediately to make them aware. Dispatch will notify the customer and reschedule the delivery accordingly.

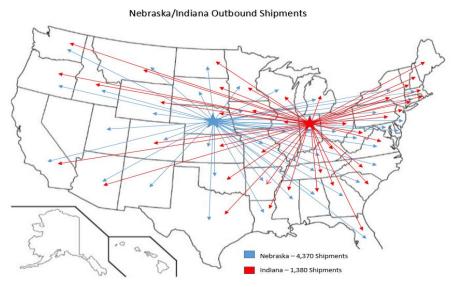
4.3 Delivery Appointments

Crews and unloading equipment are waiting for the truck at your destination. Therefore, all loads will have a firm scheduled delivery appointment, or a small delivery window. In either case, drivers should plan to arrive at destination 15-30 minutes ahead of the earliest delivery time given.

Operations is already planning your next reload based on you arriving as early as possible for the appointment. Their goal is to get you unloaded and reloaded the same day to avoid costly layovers. We encourage you to check early and check often with dispatch on your <u>next</u> move. We love to pre-plan and believe communicating that with you helps maximize your paycheck!

4.4 Outbound Dispatch and Freight Patterns

As you might have guessed, Chief Industries is our #1 customer for freight. We exist to service any and all of the Chief divisions with premium level transportation services. Our trucks go wherever Chief sells a building or a grain bin. See the map below to understand our typical outbound freight patterns.



Drivers are encouraged to "pre-book" their outbound loads from Nebraska and Indiana up to 48 hours in advance of their arrival. Doing so will help give you a wider selection of loads to pick from when possible. Please understand that each customer load must be covered, therefore from time to time, dispatch may need to assign loads to drivers based on need and available hours to cover. Communicating early and often with outbound dispatch will increase your chance of getting on the loads you prefer.

4.5 Inbound Dispatch and Backhauls

Backhauls are typically assigned to the driver without any choices given. Many of the backhauls are raw materials returning directly to our Chief plants for production. Efficient, timely service is critical to keep the plant's production running.

Other backhauls may be booked through third party brokers used to "reposition" the truck back into a primary traffic lane. As you probably know from experience, brokers often require the driver to call in for dispatch and check in daily with them until empty. It is important we follow their requirements to help avoid issues and fines.

4.6 Mobile Communications System

Your onboard mobile comm system is directly integrated to our dispatch software. It is critically important that you use the system as it is designed. Punch in your arrivals and departures as they happen. Doing so will update our dispatch screens in real time, and in some cases feed that information directly to the customer.

Delayed submission of mobile comm messages will typically result in the system generating a "service failure" and show you late for that pickup or delivery. Your on-time service performance is directly related to your quarterly bonus incentives and annual review information.

4.7 Detention Policy

The purpose for having a detention policy is to hold our shippers and receivers accountable so they do not abuse our drivers available HOS. In order for us to have the ability to charge back delays to the customer, we must have accurate arrival and departure times from the driver.

Chief Carriers gives each of our customers a two-hour window to load or unload the truck. At the end of the two-hour free period, Chief Carriers will compensate our drivers at the rate of \$15 per hour up to a maximum of \$165 per day.

Detention time starts two hours past the original scheduled appointment time, or two hours after the truck arrived if first come-first serve scenario. Detention time stops once the driver is handed the BOL for the load. "Securement" time is not chargeable to the customer; therefore, the driver's detention clock also stops when they receive the bills from the customer.

To qualify for detention drivers must be on time, punch in both arrival and departure times at the shipper/receiver and must make a note of the detention on the trip envelope.

4.8 Lavover Policy

Layover pay will be calculated at \$100 per event based on the conditions below:

- If a company driver is empty and available for a reload before <u>12:00 pm</u> of a weekday but he or she will not be reloaded until the following day, then he or she is qualified for a layover payment.
- Any OTR company driver that is dispatched on Friday for a delivery on Monday, (or Tuesday if Monday is a holiday), and the total loaded miles for the trip are:
 - o 0 499 miles then the driver qualifies for 2 layover payments

- 500 999 miles then the driver qualifies for 1 layover payment
- If a company driver loads and delivers a short load on Friday, the miles for the short run are added to the number of miles for the weekend run when deciding whether the driver is qualified for layover payments or not. If a company driver is asked to drop his or her loaded trailer on the weekend and then pick up another load to deliver on the next business day, then the miles for both legs of these trips will be added together to see if the driver qualifies for any layover pay.
- If the load goes past the driver's home and he or she takes the load to his or her house and then delivers on Monday, (or Tuesday if Monday is a holiday), then the driver does not qualify for layover pay.
- When the driver is dispatched to pick up the load on Thursday for a Monday delivery and the trip
 is 1000 1499 miles then he or she is qualified for one layover payment or more according to
 the number of loaded miles.
- When there is a qualifying paid holiday between the ship date & delivery date there is not any layover pay for that holiday. Drivers that have been with the company for 90 days or more prior to the holiday will be paid holiday pay and any drivers that have not been with the company long enough to qualify for holiday pay will get layover pay instead.
- If a driver chooses a short run for the weekend so that he can take a 34-hour restart, then he or she does not qualify for layover payments. If drivers do not have enough hours to run 1000 miles for a Monday delivery, then they do not qualify for layover payments for time that they cannot legally work. The driver must accumulate a minimum of 18 available hours to work over the weekend to qualify.
- If a driver is qualified for layover pay but then is late for his or her delivery for any reason other than mechanical or weather problems, then the layover pay can be disqualified.
- The Operations Supervisor will evaluate each event on a case-by-case basis and has the authority to modify the payout accordingly.

4.9 Mini-Pay Policy

When the loaded miles for a trip are 250 or less then the company driver is eligible for \$50 minimum pay.

- If the company driver is asked to drop his or her loaded trailer in order to be assigned to a different trip and the miles that he or she ran on the first trip are 250 or less then he or she is eligible for minimum pay.
- If a company driver has loaded and then a mechanical malfunction causes him or her to relinquish the load and the distance travelled is 250 miles or less, then the company driver is eligible for minimum pay.
- If a company driver is on a loaded trip and he or she is directed to a terminal to move into a different tractor and either of the legs of the trip are 250 miles or less he or she is NOT eligible for minimum pay when the company driver continues on the same trip.

4.10 C.O.D. Delivery Instructions

The following procedures must be followed by all drivers delivering any Chief Industries, Inc. load that is marked C.O.D. (Collect on Delivery). A C.O.D. delivery is a delivery wherein the driver is to collect a check from the customer for the product the customer is to receive.

- Ensure the check is signed with the correct dollar amount as indicated on your C.O.D paperwork.
- Ensure the check is of the type stated on your paperwork. If a CASHIERS CHECK is required, do not accept a Company check.
- Ensure the check is made out to Chief Industries, Inc.

- Use the Omnitracs macro especially designed for this occasion. Before unloading, wait for the confirmation number to be given back to you by Operations.
- Do not allow unloading to begin until the above items have been completed.
- On all C.O.D. loads, the driver is given an Express Mail envelope made out to Chief Industries, Inc. Place the <u>check</u> only in this envelope and drop it at the nearest UPS authorized facility. Send it as soon as possible after leaving the job site. <u>DO NOT</u> leave the check in your truck or drop it in the office with your trip envelopes. **UPS IT IMMEDIATELY!**
- Remember, NO check, DO NOT Unload, contact operations immediately.
- Other customers may have their own requirements of the handling of C.O.D. loads. Be very clear with your dispatcher on the procedures to follow with these checks.
- If a delivery customer gives you cash payment, have the customer convert it to a bank draft before unloading can begin. **DO NOT TAKE CASH!**

4.11 Other Key Driver Responsibilities Manage Your HOS

Before you accept any load from dispatch, please confirm you have the hours available to complete the load as scheduled. It is your job to know the hours you have available for work and doing so will help you maximize your paycheck.

Overweight Loads

You are responsible to scale out each load to ensure you are not moving product that exceeds maximum allowable weights. If you find out you are overweight, call dispatch immediately for instructions. Any driver that does not involve dispatch or safety with an overweight issue will be assuming full responsibility for any overweight fines.

Chief Carriers does reimburse drivers for scale tickets and offers the CAT scale "Weigh-My-Truck" via our driver smartphone app.

Overages, Shortages & Damages

Drivers are responsible to ensure the shippers are loading the correct products on your trailer.

- Confirm the product matches the BOL documents.
- Confirm your BOL destination matches what you received from dispatch on the mobile comm system.
- Drivers are also responsible to ensure that all products are delivered safely, on time and undamaged.
- Confirm the receiver accepted the product without any issues noted on the BOL.
- Call dispatch immediately if there is any kind of discrepancy.

Prompt, Professional Service

Any driver unable to keep the original pickup or delivery schedule, regardless of reason, must contact dispatch immediately. For evening and weekends, please contact on-call dispatch so they may notify the customer of the delay.

4.12 Home Time Policy

Chief Carriers realizes that good work-life balance is critical for our drivers. Our drivers can expect on average, about 75 days per calendar year of "home time". Each driver accumulates 1.5 days earned time off for every 6 days run.

All home-time requests must be submitted to operations at least one week in advance for approval. The request may be approved, modified or denied based customer needs and or recent performance of the

requesting driver. Maximum home time is seven days per occurrence, unless other arrangements have been made.

4.13 Availability for Work

All home time and return-to-work dates are to be scheduled in advance. Twenty-four hours before the driver is scheduled to return to work, they should check in with dispatch for their next assignment. Drivers are expected to be available for dispatch **by 8 am** on the morning they are scheduled to return to duty.

4.14 Holiday Time Off

Chief Carriers does guarantee Christmas off for drivers who want it. All other holidays are treated on a first come first serve basis. Please understand that we still need to service customers twelve months out of the year and no driver should expect every major holiday off. Holidays are typically one to two days in length and it is reasonable to expect drivers to be ready for dispatch the day following the holiday. If you need more time off, then please work with dispatch on requesting additional days. In some cases, vacation may be used in conjunction with a holiday to extend the time off period.

5.0 Payroll, Paperwork, Incentive Programs

5.1 Payroll Weekly Cut-off Times

Chief Carriers, Inc.'s payroll week runs from Sunday through Saturday mid-night. All company driver and owner operator loads delivered or dropped by Saturday at mid-night will be paid on the following Friday. All required paperwork must be turned in within 48 hours after delivery (or drop). Load paperwork may be sent via Transflo (Transflo App) at no charge to the driver. All original paperwork will need to be turned in even if you used Transflo. Paystubs are mailed out after the close of the pay period.

When a holiday falls within the week watch for early cut-off schedules. These are always posted well in advance both in the office and on your satellite device's messages. In most cases the cutoff for delivered or dropped loads will be midnight on the Thursday before a holiday, but exceptions may occur.

5.2 Trip Envelopes

Necessary items to be enclosed in your trip envelopes are the following:

- A signed Chief Carriers, Inc. bill of lading for each load hauled.
- All other Bill of Ladings and/or delivery receipts for each load hauled.
- All original receipts necessary for reimbursed expenses. If you were issued an EFS check for repairs, you must have a receipt, or you may be charged for the repair cost.
- Scale tickets, Company drivers will be reimbursed for all scale tickets. Contractors will be reimbursed only when needed for billing purposes.

Paperwork on all Chief steel loads must be included in your trip envelope. You must fill out a Chief Carriers, Inc. bill of lading showing your trip number. Even if you receive a pre-approval to drop your trailer for a shag driver to deliver, you must still turn in the paperwork with your envelope.

5.3 Scanning Your Paperwork with Transflo

Scan the front of your envelope or use a Transflo cover sheet. Make sure you scan all pages of the Bill of Ladings (check the back side of BOLS for any stamps or signatures). Before you submit the paperwork through Transflo double check to make sure the pictures are clear and legible. Paperwork for each load should be scanned separately. After the paperwork is sent you will receive a confirmation number. If you are using the Transflo App it will go to the email address on file. It is recommended you make sure you receive a confirmation number.

5.4 Dropping Off Paperwork at the Terminals

Grand Island: Envelopes need to be completed and all necessary paperwork placed in the drop box near the driver's door access.

Rensselaer: When dropping loads at the plant in Rensselaer, please put the paperwork inside the Chief Carriers, Inc. office. Every driver is given a key to get into this office after hours. On the wall of the office, there are three hanging black wall files:

- Dropped for inbound loads dropped at the Rensselaer plant
- Scanned for completed loads that have already been sent in via Transflo
- Unscanned for completed loads that have NOT been scanned in yet

Outbound Rensselaer building plant load packets can be found on the file cabinet next to the desk.

5.5 Advances

Advances are given to drivers for their over-the-road expenses relating to the use of the company vehicle (example: tolls, minor repairs, scale tickets, etc.) Drivers may draw advances up to \$150.00 per week. Additional advances <u>require</u> manager approval and will only be given under extreme scrutiny and understanding of the need for such advances. We do not expect the driver to have any out-of-pocket expenses to run Chief Carriers, Inc. equipment.

Advances will show as deductions on your weekly settlement sheet and will be offset by any valid reimbursement receipts submitted. Chief Carriers, Inc. is not obligated to give advances.

5.6 Fines

If a driver should be fined for speeding or other violations, drivers are responsible for the fine. In the event this happens, you have agreed Chief Carriers, Inc. has the right to make weekly deductions of no less than \$50.00 per week from your payroll to recover this debt and withhold all remaining balances upon termination from the company from any dollars the company may owe you.

5.7 Driver Escrow Reserve Account

Chief Carriers, Inc., as you have authorized in writing, shall withhold \$30.00 per week to a maximum of \$300.00 from company drivers' payroll for the purpose of an accident reserve or escrow. A driver may be held responsible for the first \$300 to any preventable damage to the tractor, trailer, trailer supplies, tarps, chains, binders, straps, etc. This reserve will also be held for any freight claim or chargeback for late deliveries that are deemed a preventable driver error. If any of the funds are used towards a driver responsible incident, payroll will begin to deduct \$30 per week from each settlement until the balance of the reserve is at \$300.

Keys to getting a full reserve refund are to:

- Return your truck to an authorized location
- Ensure all company equipment is returned in good working order
- The truck interior should be in the same condition as you got it with reasonable wear and tear
- Turn in all company paperwork, BOL's, receipts and property assigned to you
- No pending accidents or claims

Upon termination, Chief Carriers will hold the reserve account up to two weeks to ensure all paperwork, equipment and company property has been returned in good condition. Chief Carriers may use this \$300.00 to repay any dollars the employee still owes to the company at time of termination. Any balance due will be refunded to the employee.

5.8 Paperwork Examples

| Γrip | Envelope Envelope |
|------|---|
| | CIRCLE DELIVERY METHOD: |
| | SCANNED or DROPPED AT TERMINAL GI RN |
| | Drivers, please write numbers clearly. |
| | To Insure Your Pay Is Correct, Please Use One Batch Form Per Trip Thank You |
| | Driver Name X X X X X X X X X X X X X X X Delivery Date 0 5 - 2 / 2 0 |
| | Tractor # |
| | Loading City, ST WindSor, Co Delivery City, ST Lincoln, NE |
| | Additional Stops: #1#2#3#4 |
| | Reimbursements: Please list any comment or detention pay, layover, etc |
| | Toll Toll |
| | Toll Scale |
| | Scale Other |
| | Other |
| | Completely Filled-Out Forms Will Be Processed First |
| 「rar | nsFlo Cover Sheet |
| | 2405 South North Rd PO Box 2078 Grand Island, NE 68802 (800) 858-4422 (308) 389-7487 FAX Chicfcarriers.com Trusted. True. |
| . [| Drivers, please write numbers clearly and take to the nearest Pilot or Bosslemans Travel Center with Transflo Express service for scanning. |
| | To Insure Your Pay is Correct, Please Use One Batch Form Per Trip Thank You |
| | Driver Name Delivery Date Delivery Date |
| | Tractor # Trip # |
| | Reimbursements: Please list any detention pay, layover, etc |
| | Toll |
| | Toll |
| | ScaleScale |
| | Other Other |
| | Completely Filled-Out Forms Will Be Processed First |
| | CARRIERS Trusted. Tosted. True. |

BOLs

UFP WINDSOR, LLC #223 BILL OF LADING PAGE 1 OF 1 Ship Date:5/20/2020 Frt Terms: FOB COLLE Unit #: BOL#: 2230292572-001 SCAC: Cust PO#: DELIVER 5-21 (1) ORD#: 54958127 VIA: CUSTOMER PICK-UP Carrier: Misc Nt: TO: KAWASAKI MOTORS MFG CORP USA FROM: UFP WINDSOR LLC #223 Shipper: **YARD** 15 WALNUT ST Cosignee: 6600 NW 27TH ST Origin: WINDSOR, CO 80550-5135 US PH: 970 686-9651 Dest: LINCOLN, NE 68524-8904 US PH: 402 476-6600 Location: 223A 223 YARD PRODUCT / DESCRIPTION QUANTITY ITEM 1 6 pkg @ 10 pcs = 60 TOT 384685 7870, Top (223-5629) 2 12 pkg @ 5 pcs = 60 TOT 384686 7870, Base (231-5589) 3 30 pcs = 70555 Tilted, High Chock HT (238EU-5518) 2 pkg @ 60 TOT 238EU-5518 1 pkg @ 480 pcs = 480 TOT 70557 Tilted, Rear Stop Board HT (225EU-5628) 225EU-5628 384688 7870, Side (236-5572) 5 2 pkg @ 40 pcs = 80 TOT 40 pcs = 384687 7870, End (237-5558) 2 pkg @ 80 TOT 25 pkg TOTALS 820 SP ORDER: 54958127 BOL: 2230292572 NEW DOC Shp Nts: BOL Notes: Shipper: UFP WINDSOR, LLC #223/ Carrier: Per: Date: Recipient Not Present (Carrier Signature) Date: Date: Received by Customer (Name of Recipient) Printed Name of Recipient The sale and performance for the delivery referenced in this Bill of Lading are completed subject to the Terms and Conditions of Sale available on the Seller's website at www.ufpi.com/terms.htm.

Bill of Lading

In addition to your trip envelopes, every load should have a Chief Carriers, Inc. bill of lading completed. Below is an example of the Chief Carriers' bill of lading and the needed information.

- 1. Shipper's number or load number
- 2. Name, city and state of shipper and the date of pickup
- 3. Name, address, city and state of consignee
- 4. Name of delivering carrier (Chief Carriers, Inc.) and driver's name. Truck and trailer numbers
- 5. Number, description and weight of materials being hauled
- 6. All detention time noted
- 7. Legible signature of the consignee
- 8. Signature of the driver

Chief Carriers' Bill of Lading

| UNIFORM STRAIGHT BILL OF LADING—Original—Not N | egotiable—Dome | stic | |
|---|--|--|---|
| CHIEF CARRIERS P.O. BOX 2078 • GRAND ISLAND, NE 68802 • PHONE (308) 389-7250 (800) 858-4 | 422 CARRIER CHI | =F | SHIPPER'S NO. 166315 |
| RECEIVED, subject to the classifications and tariffs in effect on the date of the issue of this Bill of Lading. | 422 CARRIER CAR | - | AGENTS NO. 1020 |
| FROM UNIVERSAL FOREST PROBUETS AT U | | | DATE 5-20-20 |
| the property described fieldow, in Oppirating Good order, oxcept as noted (contents and contribition of contents at pusculpus unincrivent) makindu, com- micizing any proton of comprehen in providence on the property under the contents aligned local curva to as usual cost of delivers to associate of delivers and the content of the cont | mation, if on its own railroad, water line, lag ortion of said route to destination, and as to | way route or routes each party at any ten | or within the territory of its highway operations, otherwise the interested in all or any of said property, that every service |
| CONSIGNED TO KAWASAKI MOTORS | | | |
| DESTINATION LOLO ON W 27 ST STREET LINCOLA | CITY V | ാള8 | COUNTY STATE |
| ROUTING | | | ORDER NO. |
| DELIVERING CARRIER CHIEFCARRIERS -Ed KINCAID | VEHICLE OR CAR INITIAL 7 | <u>97</u> | NO. 95 |
| \$ and remit to: | | | C.O.D. CHARGE SHIPPER ETTO BE PAID BY CONSIGNEE |
| Street NO. PKGS. DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | City WEIGHT (SUB TO COR) | State State CK COL | Subject to Section 7 of conditions if this shipment is to be |
| TRUCK LOAD OF WOOD PRODUCTS | * WEIGHT (SUB TO COR) OR | RATE CK COL | delivered to the consignoe without recourse on the consignor, the consignor shall sign the following statement: This corner shall not make delivery of this shipment without payment of freight and all other lawful of this gids. |
| 25 90 cKs | | | |
| ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ | | - | |
| | | | |
| | | | |
| | | | (Signature of Consignor) |
| | | | If charges are to be propaid, write or stamp here, "To be Prepaid." |
| 913-553-5467 AJ | <u> </u> | | |
| 100 M 1960 0488 | 110 | 1 | |
| DU# 53150 | 100 | | |
| 11 Mee | | 1 | Received 5 to apply m |
| | | | prepayment of the charges on the property described hereon. |
| - VIII | | | |
| | + | _ | |
| | | | Agent or Cashior |
| | | | * |
| 1 1 | 1 1 | 1 1 | (The agniture here acknowledges only the amount prepaid.) |
| "If the shipment moves between two ports by a cerrier by water, the law requires that the bill of teding shall state whether it is "carrier's or shipper's weight." | The libre boxes used for this shipmen | | |
| NOTE — Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property. The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding | specifications set forth in the box m thereon, and all other requirements of Freight Classification. | the Consolidated | Charges g |
| Det . | 1 | | Advances \$ |
| SHIPPER, PER | | AGENT, | |
| Permanent address of shipper, | (This Bill of Lading is to be | signed by the shippe | r and agent of the carrier issuing same.) |

INCENTIVE PROGRAMS

5.9 Quarterly Performance Incentive Program

Drivers are encouraged to obtain the best possible fuel mileage with their assigned trucks by controlling road speed, acceleration and idle time. Drivers will be paid a bonus based on the chart below on fuel mileage results for each calendar quarter. Fuel mileage is figured by taking all miles on the truck for the quarter and dividing it by the number of gallons of fuel purchased in the same period. The payout will be no later than the third week following the end of a calendar quarter.

Program Qualifiers:

- Driver must run a minimum of 26,000 dispatched miles per calendar quarter to qualify
- No preventable accidents, incidents or claims greater than \$500 in the quarter
- No more than one preventable, driver related late delivery in the quarter
- The driver must be employed on the payout date to receive previous quarter's bonus pay

| | 6.0 | 6.1 | 6.2 | 6.3 | 6.4 | 6.5 | 6.6 | 6.7 | 6.8 | 6.9 | 7.0 |
|-----------------|----------|----------|----------|----------|----------|----------|----------|------------|------------|------------|------------|
| Quarterly Miles | \$0.0125 | \$0.0150 | \$0.0175 | \$0,0200 | \$0.0225 | \$0.0250 | \$0,0275 | \$0.0300 | \$0.0325 | \$0.0350 | \$0.0375 |
| 26,000 | \$325.00 | \$390.00 | \$455.00 | \$520.00 | \$585.00 | \$650.00 | \$715.00 | \$780.00 | \$845.00 | \$910.00 | \$975.00 |
| 26,500 | \$331.25 | \$397.50 | \$463.75 | \$530.00 | \$596.25 | \$662.50 | \$728.75 | \$795.00 | \$861.25 | \$927.50 | \$993.75 |
| 27,000 | \$337.50 | \$405.00 | \$472.50 | \$540.00 | \$607.50 | \$675.00 | \$742.50 | \$810.00 | \$877.50 | \$945.00 | \$1,012.50 |
| 27,500 | \$343.75 | \$412.50 | \$481.25 | \$550.00 | \$618.75 | \$687.50 | \$756.25 | \$825.00 | \$893.75 | \$962.50 | \$1,031.25 |
| 28,000 | \$350.00 | \$420.00 | \$490.00 | \$560.00 | \$630.00 | \$700.00 | \$770.00 | \$840.00 | \$910.00 | \$980.00 | \$1,050.00 |
| 28,500 | \$356.25 | \$427.50 | \$498.75 | \$570.00 | \$641.25 | \$712.50 | \$783.75 | \$855.00 | \$926.25 | \$997.50 | \$1,068.75 |
| 29,000 | \$362.50 | \$435.00 | \$507.50 | \$580.00 | \$652.50 | \$725.00 | \$797.50 | \$870.00 | \$942.50 | \$1,015.00 | \$1,087.50 |
| 29,500 | \$368.75 | \$442.50 | \$516.25 | \$590.00 | \$663.75 | \$737.50 | \$811.25 | \$885.00 | \$958.75 | \$1,032.50 | \$1,106.25 |
| 30,000 | \$375.00 | \$450.00 | \$525.00 | \$600.00 | \$675.00 | \$750.00 | \$825.00 | \$900.00 | \$975.00 | \$1,050.00 | \$1,125.00 |
| 30,500 | \$381.25 | \$457.50 | \$533.75 | \$610.00 | \$686.25 | \$762.50 | \$838.75 | \$915.00 | \$991.25 | \$1,067.50 | \$1,143.75 |
| 31,000 | \$387.50 | \$465.00 | \$542.50 | \$620.00 | \$697.50 | \$775.00 | \$852.50 | \$930.00 | \$1,007.50 | \$1,085.00 | \$1,162.50 |
| 31,500 | \$393.75 | \$472.50 | \$551.25 | \$630.00 | \$708.75 | \$787.50 | \$866.25 | \$945.00 | \$1,023.75 | \$1,102.50 | \$1,181.25 |
| 32,000 | \$400.00 | \$480.00 | \$560.00 | \$640.00 | \$720.00 | \$800.00 | \$880.00 | \$960.00 | \$1,040.00 | \$1,120.00 | \$1,200.00 |
| 32,500 | \$406.25 | \$487.50 | \$568.75 | \$650.00 | \$731.25 | \$812.50 | \$893.75 | \$975.00 | \$1,056.25 | \$1,137.50 | \$1,218.75 |
| 33,000 | \$412.50 | \$495.00 | \$577.50 | \$660.00 | \$742.50 | \$825.00 | \$907.50 | \$990.00 | \$1,072.50 | \$1,155.00 | \$1,237.50 |
| 33,500 | \$418.75 | \$502.50 | \$586.25 | \$670.00 | \$753.75 | \$837.50 | \$921.25 | \$1,005.00 | \$1,088.75 | \$1,172.50 | \$1,256.25 |
| 34,000 | \$425.00 | \$510.00 | \$595.00 | \$680.00 | \$765.00 | \$850.00 | \$935.00 | \$1,020.00 | \$1,105.00 | \$1,190.00 | \$1,275.00 |
| 34,500 | \$431.25 | \$517.50 | \$603.75 | \$690.00 | \$776.25 | \$862.50 | \$948.75 | \$1,035.00 | \$1,121.25 | \$1,207.50 | \$1,293.75 |
| 35,000 | \$437.50 | \$525.00 | \$612.50 | \$700.00 | \$787.50 | \$875.00 | \$962.50 | \$1,050.00 | \$1,137.50 | \$1,225.00 | \$1,312.50 |

5.10 Recruiting Referral Program

Chief Carriers is always looking for well qualified drivers to improve our talent pool. Here's how you can earn extra money by sending top talent our way!

All OTR and Regional Drivers

- New hire must meet all hiring qualifications and possess at least one-year OTR experience and at least six-months verifiable flatbed experience.
- \$1,000 each for both the referring driver and the new hire
- Bonus to be paid out in two increments of \$500 to each driver
- \$500 after the first load is complete, and \$500 after 30 days of employment

Local Driver Referrals

- \$500 each for both the referring driver and new hire
- Bonus to be paid out in two increments of \$250 each
- \$250 after the first load is complete, and \$250 after 30 days of employment

Other Referrals

- Referral of a former Chief Carriers driver is eligible for one-time \$400 payout after 90 days
- No referral payouts for part-time or student drivers

5.11 Sales & Customer Referral Incentive Program

As a driver, you play a critical role in the customer relationship. From time to time, you may come across a potential sales lead or new customer for Chief Carriers. Any leads you provide to our sales team could turn in to cash in your pocket!

A sales lead is any new potential customer who has shown interest in our company's transportation services. The prospective customer must be a direct shipper and not a broker or 3PL Logistics provider.

Sales will contact the customer to qualify the lead through a series of questions to see if we are a fit for each other. Our sales team will keep you up to date with the prospecting process until the lead results in new business for Chief Carriers or is determined to be non-attainable.

As an incentive for leads, all persons providing sales leads each calendar quarter will have their name thrown into a hat for a chance at gift card to the company store.

Each driver that produces a sales lead that results in new business for Chief Carriers will receive a one-time \$200 bonus! Submit your sales leads through Omnitracs or on the driver's mobile app.

6.0 Safety

6.1 General Safety Policies and Expectations

Chief Carrier's policy in regard to safety compliance is simple. Safety is our number #1 priority at all times. There is no reason ever to take chances, getting hurt or hurting others in our company culture. Compliance to local, state and federal regulations is equally important as they are in place to protect you, your family and ours from harmful and destructive circumstances. As a professional driver working for Chief Carriers you are required to abide by all company, local, state and federal policies and regulations as applicable to your job and role with Chief Carriers and is a condition of your employment. Remember that all accidents and injuries are preventable.

Safety Office Visits

As a driver for Chief Carriers you are required to check in with Safety anytime you are at the Grand Island terminal during business hours, this is critical so Safety can keep drivers informed on safety, compliance, monthly driver audits and numerous other items as they arise. Also, check your mailbox frequently at the GI terminal for informative information not requiring face-to-face conversations with safety department personnel.

Personal Protective Equipment (PPE)

All drivers are expected to maintain and utilize appropriate PPE for their own personal safety to meet all company, customer and federal policies and standards. Drivers are issued hardhat, chinstrap, safety glasses, hearing protection, florescent safety vest during the orientation process. All non-company issued PPE must meet the ANSI standards as required by OSHA. Please contact Safety for further guidance or questions.

Safety Boots

Safety toe boots are required in some positions and at some customer's locations and are required to be with OTR drivers at all times to meet customer requirements. Chief pays up to \$130.00 annually toward a quality pair of ANSI approved safety toe boots. You can turn in a receipt annually to safety or purchase locally in Grand Island, NE and they will be charged to Chief Carriers. Please contact Safety for more information.

Prescription Eyeglasses

Employees wearing prescription eyewear are required to wear safety glasses designed to fit over your prescription glasses when safety glasses are required or may opt to purchase ANSI approved prescription safety glasses, which must meet ANSI standard ANSI Z87.12003 as required by OSHA. This standard state that the glasses shall have safety frames, lenses and side shields designed for the frame. It is not permitted to add side shields to ordinary glasses to meet this standard. Chief Carriers will pay up to \$100.00 annually towards safety prescription eyewear. Receipt must be turned into Safety for reimbursement.

Hard Hat Policy

It is Chief Carrier's policy that hard hats are to be worn anytime you are working with straps, chains and binders for the purpose of securing or unsecuring your freight or if you are near another driver performing securement or unsecurement activities. Hard hats are proven to prevent injuries to the head during these types of activities and are therefore required.

Powered Industrial Equipment

Drivers are not certified and are not permitted to operate forklifts and other industrial equipment even if you have received training/certification at another company. OSHA 1910.178 is very specific in the requirements in which you may operate industrial equipment. Contact Safety for more information.

Cell Phone Policy

The U.S. Department of Transportation (DOT) has implemented a ban on handheld cell phone usage effective January 3, 2012. This new regulation effects all drivers operating commercial motor vehicles in interstate commerce and in state vehicles hauling hazmat loads for now, but most states are expected to apply the ban to all commercial vehicles in upcoming months. Under the new rule, CMV drivers will not be able to hold, dial, or reach for a hand-held cell phone, including those with push-to-talk capability. Hands free phone use is allowed, as is the use of CB radios and two-way radios.

The following will be Chief Carriers Inc. policy to comply with the new regulation. Any vehicles that are regulated by the DOT regardless of type, load or use that displays a DOT number on the vehicle will not be allowed to use a cell phone except under the following conditions while driving.

- Cell phone must be used in a hands-free mode, this can be accomplished through a blue tooth or head set type device. CMV drivers will not be able hold, dial or reach for a handheld cell phone including those with push to talk capability.
- Dialing or answering a phone call must be accomplished by no more than the pressing of one button (Consider speed dial setting to accomplish this) and:
- CMV drivers must not be reaching for a phone in such a manner that requires the driver to maneuver into a position where he/she is no longer seated, belted or taken out of a safe driving position.
- Texting or reading text is not permitted under any circumstances.
- Drivers may "not" use a handheld cell phone at stoplights or temporary delays such as construction or trains. Handheld use would only be allowed when safely parked and out of the flow of traffic.

Note: CB radios and two-way radios are not covered by this policy.

Violation of this company policy will be subject to Chief Carriers Inc. corrective action policies. In addition, violations of this regulation can result in state or federal issued civil penalties of \$2,750 for each offense to drivers and up to a maximum penalty of \$11,000 per occurrence to the company or motor carrier. Violations will also result in negative scoring on the CSA scores for the motor carrier as well as the driver.

Inclement Weather Driving

The choice to drive or not to drive in extreme or dangerous inclement weather conditions is decision every driver must make for himself or herself. Chief Carriers expects that you make appropriate decisions based on safety of those around you. If you run into a situation where it is inappropriate or unsafe to continue, notify operations/dispatch as soon as the problem arises so we can keep our valued customer up to date on our progress and what the situation currently is. Please tune into weather stations to keep up with fast changing weather and road conditions.

Snow Chains

Snow chains are required in some states during winter driving conditions. While you will have to make the choice to use them or not, some states require that, they are carried on the truck regardless. Chief Carrier's policy is to have a set of snow chain on every tractor year-round, so they do not have to be bought on the road or forgotten during the winter. They will be assigned to you and part of the trucks inventory. Broken or damaged chains should be exchanged at the shop in Grand Island.

Ladders

16-foot ANSI approved ladders are provided to each driver on every truck for providing a safe way to get on and off the trailer. These ladders are designed and required to be used to get safely on and off the trailer but are not to be used to carry tarps and gear onto the trailer.

Bungee Cords

Bungee cords are not permitted to secure items; they do not have a working load limit rating and are only to be used for securing tarps under DOT regulations. If you need to secure small items to catwalks, we provide one-inch straps to our drivers. Our company policy is to never use them for anything other than securing tarp flaps to trailers.

DOT Physicals

It is your responsibility to keep track of this. Chief Carriers, Inc. will help by monitoring this but it is still your responsibility to keep track of your physical requirements. Drivers are required to use Chief Carriers DOT doctors for all physicals and are available at both terminals. Safety will make the appointments at our doctors. This is free of charge to full time Chief Carrier's drivers. It is also the driver's responsibility to share required information with their home states for maintaining your driver's license. Chief Carriers, Inc. will accept not other physicals performed elsewhere.

CDL License

Drivers CDL must be kept current at all times! Changes in address and new copies of license must be provided to the Safety Department within 30 days of moving or change of address. We will monitor your expiration, but it is your responsibility to keep it current and up to date.

Annual DOT License Review.

All drivers are required to fill out an Annual Review every 12 months per DOT Regulations. During this time, we will review your driving record, accidents, logging procedures, operations review, payroll items, maintenance issues and other safety items.

Tickets

Drivers are required by Federal Law to report any ticket, license suspension or revocation to both the State that issued your CDL and to Chief Carriers, Inc. immediately. Drivers are responsible for tickets and fines.

Injuries

Report, immediately any work-related injuries. You must also report any off-duty accidents that effect your ability to perform your job safely or that prevents you from meeting DOT requirements. For injuries requiring medical attention, you cannot drive or work without a full written release from the attending doctor, which must be in writing. All work-related injuries are to be reported to safety department at time of occurrence no matter how minor in nature.

Prescription Medications

Report all prescription medicine to the Safety Department per regulations. If it does not affect your ability to drive, you may continue to work after being cleared through the safety department. Always carry medication in its own container. Never mix pills or use unmarked "reminder" containers.

DOT Roadside Inspections

Drivers must immediately notify safety of all DOT and state inspections performed on Chief Carrier's equipment during normal business hours. Drivers should also notify safety of the inspection on the date of occurrence by utilizing macro 40 on the Omnitracs system. Turn in all DOT Inspections into the office immediately, "no exceptions". Chief Carriers pays \$100.00 to the driver for all roadside inspections that reveal no defects, issues or CSA violations once the original is received in safety.

Speed Limits/ Maximum Speed

Obey all posted speed limits. While driving for Chief Carriers, Inc., there are no circumstances, which would justify disobeying posted speed limits. Maximum company speed limit for Chief Carrier's trucks is 70 mph. allowing the truck to exceed posted or company speed limits are strictly prohibited. Planning and

maintaining speed during steep mountain descents and hills is critical to your and the general public's safety.

Speeding Policy

If you receive a speed related violation (Including warnings) your truck will be turned down to 67mph for 3 months, if you receive a second violation within 12 months of another it will be turned down to 65mph for 6 months. If you receive three such violations within a 12-month period, your employment with Chief Carriers will be terminated. In addition, you will not qualify for the safety incentive pay for one quarter (same as our current incentive program). A corrective action will also be administered for each violation. This policy applies to any speed related incident including warnings, tickets incurring fines or speed related accidents.

Seat Belt Policy

Chief Carriers, Inc., in accordance with Federal Motor Carrier Regulation 392.16, requires you to wear seatbelts while operating a Company vehicle or Owner/Operator vehicle or while on company business. If the vehicle is in motion, the seat belt shall be utilized. This policy includes passengers as well.

6.2 Continuous Safety Training Requirements

Safety training topics are assigned to all drivers and are planned out and communicated one quarter at a time. These training sessions are mandatory and must be performed during the timeframe provided. They are online and can be done from anywhere in the country on a computer or cellphone with an internet connection. Training computers are provided at both terminals for drivers to use to complete these training sessions.

To get on Infiniti- http://grandisland.infinit-i.net/

"Your ID is your driver short code and your password is your employee ID number".



Forgot your password?

Once signed in select Classroom on the left of the screen, this will take you to the current videos as shown below. To begin the session click on start class. At the end of each video there will be a short quiz to complete before moving on to the next video. Once each video has been completed successfully they will be placed in your completed file with test results sent to the system administrator to be signed by the employee next time they are at the Grand Island, NE terminal.

Classroom

Assigned

| | | | | | | | Search |
|----------------|------------------------|--|---------------|----------|--------------|------------|---------------|
| | | Course Name | Course Type 🗼 | Content# | Start Date 🔻 | End Date 🛊 | Status |
| Start Class | 2nd Quarterly Training | Drug and Alcohol | Assignment | 1 | 04/01/20 | 06/30/20 | Not Attempted |
| Start Class | 2nd Quarterly Training | Entry Level Driver Training - Trucking | Assignment | 1 | 04/01/20 | 06/30/20 | Not Attempted |
| Start Class | 2nd Quarterly Training | Trucking Industry | Assignment | 1 | 04/01/20 | 06/30/20 | Not Attempted |
| wing 1 to 3 of | 3 entries Show 10 V | entries | | | | Previous | s 1 Next |

6.3 Loads with Claims

Anytime a load is signed anything other than free and clear the below procedure must be adhered to in order to process the claim and determine who is liable for the claim.

Procedure:

- 1. Notify dispatch immediately of the issue and explain what happened. Was the damage shipper related, in route, or did the receiver cause the damage. We must provide evidence as to where the damage occurred, bills must reflect this with notations and be signed by the customer.
- 2. Take pictures of the load as soon as you realize there is an issue or have been notified of a potential problem, It is preferred that the load is still on the trailer but if necessary take pictures of the product(s) on the ground. Take multiple pictures from different angles.
- 3. Cellphone pictures may be used; however, they must be emailed and or texted to the safety manager within 24 hours of the event. (Safety cell 308-379-3797)
- 4. Notify the operations and safety department of the claim before leaving the customer. If this occurs during the weekend or while the offices are closed please contact safety the next business morning or via Omnitracs message number 38.
- 5. In case of an emergency afterhours or on the weekend call the afterhours number to operations and or safety.

How to Protect Yourself against Claims

- Check the load for damage and proper loading, report or have the shipper fix any issues before departing. Focus on rust, bends, paint damage or lack of dunnage to support the load. Do not depart with load issues without checking with dispatch/operations.
- Assure that you have read and met all the requirements in the shipping notes in your Omnitracs load notes. These items such as <u>load must be tarped</u>, <u>requires plastic</u>, <u>blocking</u> etc. will help prevent liability to you and Chief. They are noted because the customer requires these steps to assure a quality load is received without damage.

• Perform load checks throughout the trip as required by Chief and DOT. Address securement issues as they are discovered during the trip.

6.4 Passenger Policy

Scope of Program: Chief Carrier's rider program is open to immediate family, which includes wife and children; it is also open to grandchildren and significant live in partners under very specific conditions as outlined below. Please note that approval from safety and required paperwork must be taken care of in advance of allowing any qualified person to ride in a Chief Carriers owned or leased vehicle. Chief Carriers is not responsible for accidents or injuries that occur while riders are on the truck and not responsible for loss of possessions or theft. All riders and or guardians of riders must sign a release in order to receive an authorization to ride form Chief Carrier's safety department. See policy specifics below:

- Wife: Annual rider passes are available for wives to ride and expire on January 31 following the year of issue. Documents required are as follows.
 - A driver's license or Photo ID card
- Children: Children/Stepchildren over 12 years of age are permitted to ride during the April
 through September when road conditions are typically safer. Children are only permitted for two
 weeks at a time and authorization forms expire after 15 days. Documents required are as
 follows.
 - Birth Certificate
 - Identifying photo in case of an emergency is required.
- Grand Children: Grand Children over 12 years of age are permitted to ride during the April
 through September when road conditions are typically safer. Children are only permitted for two
 weeks at a time and authorization forms expire after 15 days. Documents required are as
 follows.
 - Birth Certificate
 - Identifying photo in case of an emergency is required.
 - Power of attorney for medical care in the event of an accident.
- **Significant Live in Partners:** Annual rider passes are available for live in partners to ride and expire on January 31 following the year of issue. Documents required are as follows.
 - Driver's license or photo ID
- Hitch Hikers and unauthorized passengers are prohibited at all times
- Passengers **must** wear their seat belt. If not, no further releases for the passenger and no further passengers for the driver for the duration of the season or for one calendar year.
- One passenger permitted at a time per request.
- Passengers are **not** qualified drivers; therefore, they are not allowed to participate in any driver's duty whether it is driving, working, tying loads down, etc. Passengers are also subject to all rules of the customers we pick-up or deliver to.
- Any abuses by Company drivers, contractor drivers or contractors will result in loss of the rider program privileges and possibly termination of employment or lease.

6.5 Drug & Alcohol Policy

Purpose

o It is the policy of Chief Carriers, Inc. that its drivers be free of substance abuse and alcohol abuse. Consequently, the use of illegal drugs by drivers is prohibited. Further, drivers shall not use alcohol or engage in "prohibited conduct" as defined herein. The overall goal of this policy is to ensure a drug and alcohol-free transportation environment and to reduce accidents, injuries, and fatalities. Chief Carriers adheres to all Federal DOT regulations in regards to drug and alcohol testing.

Type of Tests

- Pursuant to regulations promulgated by the Department of Transportation (DOT),
 Chief Carriers, Inc. has implemented 4 circumstances for drug and alcohol tests:
 - (1) pre-employment testing,
 - (2) post-accident testing as defined by DOT regulations,
 - (3) random testing,
 - (4) reasonable suspicion testing,

Refusal to Test

Refusal to submit to the types of drug and alcohol tests employed by the Company will be grounds for refusal to hire driver / applicants and to terminate employment of existing drivers. A refusal to test is defined to be conduct which would obstruct the proper administration of a test. A delay in providing a urine or breath specimen could be considered a refusal. If a driver cannot provide a sufficient urine specimen or adequate breath, a physician of the company's choice will evaluate him / her. If the physician cannot find a legitimate medical explanation for the inability to provide a specimen (either urine or breath), it will be considered a refusal to test. In that circumstance, the driver has violated one of the prohibitions of the regulations.

Consequences of Policy Violation

- Any driver who becomes unqualified or engages in prohibited conduct as set forth herein will be terminated from employment.
- Drivers are prohibited form consuming or possessing alcohol on company property or company owned vehicle. All company owned or leased vehicles are subject to search at any time or any place at management's discretion.

6.6 Driver Safety Management Point System

The purpose of Chief Carrier's Driver Safety Management System is to identify and track safety violations, coach and train for compliance and administer corrective action. If adequate progress and compliance is not achieved, corrective action will be taken up to and including termination. The Driver Safety Management System will be based on a point system as outlined in the following pages. This policy applies to company drivers, owner operators and their perspective drivers. This system assigns points for violations of DOT regulations, company policy, as well as preventable accidents. The driver will have the ability to accumulate credit points for violation and accident free months, remedial training and safety awards.

Points Assessment:

Note: Management reserves the right to assess points not specifically identified below.

Preventable Accidents:

- Roll Away vehicle 10 pts
- Jackknife- 10 pts
- Rear end another vehicle-10 pts
- Ran off roadway-10 pts
- Intersection/Broadside another vehicle-10 pts
- Backing-8pts
- Struck parked vehicle-8 pts
- Side swipe moving vehicle-8 pts
- Struck fixed object-6 pts
- Unreported vehicle body damage-5 pts
- Other Preventable Accidents (Management Discretion)

Hours of Service Violations:

- 8 Hour Break Violation- 5-15 pts (2 violations or less in 30 days =5 pts/3 or more in 30 days =15pts)
- 10 hour violation-5 -15 pts (2 violations or less in 30 days =5 pts/ 3 or more in 30 days =15pts)
- 11 hour violation-5 -15 pts (2 violations or less in 30 days =5 pts/ 3 or more in 30 days =15pts)
- 14 hour violation-5 -15 pts (2 violations or less in 30 days =5 pts/ 3 or more in 30 days =15pts)
- 70 hour violation-5 -15 pts (2 violations or less in 30 days =5 pts/ 3 or more in 30 days =15pts)
- GPS Inaccuracies-5 -15 pts (2 violations or less in 30 days =5 pts/ 3 or more in 30 days =15pts)
- Falsified log- 10 pts 2 or more in same 30 days =15 points
- General form and manner-1 pts
- Fueling inaccuracies -5pts (2 violations or less in 30 days =5 pts/ 3 or more in 30 days =15pts)
- Failure to log drug/alcohol test- 5pts (2 violations or less in 30 days =5 pts/ 3 or more in 30 days =15pts)
- Other violations- Management Discretion

Safety, Operational and Company Policy Violations

- Negative Roadside Inspection or CSA violation. -10 pts
- Seat Belt Violation- 10 pts
- Cell Phone or Texting Violation- 10 pts
- Negative driver observations- 6pts.
- Moving violation conviction (Commercial Vehicle/Speed up to 9 mph less)- 10 pts
- Moving violation conviction (Commercial Vehicle/Speed 10 mph or more)- 15 pts
- Moving violation conviction (Personal Vehicle)- 5 pts
- Failure to perform vehicle inspections (Pre-trip/Post Trip) -10 pts

• Other Policy Violations-(Management Discretion)

Credit Points:

- Safety and Compliance Training (Online or at terminal) 15 pts
- Safety Meeting Attendance (phone or in person)-5pts
- Violation free monthly audit. 2 pts
- Clean DOT Inspection- 5 pts
- Customer Recognition- 5 pts
- Recipient in Top Miler Award-8 pts
- Yearly Chief Carriers Safety Award- 5 pts
- Nebraska Motor Carrier Presidents Club Award- 20 pts
- Drivers are allowed to bank no more than 10 credit points.

The following are considered gross misconduct and can result in termination of safety clearance on the first offense.

- Violation of Chief Industry's drug and alcohol policies or failure to meet DOT guidelines regarding drug and alcohol use and failure to comply with DOT drug and alcohol testing requirements. This would include a false positive or any positive as determined by the MRO.
- Transporting any unauthorized passengers in a company owned or leased commercial vehicle including owner operator leased vehicles.
- Conviction of any speed violation of over 10 mph in a company operated commercial vehicle.
- Unauthorized use of a company owned or leased commercial vehicle.
- Preventable Head on crash involving crossing the centerline.
- Preventable roll over or vehicle upset.
- Preventable hit pedestrian, including motorcyclist or bicyclist.
- Making threats or harming others with or without a weapon.
- Unreported Accident
- Leaving the scene of an accident.
- At fault fatality accident
- Each monthly safety audit findings will be reviewed with each driver; any issues discovered will be covered with the driver and what is necessary for compliance, points assessed, and points removed. Remedial training and or corrective action will also be assigned. The audit is documented and signed.
- Corrective actions will be administered based on the monthly review of management on an individual basis depending on the particular violations and the progress or lack of progress shown.
 At a minimum the following corrective actions will be issued:
 - 1st audit over 50 points verbal warning
 - 2nd audit over 50 points written warning
 - 3rd audit over 50 points final warning
 - 4th audit over 50 points termination

6.7 Hours of Service Compliance and Electronic Logs

All drivers are required to adhere to all DOT regulations, compliance is a condition of your employment, Chief Carriers does not operate illegally or unsafely at any time. Although not all-inclusive, the following is an overview of current regulations and company policies at the time of the revisions to this manual. Any questions on this section should be directed to the safety department.

Electronic Logs (ELOGS)

Chief Carriers runs electronic logs at all times. Every mile driven in every truck you drive must be logged and logged under your Driver ID. Hours of service logs are unique to the driver and not the truck. You can drive multiple trucks in one day just simply log into the next truck and your logs will follow you and be correct. Driving another truck and failing to log the miles or driving a truck while not logged into it is subject to corrective action. Any miles driven by a driver while not "logged in" is recorded by Omnitracs, investigated by safety and then assigned to that driver.

Note: If you are not in, control of the vehicle at any time meaning repairs and going home while parked at a terminal please log off. That way if the shop drives it, your logs and breaks will not be affected. Remember when you log in or out of a vehicle select the correct duty status needed.

Log edits: Drivers are able to edit their logs when a driver error has occurred. The most current status can't be corrected until a new status has been selected. Example: A driver left themselves on duty all night and needed to change to sleeper birth. The driver has to change the current duty status from on duty to another status (off duty, sleeper, on duty), once completed they may now edit their on-duty time from the night before and change to the correct status. Once corrected the system will require logs to be certified.

If you are unable to edit or having issues correcting logs, contact the safety department during business hours for assistance.

Note: Omnitracs Canned Message 38 goes directly to safety's emails and is the best way to get a hold of safety on non-emergency basis. This is also a good way to get a message to the safety manager during the weekends.

Drivers are required while using electronic logs to provide law enforcement officials with instructional or sometimes referred to as visor cards upon request. Chief Carriers provides each driver a folder during orientation that contains these instructional sheets. Note: The folder stays with the driver from truck to truck as it has his/her passwords in it. The purpose of these cards is to instruct the officer on how to get into and view your logs and DOT required vehicle inspection reports (VIR). Failure to produce these upon request can result in fines and CSA points. Drivers are also required to have a non-used paper logbook in their possession, if the Omnitracs unit should fail the driver must immediately start logging their hours on the paper log. Drivers must maintain a recap until the Omnitracs system can be repaired.

All paper logs should be turned in as soon as possible, meet DOT and company requirements. Be legal, legible and complete and should not exceed <u>10</u> days from the time they are written. Paper logs are compared to GPS when audited.

Electronic logs are to be reviewed daily and approved by the driver every 24 hours.

Omnitracs's devices are not to be tampered with, disconnected or messed with in any manner or than proper usage as designed.

Visor Card Samples

DOT Quick Reference Card Vehicle Inspection Report About the Vehicle Inspection application · Yil Vehicle Inspection DOT 11:00 Drivers use the Vehicle Inspection application to perform daily tractor and 08/19/11 13:34 - Vehicle Inspected trailer inspections. When they report a defect, the company can respond Any Defects? Yes No quickly to repair and return the vehicle into service. The driver must acknowledge that the vehicle can be safely operated after a defect is resolved. Battery, Electricals, Wires Engine, Radiator, Exhaust Steering and Suspension Fuel and Oil Wheels, Tires, Chains When you ask to view the last inspection report, instead of giving you a hard Brakes and Accessories copy, the driver will hand you the in-cab display unit and this card. Lights, Reflectors, Mirrors View the last vehicle inspection report 1. On the Home screen, tap 6 2. Tap the Vehicle Inspection button. 5. Tap Next Page to view the rest of the report. 3. Tap the Vehicle Inspected or Trailer Inspected line you want to view. 4. Tap Select. Vehicle Inspection DOT 11:00 ☆ □ Y Vehicle Inspection DOT 11:00 08/19/11 13:34 - Vehicle Inspected ed the vehicle indicated, including the parts and access Your Signature: JOE Vehicle Inspection Truck Number: 000376 Trailer Inspection √ 08/19/11 13:34 - Vehicle Inspected - No Defects √ 08/19/11 13:34 - Trailer Inspected - No Defects 6. When you are finished viewing the report, tap Back to return to the list. + 3 Note: If you are also reviewing the driver's Hours of Service (HOS) logs, you Note: If the previous inspection had a defect, you can view the original report can tap VIR from any HOS screen to open the Vehicle Inspection application. and the resolution information. © 2011-2012 QUALCOMM Incorporated. All rights reserved. Qualcomm and Qualcomm Enterprise Services are registered trademarks of QUALCOMM Incorporated in the United States and may be registered in other countries. All other trademarks are the property of their respective owners. Specifications are subject to change without notice. Qualcomm endeavors to ensure that the information in this document is correct and fairly stated, but Qualcomm is not liable for any enterpors or ornissions. Published information and the property of their respective owners. Published information all any to be subject to U.S. and international export, re-export or transfer (export) laws. Diversion contrary to U.S. and international law is strictly prohibited. 80-JA348-1 Rev. B ONATCONNY. DOT Quick Reference Card Vehicle Inspection Report About the Vehicle Inspection application Vehicle Inspection

Drivers use the Vehicle Inspection application to perform daily tractor and trailer inspections. When they report a defect, the company can respond quickly to repair and return the vehicle into service. The driver must acknowledge that the vehicle can be safely operated after a defect is resolved.

When you ask to view the last inspection report, instead of giving you a hard copy, the driver will hand you the in-cab display unit and this card.

View the last vehicle inspection report

- 1. On the Home screen, tap
- 2. Tap the Vehicle Inspection button.
- 3. Tap the Vehicle Inspected or Trailer Inspected line you want to view.
- 4. Tap Select.



Note: If the previous inspection had a defect, you can view the original report and the resolution information.



5. Tap Next Page to view the rest of the report.



6. When you are finished viewing the report, tap Back to return to the list.

Note: If you are also reviewing the driver's Hours of Service (HOS) logs, you can tap VIR from any HOS screen to open the Vehicle Inspection application.

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ONATCONNY.

What Are the Hours-of-Service Regulations?



As the driver of a large, heavy truck, you have a lot of responsibility as you drive down the road. The biggest concern is safety. That brings us to the main reason for the hours-of-service regulations – to keep fatigued drivers off the public roadways. These regulations put limits in place for when and how long you may drive, to ensure that you stay awake and alert while driving, and on a continuing basis to help reduce the possibility of driver fatigue.

The hours-of-service regulations are found in Part 395 of the Federal Motor Carrier Safety Regulations. These regulations are developed and enforced by the

Federal Motor Carrier Safety Administration, which is part of the United States Department of Transportation. (States may have identical or similar regulations, as we will explain later.)

What Are the Hours-of-Service Limits?

The hours-of-service regulations focus on when and how long you are allowed to drive by placing specific limits on the amount of time you drive your truck and how many total hours you can work before you are no longer permitted to drive a commercial motor vehicle. You must follow three maximum duty limits at all times. They are the 14-hour "driving window" limit, 11-hour driving limit, and 60-hour/7-day and 70-hour/8-day duty limits.

Interstate Truck Driver's Guide to Hours of Service

14-Hour Driving Window

This window is usually thought of as a "daily" limit even though it is not based on a 24-hour period. You are allowed a period of 14 consecutive hours in which to drive up to 11 hours after being off duty for 10 or more consecutive hours. The 14-consecutive-hour driving window begins when you start any kind of work. Once you have reached the end of this 14-consecutive-hour period, you cannot drive again until you have been off duty for another 10 consecutive hours, or the equivalent of at least 10 consecutive hours off duty.

Your driving is limited to the 14-consecutive-hour period even if you take some off-duty time, such as a lunch break or a nap, during those 14 hours.

NOTE If you have a sleeper berth in your vehicle, you may be able to use it to get the required rest and to extend the 14-hour limit. Sleeper berth provisions will be discussed later in this section.

Example: You have had 10 continuous hours off and you come to work at 6:00 a.m. You must not drive your truck after 8:00 p.m. that evening, which is 14 hours later. You may do other work after 8:00 p.m., but you cannot do any more driving until you have taken another 10 consecutive hours off, or the equivalent of at least 10 consecutive hours off duty.

This regulation is found in Section 395.3(a)(2).



11-Hour Driving Limit

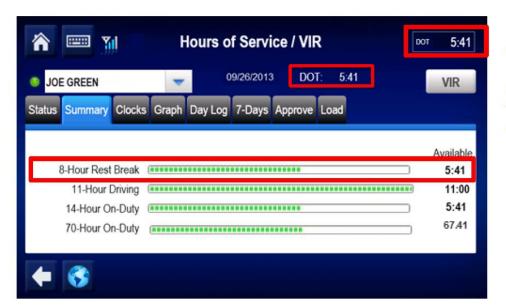
During the 14-consecutive-hour period explained above, you are only allowed to drive your truck for up to 11 total hours. A driver may drive a total of 11 hours during the 14-hour period, however, after June 30, 2013, driving is not permitted if more than 8 hours have passed since the end of the driver's last off-duty or sleeper-berth period of at least 30 minutes. Once you have driven a total of 11 hours, you have reached the driving limit and must be off duty for another 10 consecutive hours (or equivalent) before driving your truck again.

Example: You have had 10 consecutive hours off. You come to work at 6:00 a.m. and drive from 7:00 a.m. until 2:00 p.m. (7 hours driving). You take a 30-minute break to meet the new hours-of-service requirements (after 7/1/2013), and then can drive for another 4 hours until 6:30 p.m. You must not drive again until you have at least 10 consecutive hours off duty. You may do other work after 6:30 p.m., but you cannot do any more driving of a commercial motor vehicle on a public road.

This regulation is found in Section 395.3(a)(3).

Thirty-Minute Break

Effective July 1, 2013, the hours of service regulations will require that if more than 8 consecutive hours have passed since the last off-duty (or sleeper-berth) period of at least half an hour, a driver must take an off-duty break of at least 30 minutes before driving. For example, if the driver started driving immediately after coming on duty, he or she could drive for 8 consecutive hours, take a half-hour break, and then drive another 3 hours for a total of 11 hours. In another example, this driver could drive for 3 hours, take a half-hour break, and then drive another 8 hours, for a total of 11 hours. Because of this new short break provision, drivers will be able to work 13.5 hours in the 14-hour period (if they are driving after the 8th hour on duty). The driver must be off duty for at least a half hour. Meal breaks or any other off-duty time of at least 30 minutes qualifies as a break. This time does count against the 14-hour driving window, as allowing off-duty time to extend the work day would allow drivers to drive long past the time when fatigue becomes extreme. In addition, FMCSA has also added an exception for drivers of commercial motor vehicles carrying Division 1.1, 1.2, or 1.3 explosives to allow them to count on-duty time spent attending the commercial motor vehicle, but doing no other on-duty work, towards the break. This 30-minute break is further explained in greater detail throughout this document, particularly as it relates to the 11-hour driving rule.



DOT clock considers rest break clock, but still always shows the lowest of all clocks.



Warning only if less than 2 hrs remaining on the rest break clock

60/70-Hour Duty Limit

An addition to the limits that are explained above is the 60/70-hour limit. This limit is based on a 7 or 8-day period, starting at the time specified by your motor carrier for the start of a 24-hour period.

This limit is sometimes thought of as a "weekly" limit. However, this limit is not based on a "set" week, such as Sunday through Saturday. The limit is based on a "rolling" or "floating" 7-day or 8-day period. The oldest day's hours drop off at the end of each day when you calculate the total on-duty time for the past 7 or 8 days. For example, if you operate on a 70-hour/8-day schedule, the current day would be the newest day of your 8-day period and the hours you worked nine days ago would drop out of the calculation.

| DAY | HOURS |
|--------------|----------|
| 1. Sunday | 0 |
| 2. Monday | 10 |
| 3. Tuesday | 8.5 |
| 4. Wednesday | 12.5 |
| 5. Thursday | 9 |
| 6. Friday | 10 |
| 7. Saturday | 12 |
| 8. Sunday | 5 |
| TOTAL | 67 hours |

As an example, in the table shown above, the driver has accumulated a total of 67 on-duty (driving and on-duty) hours in an 8-day period. If this driver is operating on the 70-hour/8-day rule, he/she would be in compliance with the HOS rules in this example. Once the driver reaches the 70-hour mark, the driver cannot drive the commercial motor vehicle until he/she has taken enough off-duty hours to operate again. In this particular example, when the driver reaches the 9th day of the cycle (the second Monday), the hours from Day 1 of the cycle (the first Sunday) would drop off, and the driver would then be calculating his or her hours for Days 2 through 9 (Monday–Monday). These same principles apply for the 60-hours in 7-day HOS rule as well.

34-Hour Restart

The hours-of service regulations allow you to "restart" your 70 hour clock calculations after having at least 34 consecutive hours off duty.

Note: 34 Hour restarts are an exception allowed by the DOT and are not required at anytime. You are expected to run the 70/8 day rule and run by your recap and available hours. While we encourage you whenever feasible to get a 34 hour restart we will not delay pick ups and deliveries or sit a truck for the purpose of achieving a 34 hour retsart.

What Is On-Duty Time?



The 60-hour/7-day limit and 70-hour/8-day limit are based on how many hours you work over a period of days. Just what kind of work is included in on-duty time? It includes all time you are working or are required to be ready to work, for any employer. It includes the following activities:

- All time at a plant, terminal, facility, or other property of a motor carrier or shipper, or on any public property, waiting to be dispatched, unless you have been relieved from duty by the motor carrier:
- All time inspecting, servicing, or conditioning any truck, including fueling it and washing it at any time;



- All time loading, unloading, supervising, or attending your truck; or handling paperwork for shipments;
- All time taking care of your truck when it is broken down;
- All time spent providing a breath, saliva, or urine sample for drug/alcohol testing, including travel to and from the collection site;
- All time spent doing any other work for a motor carrier, including giving or receiving training and driving a company car; and
- All time spent doing paid work for anyone who is not a motor carrier, such as a part-time job at a local restaurant.

The bottom line is that on-duty time includes all time you are working for a motor carrier, whether paid or not, and all time you are doing paid work for anyone else.

The definition of on-duty time is found in Section 395.2.

What Is the Adverse Driving Conditions Exception?

If unexpected adverse driving conditions slow you down, you may drive up to 2 extra hours to complete what could have been driven in normal conditions. This means you could drive for up to 13 hours, which is 2 hours more than allowed under normal conditions. Adverse driving conditions mean things that you did not know about when you started your run, like snow, fog, or a shut-down of traffic due to a crash. Adverse driving conditions do not include situations that you should have known about, such as congested traffic during typical "rush hour" periods.



Even though you may drive 2 extra hours under this exception, you must not drive after the 14th consecutive hour after coming on duty, and you must comply with the minimum 30-minute short break provisions effective July 1, 2013.

This regulation is found in Section 395.1(b).

6.8 Personal Conveyance (PC) or "Off Duty Driving" Policy

Chief Carriers allows the use of our trucks for personal business while out on the road conducting business for our company under very specific company and DOT guidelines. Below are the guidelines for using PC. (PC is not allowed when a driver is home on personal time off; truck should be parked until dispatched.)

- Maybe used for personal use not under dispatch, shopping, going to restaurants, laundry mat etc. Driver may not leave the town or vicinity they are currently in.
- Driver are not paid for miles driven in PC.
- 2-hour limit per day.

PC cannot be used for: (Examples)

- Going to a shipper or receiver under dispatch
- To avoid starting your 14-hour clock.
- To advance your position when out of hours
- To avoid taking your 10 hour break as required
- A driver placed out of service for exceeding the requirements of the hours of service regulations may not drive a CMV to any location to obtain rest.

Inappropriate or illegal use of PC is considered falsifying your log and will result in corrective actions and continued abuse will result in loss of the privilege by that driver.

6.9 Permits and Licensing of Units

All permits (prorate, fuel and operating authority) will be issued from the Safety and Compliance Department. The driver must sign for each permit received and is responsible for its proper display. If the driver fails to pick up his/her permits and is fined for "failure to display", it will be the driver's responsibility to pay the fine. Permit requirements are changing year-to-year, meet with the Safety Department to become familiar with the changes and be sure your new assignment has the required permits.

All new contractors leasing onto Chief Carriers, Inc. for the first time or who have a newly purchased tractor will be given a permit list when their original permit packet is issued. All states that your tractor is not legal for will be noted with instructions for you to follow to be legal should you need to travel into or across that state. New York, New Mexico, and Oregon require a wire before entering those states. If in doubt on any permit requirement, please contact the Safety Department. It will save both of us possible grief.

All contractors are responsible for their fuel and mileage taxes on a monthly basis. Chief Carriers, Inc. will issue a monthly-computerized statement showing miles traveled, fuel purchased, state tax rates, debits, credits and bottom line liability or credit figures.

All Federal Highway Use Tax (2290) payments are the sole responsibility of the contractor. Chief Carriers, Inc. must be furnished receipts of payments every year prior to ordering your base plate.

Permit books are not to be removed from trucks for any reason.

6.10 Accident Prevention Strategies and Reporting Procedures

Accident prevention is key to any motor carrier's success as well as that of the driver. Accidents are <u>not</u> an unavoidable part of driving and good driving records are not a matter of luck. Good driving records come from always driving defensively and thinking ahead to avoid dangerous situations.

Accident Prevention Strategies

- Perform proper pre-trip and in route inspections. Make needed repairs to ensure safe travel.
 Perform frequent checks of the load and equipment during the trip.
- Utilize defensive driving techniques at all times. Avoid distractions.

- Drive professionally and non-aggressive.
- Plan trips. An exhausted driver is a dangerous driver. Leave early enough, take proper breaks and watch your speed.
- Drugs and alcohol. We expect all drivers to comply with Part 382 of the Federal Motor Carrier Safety Regulations. Abuses in these areas can result in automatic termination.
- Backing. Backing accidents can be prevented. Never back into an area without first checking for hazards. Always use a spotter when blind-side backing and backing into or across traffic. Never depend totally on a spotter. YOU are still responsible. Remember 'GOAL' – Get Out And Look!
- Parking on road shoulders and entry/exit ramps is prohibited.
- Get directions. If unsure of delivery/pick-up point, get directions from a safe area, i.e. truck stop
 or rest area. Do not park in areas where your unit may pose a hazard to the flow of traffic. If lost,
 do not forget the rules of driving. Lost drivers, at times, take too many chances trying to correct
 errors.

Always give yourself plenty of space. Allow, if possible, 6 to 8 seconds between you and the vehicle ahead of you at a minimum. When entering construction zones, allow for anything; changes in traffic patterns, speed and possible stoppage of traffic. Obey all traffic and speed regulations.

Accident Reporting Procedure

- Secure the scene. Take all necessary precautions to prevent further accidents.
- Call 911- All vehicular accidents are to be reported to the police and a police report is required.
- Give all reasonable assistance to injured persons. However, do not move them unless their location is life threatening or they are in imminent danger.
- Notification of company. Call safety immediately, if after hours use emergency numbers.
- Cooperate with local authorities for investigation at the scene. This includes accidents occurring
 on private property (truck stops, shipper or consignee facilities, etc.). DO NOT ADMIT FAULT
 FOR THE ACCIDENT.
- Exchange information with the other party(s) involved in the accident. DO NOT ADMIT FAULT FOR THE ACCIDENT. Completely fill accident report book located in your permit book.
- The following check list is the information you must write down at the scene of the accident:
 - License plate number of the other vehicle(s).
 - Driver's name, address, phone number and driver's license number.
 - Owner's name, address, phone number.
 - Name, address and phone number of any passengers.
 - Name, address and phone number of any witnesses.
 - Other party(s) insurance carrier and policy number.
 - Description of other vehicle(s) i.e. year, make, model and vehicle license number.
 - If other vehicle(s) is tractor/trailer, the unit numbers.
 - Description of property damage incurred by all vehicles i.e. left fender, headlight, etc.
 - Investigation officer's name, badge number and whether they are a local, county or state official. Ask for the address and phone number of the officer's department and the case number of the accident report.

YOU SHOULD BEGIN THIS EXCHANGE OF INFORMATION EVEN BEFORE AUTHORITIES ARRIVE AT THE SCENE.

IMPORTANT ACCIDENT PROCEDURES:

- DO NOT admit fault for the accident.
- DO NOT make any statements other than answering questions asked by the investigating law enforcement personnel ONLY.
- Be POLITE and COURTEOUS at all times.
- DO NOT attempt to settle ANY accident by yourself. ALL accidents, no matter how minor they
 may seem to you, MUST BE REPORTED!
- If you strike an UNATTENDED VEHICLE, stop and locate the driver or owner. If you cannot
 locate the owner or driver, please leave your name, unit number, Chief Carriers name and our
 toll-free number on the vehicle. CALL POLICE and the Safety Department to report this incident
 immediately!
- Take photographs of the scene and the damaged parts of your vehicle and the other vehicle(s) involved. Photo's should include full shots of all 4 sides of vehicles involved including license plates, intersections of area, any skid marks that may be present.

6.12 Reporting Tickets & Citations

Drivers are required by Federal Law to report any ticket, license suspension or revocation to both the State that issued your CDL and to Chief Carriers, Inc. immediately. Drivers are responsible for tickets and fines.

6.13 Progressive Safety Coaching & Training Process

Violation of Company policies or procedures may result in disciplinary action including demotion, transfer, leave without pay, or termination of employment. The Company encourages a system of progressive discipline depending on the type of prohibited conduct. However, the Company is not required to engage in progressive discipline and may discipline or terminate an employee where he or she violates the rules of conduct, or where the quality or value of the employee's work fails to meet expectations at any time. Again, any attempt at progressive discipline does not imply that your employment is anything other than on an "at-will" basis.

7.0 Maintenance Shop Procedures

7.1 General Shop Procedures

Maintenance of equipment is crucial to keeping a fleet safe, productive and cost efficient. The drivers who work with this equipment can make the difference whether a maintenance program is effective or not. Your failure to do proper inspections daily, write-up and/or be repaired what needs attention, can make the difference in the safe handling of the equipment or its working life. Equipment placed out-of-service at state inspection sites affects Chief Carriers and you in these ways:

- Time lost and aggravation,
- Direct cost repair of out-of-service equipment, fines and your lost time
- Impacts the company profile directly which can result in a full compliance review of everyone's paperwork.

While at the Grand Island terminal, be aware of these important items:

- Remove all personal belongings needed before truck enters shop for service or repair.
- Use the Driver's Lounge when waiting for repairs.
- No blocking of shop doors with trucks or trailers unless directed to by shop personnel to do so.
 Park your unit away from the shop doors until the mechanics are ready for your unit(s). This area
 must be kept clear unless otherwise directed. The same is true for the lot. Always leave two lanes
 open so vehicles can get through. Park all trucks and trailers in designated parking areas only.
- 10mph speed limit for both company and personal vehicles in all company parking lots.
- If you are going to stay parked over 2 hours, please separate your units. This will allow the shop access to your equipment for maintenance and reduce the prospect of an accident to your unit.

7.2 Scheduling Your Shop Repairs

Prior to maintenance mileage or date due, you will receive an Omnitracs message or phone call from our shop telling you when your truck is due for preventive maintenance inspections including lube and oil changes. This might also be communicated to you through dispatch department. The maintenance department may elect to perform inspections and repairs prior to due dates or mileage due. All tractors, APUs and trailers have differing intervals for shop inspections. You shall contact dispatch and inform them you need to get to Grand Island shop for service and/or repairs. All scheduling with shop to be done with Maintenance department and a daily appointment time will be given if our schedule requires it. Please do not be late for scheduled appointment times. If you will not make an appointment, call the Maintenance department.

Follow these steps to schedule work on your tractor:

- Call the shop as soon as you can accurately project your time of arrival in Grand Island.
- Verify with maintenance department the estimated time your truck will be down.
- Call dispatch to inform them your assigned tractor will be out of service for that period. Pre-book yourself on next outbound load based on estimated completion time.
- You may be assigned a "loaner" truck to complete a local delivery, or to complete your next dispatch if your assigned tractor will be down for more than one day.

7.3 Grand Island Terminal Safety Lane Safety Lane - Arriving Grand Island Terminal During Business Hours, Monday - Friday

- Use south entrance.
- Pull to end of entrance curb.
- Enter through driver entrance.

- Complete Driver Vehicle Inspection Report (DVIR) at dispatch counter. Sign it and give to Maintenance Clerk.
- Reguest a trailer check from Maintenance Clerk.
- If you have service or repairs needed, inform Maintenance Clerk.
- Wait for mechanic to arrive and inspect truck/trailer and go over inspection with you.
- If you have a load for the plant and you have work needing done on your tractor, you may be given a spare truck to deliver your load while your tractor is being repaired.
- If bringing in an empty trailer, the mechanic will inform you where to park it. An aerial view of trailer parking locations is located above the dispatch counter.
- Please do not block shop doors or trash dumpsters.
- Please leave Safety Lane area as soon as the inspection is complete.

7.4 After-Hours Write-up & Repair Order Process Arriving Grand Island Terminal, After Hours

If you arrive after hours or weekends, the written DVIR for the trailer and/or truck, if repairs needed, is located on the dispatch counter. Write up the trailer and/or truck and sign it. Place in the trip envelope slot or slide it between the glass panes at the maintenance window.

If you know items on trailer are in need of repair, attach a RED OUT OF SERVICE tag to the trailer glad hand when you park it. If the trailer needs inspected by the shop, place a BLUE NEEDS INSPECTED tag on the glad hand when parking.

7.5 OTR Breakdown Procedures

None of us like breakdowns. Yet with equipment, it's going to happen. First off, minor repairs like changing a headlight or taillight bulb etc, we'll allow a driver to do. All other breakdowns require our assistance must be done so by calling:

- 800-845-1765 and press 4 during business hours
- 800-845-1765 and press 6 for after-hours

Check your surroundings for possible repair shops prior to calling. Be thorough in your explanation of your breakdown. Our breakdown staff is available 24/7. We aim to get you going as quickly as possible.

7.6 Breakdown Pay Policy

Breakdown pay is calculated at \$100 per day based upon being broke down for your driving period. If you are broke down more than 4 hours, but less than a day, your breakdown pay may be adjusted accordingly. If a driver is broke down 3 consecutive 24 hour periods (3 days) or more, the driver's breakdown pay will be calculated by taking his/her average miles per day during the previous 13 weeks and multiplying by the number of 24 hour periods of downtime.

For example (assuming four 24-hour periods down):

- A driver had 33,784 total miles previous 13 week period ÷ 13 weeks = 2,598 miles per week
- 2,598 miles per week ÷ 7 days = 371 miles per day
- 371 miles per day x 4 days down = 1,484 average miles
- 1,484 average miles x \$0.47 per mile wage = \$697.48 breakdown pay
- If a driver is offered a loaner truck to drive while his truck is being repaired, and he/she refuses it, no breakdown pay will be issued.

Operations and Maintenance departments will determine if any pay will be issued and will evaluate breakdowns occurring on the first day individually. This evaluation will include any circumstances related to load pickup and delivery time, repair time, vendor shop issues, negligence, required driver breaks and any other issues involved.

If breakdown pay is issued, no layover pay will be issued.

Due to Saturday pay cutoff, it is possible if you were broke down at the end of the week through the beginning of the following week, your breakdown pay will be in two different pay periods

The Maintenance Supervisor will evaluate each event on a case-by-case basis and has the authority to modify the payment accordingly.

7.7 Tire Policy

In the event of a tire flat or blown tire, you must contact our OTR breakdown technicians. Please be prepared with the following information:

- Your location
- Are you near, or do you recall, a tire store or truck stop you recently passed?
- Which tire is flat or blown?
- Is the tire next to it ok?
- What is the tire size (trailer)?
- Has the blowout affected anything else? (air lines, lights, crossmembers, ICC bumper)

It's possible you could be asked to return a tire casing to either Grand Island, NE or Rensselaer, IN. Many times, we can receive a full or partial refund on warranty for returned tires or can trace a pattern of defects. Follow these procedures for trailers and company trucks. Any exceptions for not being able to return a tire to Grand Island or Rensselaer must be discussed while on the phone with our break down technician.

- Return the carcass to the shop supervisor, lead mechanic or terminal manager at Grand Island or Rensselaer so you can be cleared.
- Should you drop the equipment, the tire that came off the unit must still be brought to either Grand Island, NE or Rensselaer, IN. Inform the shop supervisor you have a tire. If after hours, the tire may be placed on east side of Grand Island shop.

7.8 Trailers & Side Kits

The cost of repairs to sided trailers can be kept down by following a few simple procedures.

- Do not pound sideboards and stakes in place. Look things over. It could be a simple matter of a groove bent in the stake not allowing the sideboard to go in place.
- Fold the tarp correctly. Do not just wad it up and put the equipment on top of it. This will wear holes in the tarp and will cause the tarp to leak.
- Use correct tailboards for the proper trailer. If the boards do not seem to fit correctly, then someone has put the wrong boards in place.
- Do not use a cheater pipe on the chain across the back of trailer. If you must use one, something is not in place correctly.
- Always try to put trailer up completely or all in the headboard. Running down the road empty with only the panels in place causes extra wear and damage to stakes and panels.
- Always report damage to the Shop, Safety or Operations as soon as possible. If it is the result of
 other parties, we may be able to get the cost of repairs back or bring it to the attention of the
 customers who are causing the damage.
- All equipment found on the side kit trailer must stay with the trailer, including straps.

Trailer Dump Valves

All trailers are equipped with hand operated dump valves located roadside, between the axles on older trailers and behind the landing gear on newer trailers. When air is "dumped" out of the trailer suspension, the rear of the trailer settles thus providing a more stable trailer during loading/unloading. When hooking to the trailer, turn the dump valve off so air will fill the air bags. When disconnecting from the trailer, turn the valve on so air will release from the air bags. Failure to do so may result in a loaded trailer having the dolly legs collapse.

<u>Truck Dump Valves – Unhooking Trailer</u>

Trucks are equipped with an air bag dump valve. When unhooking from a trailer, particularly when the trailer is park at an incline; as you are ready to pull away from the trailer, engage the dump valve then pull out from under trailer. This will help reduce bouncing of the truck when exiting the trailer. Immediately disengage the valve switch so the suspension will return to normal. Failure to disengage the dump valve and fill the suspension airbags will result in drivetrain vibrations and/or damage to components.

7.9 Owner Operator Quarterly & Annual Equipment Safety Inspections

Every month a "safety" inspection must be done by our shop on all units leased to Grand Island Contract Carriers. This inspection is at no charge to the contractor. In lieu of this inspection, a contractor may elect to provide a monthly detail of all maintenance performed. (Refer to your contactor agreement). Any repairs can be performed elsewhere if the unit fails to pass. No dispatch will be done with these units until the required inspections and repairs are made. During this inspection, your tiedown equipment will also be checked.

Yearly Federal DOT Inspections.

- Contractors turn in proof of the DOT Inspection to the shop and the Safety Department. This is a requirement.
- Company trucks decals for proof of a DOT Inspection are located on the door jamb post with a copy of the inspection report located in the permit book.
- Company trailer DOT Annual Inspection decals are located near the dolly leg crank handle.

7.10 Cold Weather Operation

Winter fuel gelling and freeze-ups cost THOUSANDS of \$\$\$\$ to thaw trucks = downtime & no miles! Cold weather is considered below +32°F, the point that water freezes, day or night. Additive must be used to not only prevent gelling, but to disperse water accumulated in the fuel. Be smart...know the temperature conditions where you are going or will be parked for the night.

All approved additives are available at both the Grand Island and Rensselaer locations. Ask for them.

In cold weather, always operate on the top half of the fuel tank. This means you should be refueling when the truck fuel gauge is close to ½. Do not run fuel level to ¼ or below...trouble will result!

Fuel additive is added to the tank PRIOR to refueling.

Also, purge air from the air tanks twice daily to remove any accumulated moisture in air tanks to prevent truck and trailer airline freeze ups!

- When parked at Chief Carriers yards, always plug your truck in.
- If you have questions about using additives or find yourself without additive on the truck and must purchase on the road, check with the Shop Manager and review Winter Operations Additive located at the end of this section.

- Warming up before moving. In cold weather, it is important to warm the engine up before moving.
- If the engine has been shut down for a long period, during extreme cold temperatures, always let the engine idle for at least 30 minutes, then proceed at a low RPM until operating temperature is reached. This also will allow other fluids to warm up in the axles, transmission, etc.
- Use the APU except in periods of extreme cold (-30 degrees and colder). Never refer to 'wind chill' when determining outside temperature.
- All trucks are equipped with air tank drain valves with cable attached to release accumulated
 water in the air tanks. A short 2-3 second pull of the cable twice a day will help get rid of this
 water and prevent airline freeze ups to trailers and rusting out of air tanks. Should the valve stick
 "open" when releasing the cable, pull the cable quickly a few times to reset the valve and stop
 the airflow.
- DRIVER USE OF STARTING FLUID OR POWER SERVICE 9-1-1 IS PROHIBITED AT CHIEF CARRIERS!

Examples of additives approved and supplied by Chief Carriers:



Flextreat or Penray Winter Pow-R Plus from Rensselaer & GI Terminal (QUART BOTTLES) OUTSIDE TEMPERATURE:

- $+20^{\circ}$ TO $+32^{\circ}$, use ½ bottle per tank.
- $+10^{\circ}$ TO $+20^{\circ}$, use 1 bottle per tank.
- $+10^{\circ}$ to -40° , use 2 bottles per tank.



White for Winter

Power Service from Grand Island Terminal (1/2 GALLON BOTTLES)

OUTSIDE TEMPERATURE:

- $+20^{\circ}$ TO $+32^{\circ}$, use ½ bottle per tank.
- $+10^{\circ}$ TO $+20^{\circ}$, use 1 bottle per tank.
- $+10^{\circ}$ to -40° , use 2 bottles per tank.

APU Operation and Settings

Two brands of APUs currently exist in the fleet, Carrier and Thermo King. These are installed on the truck for a few reasons:

- Save wear and tear on engine and emission components due to overnight idling.
- Save on fuel cost as compared to idling truck engine overnight.
- To be legal in California for controlling cab temperature overnight without idling truck.

To maintain battery charge while truck is parked for extended periods such as during your time
off.

The operation between the two brands is different. The Carrier APU has a 120-volt generator in order to generate electricity to power your accessories. You will find a standard 110-volt outlet, similar to a wall outlet in a home, located on the lower front wall of the bunk. The Carrier has both an air conditioner cooling unit and a heating unit to cool or heat the bunk.

The Thermo King does not have a generator and therefore uses an inverter, located near the passenger seat, to operate your accessories. A Thermo King only has an air conditioner cooling unit to cool the bunk. Thermo King uses a diesel-fired heater to heat the cab. Because the heater is diesel-fired, it is not necessary to operate the APU when using the Thermo King heater.

*Contact or ask shop personnel for specifics on operating the APU.

MONDAY OF EACH WEEK, OR WHEN YOU RETURN TO TRUCK FROM BEING OFF, USE MACRO 8 ON QUALCOMM TO SEND YOUR APU HOURS TO MAINTENANCE.

7.11 Care and Cleanliness of Equipment

- Remove trash, pop bottles, etc. each time you stop to fuel and prior to shop repairs.
- No holes drilled in the dash or any part of the cab or cabinets.
- No extra signs, lights or decals added to the unit without proper authorization by the Shop Manager. Chief Industries has restrictions as well.
- Window obstructions. In keeping with FMCSR's Part 393.60 (c), do not allow objects hanging from the visor or anywhere in the cab to hinder the driver's vision (other than factory installed equipment, Prepass units, I-Pass units or required equipment attached to the windshield).
- No large piles of envelopes or other paper between the dash and the windshield.
- No tinting of windows.
- Truck washes. Keep the exterior of your units clean. Use common sense when to washing the truck limit washes to every 15th day. We want our equipment looking good but please do not overdo this. Any drivers with washes in excess of every 15th day will be charged for the wash and will be taken out of the driver's payroll on the next check after the discovery of the violation wash. Most of our network truck wash facilities will not authorize washes within 15 day of previous wash.

Note: We do not wash trailers or engine compartments unless authorized by management.

- We have an open account for truck washes only at all Blue Beacon Truck Washes. Chief
 Carriers does not pay for engine compartment washes or use of brightener's... If you experience
 problems with a particular stop taking our truck on open charge, please call and report. Driver
 signature and unit number required.
- We also have an open account for a truck washes at Diamond Truck Wash on Hwy. 281, south
 of Grand Island.

7.12 Tarp and Securement Equipment Policies

It is each driver's responsibility to keep track and care of the securement equipment assigned to your truck. Occasionally equipment does wear out and need to be replaced. Most tarp tears can be prevented if the driver uses proper techniques.

If a driver requests more than two equipment exchanges in a six-month period that are deemed to be preventable damage, the company will follow these steps:

- 1. The maintenance or safety manager will interview the driver to identify specific loads that are causing equipment damage. Videos may be assigned for additional training.
- **2.** The driver will be routed to Grand Island for an additional one day of hands-on securement training with one of our trainers.
- **3.** The cost of the tarp repairs or replacement may be charged to the drivers escrow account.

Occasionally the need will arise when securement equipment wears or otherwise cannot be used.

PLEASE DO NOT TAKE SECUREMENT EQUIPMENT OFF OTHER TRUCKS IN THE YARD.

Equipment Exchange – Grand Island

- Check in with the maintenance clerk at the shop window
- They will document what you need replaced and how the old equipment became unusable
- Driver will meet a member of the shop team at the at the northeast corner of the building to exchange the equipment

For evening, weekend or after-hours exchanges, call the shop ahead of time to make arrangements prior to your arrival at the terminal. No staff is available after 5 pm or weekends to make exchanges.

Equipment Exchange – Rensselaer

- Check in with the terminal supervisor in the office.
- They will document what you need replaced and how the old equipment became unusable
- Someone will walk out to the equipment container with you to make the exchange

For evening, weekend or after-hours exchanges, call the terminal supervisor ahead of time to make arrangements prior to your arrival. No staff is available after 4 pm or weekends to make exchanges.

7.13 Tips to save fuel

The purchase of fuel in a trucking company is typically 25% or more of all the cost the company incurs other than the purchase of trucks, trailers, buildings and other equipment. Even though changes occur in technology to trucks, engines and the like; the single greatest way to lower cost to a company on a daily basis, is to have the highest mile per gallon possible. This is something every driver in any company can control and usually represents the determining factor in maximizing fleet fuel economy. Driver performance can account for as much as a 35% difference in fuel economy performance.

Drivers directly affect fuel economy in six major ways:

- Attitude A driver must have an attitude that he/she wants to operate the truck in a fuelconserving manner.
- Efficient truck acceleration rates and shifting techniques.
- Horsepower demand.
- Idle time.
- Vehicle speed
- Brake use

Below are some tips, which have been proven to ensure the highest mile per gallon everyday:

• Limit engine idling. Shut the truck off as much as possible, even when away from the truck for a short time. During the winter, the engine will actually "get warmer" with the engine off as heat is absorbed into metal components.

- Conducting thorough pre- and post-trip vehicle inspections.
- Checking and maintaining proper tire air pressure.
- Setting and maintaining proper speed. Use the cruise control as often as possible.
- Avoid "jack rabbit" starts.
- Reduce the number of stops.
- Run at or below speed limit at reduced RPM's.
- Plan ahead. Use progressive shifting. Shift at the lowest possible RPM and operate at the lowest possible speed, which allows you to still arrive safely to your destination and on time. Limit braking as much as possible during deceleration.
- All modern diesel engines are "smart engines." These engines operate at lower RPMs and
 generate huge amounts of torque, which is needed to move the load. Use the cruise control
 and the engine computer will ensure the engine itself will operate at the highest torque and
 horsepower with the least amount of fuel.

Fleet Minimum MPG Expectations/Standards

Chief Carriers currently governs company trucks at 70 MPH. We know that we could realize a substantial fuel savings by reducing the top speed of the trucks, but also know this is one of the many things that sets Chief apart from the competition. Drivers appreciate the ability to stay out of congestion while traveling on the interstates. Additionally, Chief Carriers rewards drivers a quarterly bonus for actively striving for high fuel efficiency.

Because our trucks are set at 70 MPH, it becomes critical that we manage our fuel costs in other ways to keep operating costs in check. Our expectation is for each driver to meet or exceed the minimum standards set below to manage fuel costs:

Minimum MPG of: Winter: 6.2 MPG Summer 6.5 MPG

Idle Time
 Top Gear Usage
 Cruise Control Usage
 Below 10%
 Above 70%
 Above 40%

If the average MPG on the trucks drops below expectations for two consecutive calendar quarters, the company will do one or more of the following in order to help you get into fuel mileage compliance:

- 1. Inspect the truck for mechanical issues related to poor MPG
- 2. Review operating factors with the driver that could be contributing to poor MPG
- 3. Provide additional training for driver on OEM "best practices" for that model of truck
- 4. Turn on gear-down protection to ensure truck is operating in top gear
- 5. Set the foot control at 67 MPH and cruise control at 70 MPH
- 6. Reduce governed speed to 65 MPH
- 7. Initiate automatic engine idle shutdown

8.0 Acknowledgment of Receipt and Review

8.1 Acknowledgment of Receipt and Review

By signing below, I acknowledge that I have received a copy of the Chief Carriers Driver Handbook and understand that it is my responsibility to read the Driver Handbook in its entirety. I agree to comply with the rules, policies, and procedures set forth herein, as well as any revisions made to the Driver Handbook in the future. I also understand that if I violate the rules, policies, and procedures set forth herein that I may be subject to discipline, up to and including termination of my employment.

I understand that the Driver Handbook contains information about the employment policies and practices of the Company. I understand that the policies outlined in this Driver Handbook are management guidelines only, which in a developing business will require changes from time to time. I understand that the Company retains the right to make decisions involving employment as needed in order to conduct its work in a manner that is beneficial to the employees and the Company. I understand that this Driver Handbook supersedes and replaces any and all prior Driver Handbooks and any inconsistent verbal or written policy statements.

If I have questions about the content or interpretation of the Driver Handbook, I will ask my supervisor or Human Resources.

| Signature of Employee | Date |
|-----------------------|------|
| | |
| Print Name | EE# |