





Policy Title: <b>Driving Records and Motor Vehicle Use</b>		Policy No.: <b>HRM-01-09</b>
Department: <b>QHSET</b>		Rev No.: <b>14</b>
Effective Date: <b>April 1, 2005</b>	Approved (Owner): 	Approved (Legal): 
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## 1.0 Purpose and Scope

This policy defines driver's license and driving record requirements for Company CDL Drivers and all other employees. This policy also defines the requirements for operating Motor Vehicles, including Company Owned, leased, or rented vehicles or equipment (COVs), Client Vehicles, and Personally Owned Vehicles (POVs). If there is a conflict between this policy or client requirements, the more restrictive standard will apply. This policy applies to all Company employees and employment candidates.

This policy is not intended to replace, alter, or supersede the provisions of various collective bargaining agreements that may cover union employees' terms and conditions of employment. In the case of a conflict between this policy and the provisions of any collective bargaining agreement, the provisions of the collective bargaining agreement will prevail.

## 2.0 Responsibilities

### 2.1 All Employees must:

- Review and comply with the contents of this policy.
- Submit the completed *Mandatory Notification of Traffic Violation* form along with a copy of the citation to the QHSET and HR Departments when required by this policy.

### 2.2 Supervisors will:

- Determine if the employment candidate's job function requires operation of any COVs, Client Vehicles, and POVs on Company business.
- Ensure only authorized employees operate a Motor Vehicle on Company business.
- Notify the QHSET and HR Departments of reportable Violations reported to them by employees.
- Ensure the completed *Mandatory Notification of Traffic Violation* form along with a copy of the citation is provided to the QHSET and HR Departments.
- Set expectations and foster an environment in the workplace where employees drive and operate all Motor Vehicles safely.

### 2.3 The QHSET/HR Departments will:

- Obtain and review driving records for all employment candidates and current employees as required in this policy.
- Notify employment candidates and current employees if their driving record is unsatisfactory by preparing the applicable *Pre-Adverse Action Notice*. Refer to *Background Check* (HRM-02).
- Notify supervisors of employees who are in Violation of this policy or whose driving records are unsatisfactory.

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### 3.0 References

*Background Check* (HRM-02)

### 4.0 Definitions

**Company CDL Driver** – An employee whose essential job function requires a Commercial Driver’s License (CDL) to operate a COV or Client Vehicle on Public Roads or when required by contract or client. Examples include:

- Operating vehicles with Gross Vehicle Weight Rating (GVWR) of 26,000 pounds; and
- Operating vehicles with GVWR of 10,000 pounds or more, designed to transport 16 or more passengers, including the driver, or used in the transportation of hazardous materials in a quantity requiring placarding under DOT Hazardous Materials Regulations.
- Where required by contract or client requirements.

**COV** – Any Company Owned Motor Vehicle or mobile equipment that is owned, leased, or rented by the Company or any of its subsidiaries.

**Client Vehicle** – Any client owned Motor Vehicle or mobile equipment that is owned, leased, or rented by Company clients.

**Electronic Device** – Any cell phone, personal digital assistant (PDA), tablet, smart phone, or any other electronic device that may cause a distraction to a driver or operator.

**Finding of Violation** – A determination by the Company or a client that a Violation has occurred.

**Motor Vehicle** – Any vehicle or equipment which is self-propelled and capable of transporting a person or persons or any material.

**Moving Violation** – Any Violation committed while a vehicle is in motion.

**Non-Driver** – An employee who is not authorized to operate a COV, Client Vehicle, or a POV while in the course of conducting Company business.

**Non-Moving Violation** – Any Violation committed while a vehicle is not in motion such as parking tickets, equipment deficiencies, expired registrations, etc.

**POV** – Any Personally Owned Motor Vehicle or mobile equipment that is owned, rented, leased, or borrowed by an individual employee. Mobile equipment includes, but is not limited to, snow machines, ATVs, boats, motorcycles, and other means of transportation.

**Public Roads** – Any road, street, or thoroughfare or any other place which is commonly used by the public or which the public has a right of access in any location.

**Violation** – A conviction, plea of fault, or a final determination of a citation by a peace officer or court or a Finding of Violation for any of the items defined in Table 2. Classification of Violations.

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## 5.0 Policy

### 5.1 General Requirements

All employees must abide by all applicable laws and regulations and Company and client policies and procedures at all times when operating Motor Vehicles.

Employees must hold a valid and current driver license for the class of vehicle to be operated that has been issued to the employee by the appropriate state/governmental authority having jurisdiction over Motor Vehicles. In addition, employees who are Company CDL Drivers must have a current and valid medical card and comply with DOT Commercial Driver License (CDL) regulations.

The requirements for a driver's license and satisfactory driving record are established by the Company and may from time to time incorporate additional requirements for any given project, contract, or location.

### 5.2 Driving Records Review

#### 5.2.1 Initial Driving Record Review

The Company will evaluate employment candidates in the following manner:

- Obtain the required *Disclosure and Release for All Driving Records* form.
- Review the employment candidate's driving record to ensure he/she has a valid and current driver's license if required for the position.
- Notify the employment candidate if his/her driving record is unsatisfactory as defined in Table 2 by preparing the applicable *Pre-Adverse Action Notice*. Refer to the *Background Check* procedure (HRM-02).

#### 5.2.2 Non-Driver Designation

The Company may designate employment candidates and current employees who are NOT required to operate a COV, Client Vehicle, or a POV while in the course of conducting Company business as Non-Drivers and obtain signed *Driver Status Acknowledgment* forms.

#### 5.2.3 Company CDL Driver Driving Record Review

The Company will evaluate employment candidates and current employees who are or will be Company CDL Drivers in the following manner:

- Obtain the required *Disclosure and Release for All Driving Records* form.
- Review the Company CDL Driver's driving record upon hire and annually to ensure he/she has a valid driver's license and is qualified to operate the type of vehicle he/she operates.
- Review the Company CDL Driver's past driving performance and work experience through reference checks of past employers as required by this policy and as deemed appropriate.
- Notify the Company CDL Driver if his/her driving record is unsatisfactory by preparing the applicable *Pre-Adverse Action Notice*. Refer to the *Background Check* procedure (HRM-02).

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#### 5.2.4 Driving Record Look Back Period

The look back period for driving record reviews is **two (2) years** and will be conducted for all employment candidates and current employees. The time period will run from the date the violation is final in the person's driving record. Driving record reviews will be conducted as deemed necessary by the Company and in the following circumstances:

- New hires
- Re-hires
- Transfers
- Vehicle accidents while using COV or Client Vehicle, or while using POV on Company business
- Traffic Violations

Employment candidates whose position requires driving as an essential job function will not be eligible for employment if he/she has:

- One (1) or more Disqualifying Violations or
- Three (3) or more Potentially Disqualifying Violations during the preceding two (2) years.

Current employees will not be authorized to operate Company or Client Vehicles if he/she has:

- One (1) or more Disqualifying Violations or
- Three (3) or more Potentially Disqualifying Violations during the preceding two (2) years.

Employees whose essential job function includes operating COVs or Client Vehicles will be subject to other employment actions, up to and including termination. Refer to Table 1.

The Company reserves the right to obtain and review driving records of current employees or employment candidates before employment, at any time and at its discretion.

#### 5.2.5 Reporting Violations

- **Moving Violations** - All employees must report Moving Violations in accordance with Table 1. Potentially Disqualifying Violations and/or Disqualifying Violations received by a law enforcement officer or client security officer will be classified in accordance with Table 2.
- **Non-Moving Violations** - All employees must report Non-Moving Violations in accordance with Table 1.

Employees must verbally report Violations to their supervisor who will ensure that the employee completes and submits the *Mandatory Notification of Traffic Violation* form along with a copy of the citation.

Tickets, fines, or penalties imposed due to the fault of the employee must be paid by the employee and will not be reimbursed by the Company.

Violations will accrue upon conviction, plea of fault, or a final determination of a citation by a peace officer or court or a Finding of Violation. The loss of a driver's license, a pattern of unsafe driving behavior, high profile incidents, or a recent series of violations may, at the Company's sole discretion, also result in suspension of the employee's driving privileges and may result in other disciplinary action, up to and including termination.

It is the Company's position that failure to disclose reportable Violations is a major breach of this policy and will result in a more significant disciplinary action, up to and including termination and ineligibility for re-hire. Tables 1 identifies when to report Violations and Table 2 identifies how these Violations are classified.

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**Table 1. When to Report Violations**

<p><b>CHART A - Employee who is a Company CDL Driver</b></p> <p><b>Report any of the following violations immediately if <u>on shift</u> or prior to returning to work if <u>off shift</u>:</b></p> <p><b>While Using ANY motor vehicle for ANY purpose:</b></p> <ul style="list-style-type: none"> <li>• Leaving the scene of injury / accident</li> <li>• Racing</li> <li>• DUI / DWI / OUI / Admin Per Se</li> <li>• Failure to submit to a breath test</li> <li>• Using a vehicle to commit a felony</li> <li>• Reckless Driving</li> <li>• A Moving Violation</li> <li>• Speeding of 10 mph or more over the speed limit</li> <li>• Improper backing</li> <li>• Failure to wear safety glasses on an unpaved road</li> <li>• Failure to wear seat belt</li> <li>• A Violation of Company Cell Phones and Electronic Devices (HRM-01) policy</li> </ul> <p><b>While in a COV or Client Vehicle and/or if on Company Business:</b></p> <ul style="list-style-type: none"> <li>• A Non-Moving Violation (ONLY if using COV or Client Vehicle)</li> <li>• Speeding of 5 mph or more over the speed limit</li> </ul>
<p><b>CHART B - Employee who is NOT a Company CDL Driver</b></p> <p><b>Report any of the following violations immediately if <u>on shift</u> or prior to returning to work if <u>off shift</u>:</b></p> <p><b>While Using ANY motor vehicle for ANY purpose:</b></p> <ul style="list-style-type: none"> <li>• Leaving the scene of injury / accident</li> <li>• Racing</li> <li>• DUI / DWI / OUI / Admin Per Se</li> <li>• Failure to submit to a breath test</li> <li>• Using a vehicle to commit a felony</li> </ul> <p><b>While in a COV or Client Vehicle and/or if on Company Business:</b></p> <ul style="list-style-type: none"> <li>• Reckless Driving</li> <li>• A Moving Violation</li> <li>• A Non-Moving Violation (ONLY if using COV or Client Vehicle)</li> <li>• Speeding of 5 mph or more over the speed limit</li> <li>• Improper backing</li> <li>• Failure to wear safety glasses on an unpaved road</li> <li>• Failure to wear seat belt</li> <li>• A Violation of Company Cell Phones and Electronic Devices (HRM-01) policy</li> </ul>

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**Table 2. Classification of Violations**

<b>DISQUALIFYING VIOLATIONS</b>
<b>Company and Personal Business: All Employees while using COV, Client Vehicle, or POV</b>
<ul style="list-style-type: none"> <li>• Leaving the scene of injury / accident</li> <li>• Racing</li> <li>• DUI / DWI / OUI / Admin Per Se</li> <li>• Failure to submit to a breath test</li> <li>• Using a vehicle to commit a felony</li> <li>• Other Violations comparable to the severity of this category as determined at the sole discretion of the QHSET and HR Directors</li> </ul>
<b>POTENTIALLY DISQUALIFYING VIOLATIONS</b>
<b>Company Business, including travel on Company Business: All Employees while using COV or Client Vehicle Company CDL Drivers while using POV</b>
<ul style="list-style-type: none"> <li>• All Moving Violations (except Disqualifying Violations)</li> <li>• Reckless driving</li> <li>• Speeding of 5 mph or more over the speed limit</li> <li>• Improper backing</li> <li>• Failure to wear safety glasses on an unpaved road</li> <li>• Failure to wear seat belt</li> <li>• Violation of Company Cell Phones and Electronic Devices (HRM-01) policy</li> </ul>
<b>Personal Business: Company CDL Drivers while using POV Non-Company CDL Drivers - Not Applicable</b>
<ul style="list-style-type: none"> <li>• All Moving Violations not listed above under Disqualifying Violations, except speeding, which is only reportable as a Potentially Disqualifying Violation, if the Violation is 10 mph or more over the speed limit.</li> </ul>
<b>Tickets, fines, or penalties imposed due to the fault of the employee must be paid by the employee and <u>will not</u> be reimbursed by the Company.</b>

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### **5.2.6 Reporting a Revoked or Suspended Driver's License**

Any employee who has his/her driver's license revoked or suspended will immediately discontinue operation of any and all Motor Vehicles and promptly report the suspension or revocation to his/her supervisor. As a result of any change in driving status, employees will be required to complete a *Driver Status Acknowledgment for Existing Employees* form. Notwithstanding the issuance of any probationary, limited, temporary, or other restricted permit, the Company may at its option withdraw any Company driving privileges or take other employment actions, including termination from employment.

The Company may, at its absolute discretion, but without any obligation whatsoever, also consider reassignment of an employee whose driving status has changed. Any reassignment of an employee must be approved by appropriate QHSET and HR personnel. If the Company elects to offer such a reassignment, it may do so without regard to any changes and/or reductions in compensation rates or responsibilities associated with the reassignment.

The Company will not consider reassignment if an employee fails to disclose a reportable Violation.

### **5.2.7 Accommodating Driving Restrictions**

The Company is not obligated to accommodate driving restrictions or add and install devices to COVs specifically to meet court ordered conditions of a probationary, limited, temporary, restricted permit or reinstated license, issued to an employee.

### **5.2.8 Reporting Final Disposition**

Employees will submit proof of final disposition of a Violation to the Company. The Company will reassess the employee's driving record upon receipt of final disposition.

### **5.2.9 Reporting and Investigating Vehicle Accidents**

Employees must immediately stop and report all vehicle accidents they are involved in while using a Motor Vehicle on Company business, regardless of lack of apparent injury or damage or if the accident involved another Motor Vehicle, to the police/security and his/her supervisor. Accidents must be reported from the scene or as soon as possible thereafter (if immediate reporting is not possible under the circumstances). Failure to stop and report without adequate justification (such as personal injury) will result in disciplinary action, up to and including termination from employment and ineligibility for rehire. Supervisors must report all Motor Vehicle accidents to the QHSET department.

When an accident occurs, an employee should first obtain medical aid if needed and for anyone else injured. An employee should use his/her best judgment and effort to minimize further damages or injury. Employees or other Company representatives, when available, must take the following actions:

- Stop at the accident scene and call for medical aid if necessary.
- Do not move Motor Vehicle. If Motor Vehicle must be moved due to safety concerns or if directed by first responders, move to the closest, safe location.
- Call the police/security.
- Take photographs of the Motor Vehicle, damage, and area if possible.
- Provide the police/security and other drivers the employee's name, Company name, contact information, driver's license number, and insurance information.
- Do not discuss the accident with anyone at the scene except Company representatives or as required by police/security.

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- Obtain and record the names and contact information for all drivers or occupants of all vehicles involved and any witnesses.

The following information is helpful:

- Driver's license numbers of all other drivers.
  - Make, model, and year of all vehicles.
  - Each driver's insurance company and policy numbers.
  - Date, time, and location of the accident.
  - Citations issued.
  - Overall road and weather conditions.
- Except as permitted above, do not operate any Motor Vehicles until authorized by the Supervisor in conjunction with QHSET Department.

If the use of a COV, Client Vehicle, or a POV for Company business purposes was unauthorized, the employee may be liable for the entire cost of the repair or replacement.

Motor Vehicle accidents may be investigated as set forth in the *Incident Investigation* procedure (HSM-02).

### **5.3 Motor Vehicle Use**

#### **5.3.1 Training**

Driver training may include, but is not limited to, defensive driving, safe operation practices, client mandated training, use of occupant restraints, and rules against impaired, distracted, and aggressive driving. The form of training may include, but is not limited to, an in-person classroom session, an on-line review of policies/procedures, or an on-road practical assessment as applicable.

#### **5.3.2 Driving Safety Rules**

The following list provides general driving safety rules and applies to the use of all COVs and Client Vehicles or POVs while on Company business. This list is not all inclusive as more stringent driving rules may apply depending on the type of Motor Vehicles, weather conditions, or location specific requirements.

Employees will:

- Comply with all applicable state and local Motor Vehicle and traffic laws, including without limitation, the basic speed law, laws governing safe passing, following and turning distances, use of headlights, obeying road signs, etc.
- Not operate Motor Vehicles after working more than 18 hours in the prior 24-hour period. Refer to *Journey Management* and *Fatigue Risk Management* procedures (HSM-02).
- Not use Electronic Devices, including hands-free use, while operating a Motor Vehicle while on client property, or where prohibited by contract. Employees may use Electronic Devices once the Motor Vehicle is brought to a full stop in a safe location and is otherwise safe to do so. Notwithstanding the above restrictions, employees may use hands-free Electronic Devices as communication and navigational aides when not on client property so long as the device: 1) is set up before the Motor Vehicle is in motion; 2) gives audible directions and does not require the employee who is driving to actively look at the screen for driving directions; 3) does not involve any hands on interaction while the Motor Vehicle is being operated; and 4) can be used safely and does not cause distracted driving. Refer to the *Cell Phones and Electronic Devices* policy (HRM-01).

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- Not operate a Motor Vehicle to conduct Company business when his/her ability to do so safely is impaired by intoxicants, alcohol, drugs (prescription or otherwise, including over-the-counter medication), illness, fatigue, injury, or other cause.
- Have Arctic gear in the Motor Vehicle between October 1 and May 1, if driving on the North Slope or other locations subject to extreme cold weather conditions.
- Wear seat belts while the Motor Vehicle is in motion.
- Walk 360 degrees around the Motor Vehicle to inspect the vehicle and to look for obstructions before moving.
- Use headlights when required. It is strongly advised that headlights be used at all times.
- Perform radio checks if the Motor Vehicle is so equipped.
- Wear safety glasses while driving on unpaved roads.
- Secure all loads before driving a Motor Vehicle.
- Keep vehicle keys in a secure location when the Motor Vehicle is not in use.

Employees are responsible for Motor Vehicle security. With the exception of extreme cold weather conditions, the vehicle engine must be shut off, ignition keys removed, and vehicle doors locked when the vehicle is left unattended. On the North Slope or other locations subject to extreme cold weather conditions, vehicle engines may be left running with the keys in the ignition and drip containment appropriately placed under the vehicle's motor, when the vehicle is parked and unattended in accordance with local practice.

### 5.3.3 Positioning, Backing, and Spotting Vehicles and Equipment

#### 1. Spotter and Driver Expectations

- a. **“First Move Forward”** - Position vehicles/equipment in a manner that will allow moving forward when leaving the area, when possible.
- b. Understand and have a clear communication plan for signals.
- c. Stop when there is any loss of sight or lack of clarity on signals with driver/spotter/backing aids.
- d. Follow client-specific requirements, if more stringent.
- e. Be trained in “Backing and Spotting” expectations.

#### 2. Inspect All Vehicles/Equipment

Conduct a thorough 360-degree walk-around of the vehicle/equipment prior to moving. A thorough inspection consists of two parts:

- a. **Inward Inspection** - Visually inspect and assess all vehicle/equipment items such as headlights, taillights, tire conditions, secured loads, leaks, or other visually identifiable issues under the vehicle/equipment.
- b. **Outward Inspection “Get Out and Look (GOAL)”** - a detailed assessment of the following:
  - Identify all Constrained Areas between the vehicle/equipment and all obstructions/hazards along the route of travel, including overhead obstructions.
  - Use spotter and/or place backing aids at the intended stopping point to assist the driver where required or appropriate.

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### 3. What is a Constrained Area?

A Constrained Area is when a vehicle/equipment is in close proximity to any vehicle, equipment, facility, or other physical obstructions on the front, sides, rear, or above the vehicle/equipment. The following distances apply to vehicles/equipment positioning in work areas, but not while traveling on roadways:

- Obstruction on the front, sides, and above within 5 ft.
- Obstruction to the rear within 10 ft.

### 4. Backing and Positioning Vehicles/Equipment in Constrained Areas

Spotters are required for positioning vehicles/equipment in Constrained Areas, except where specifically permitted. The following rules apply to all vehicle/equipment backing and positioning:

- a. **“No Riders in Reverse”** – A passenger in the vehicle must always act as a spotter for backing vehicles and equipment. Where traffic or weather-related visibility are a concern around bull rails and other designated parking areas, a spotter or backing aids are not required.
- b. **When a spotter is not immediately available (within 5 minutes)** – Use backing aids such as traffic cones, candlesticks, or other clearly visible indicators that the driver can use to identify and determine path of travel and stopping points.
- c. Movement in Constrained Areas must not proceed until a spotter or backing aids are available and used.

### 5. Exceptions

The following operations do not require a spotter or backing aids; however, the driver must complete a 360-degree walk-around and path assessment prior to any movement.

- a. Loaders and other earth and snow moving equipment in operation.
- b. Light-duty and heavy-duty vehicle/equipment engaged in hooking up to other equipment.
- c. Other specific operation instances that are approved by the Operations Manager and/or HSE Manager.

#### 5.3.4 Oversize and Overweight Vehicles and Loads

COVs and Client Vehicles that exceed the legal size and weight limits, must obtain a permit from the proper authority prior to making any movement. Employees must comply with all provisions of the permit and must immediately report all damages to public and private structures to their supervisor and the permit issuing agency. It is the responsibility of the permittee to conduct a route survey prior to travel.

All loads will be secured and will not exceed the manufacturer’s specifications and the legal limit for the vehicle in use. Vehicles will be of the correct size and designed for the intended use. A pilot/escort vehicle will be used per site-specific requirements or by local State DOT laws when on public roads. Contact the State DOT office for additional escort assistance.

#### 5.3.5 Passengers

An employee’s spouse, other family members, or other non-Company employees are not authorized to drive Motor Vehicles while in the course of conducting Company business. COVs and Client Vehicles must be operated by Company employees and used only for Company business purposes, unless otherwise authorized by the Company President/CEO, COO, or authorized designee.

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Passengers who are permitted to ride in a COV or Client Vehicle while in the course of conducting Company business will be limited to other Company employees, customer representatives, vendors, retailers, subcontractors, co-contractors, or others that have a business purpose. In Barrow and in other remote locations where the road system and vehicles are limited, authorized use may include culturally appropriate offers to provide transportation to local residents.

### **5.3.6 After-Hours Use**

Except where authorized, COVs or Client Vehicles will not be used after business hours and will remain on Company premises or at designated locations upon completion of work. The use of Company-provided rental vehicles while traveling on Company business is authorized for after-hours use.

### **5.3.7 Auto Insurance Coverage**

Employees are advised that when using a POV for Company business, the Company auto insurance coverage covers only liability for damage to third-party automobiles or third-party personal injury. Damage to an employee's POV, as well as injury to non-work related passengers, will not be covered by the Company auto insurance policy and is therefore the sole responsibility of the employee.

Employees who are authorized to use a POV for Company business purposes must purchase and maintain, at their own expense, adequate insurance coverage to comply with all applicable vehicle financial responsibility laws (generally requiring automobile liability, uninsured and under-insured motorist coverage in at least minimum-specified amounts) at all times, while operating their POV on Company business.

### **5.3.8 Mileage Reimbursement**

Employees who are authorized to use a POV for Company business may be reimbursed for mileage pursuant to the *Business Travel and Expenses* policy (FIN-01) and IRS requirements.

### **5.3.9 Inspection, Maintenance, and Repair of COVs, Client Vehicles, and POVs**

COVs and Client Vehicles must be visually inspected by the driver prior to use. As a general rule, and except as otherwise provided in this policy, the Company is responsible for costs associated with maintenance, repair, and fuel costs of COVs used for authorized business purpose or authorized "de minimis" personal use incidental to business use.

COVs and Client Vehicles may be taken out of service by any employee who determines that the vehicle is deficient. COVs and Client Vehicles taken out of service must be tagged "Out of Service" to flag the deficiency and properly inspected and repaired prior to use. COVs and Client Vehicles will be scheduled for periodic maintenance or required repairs.

Employees who are authorized to use a POV for Company business should keep their vehicles in proper condition and repair. The cost of vehicle maintenance and repair is an essential aspect of vehicle ownership. Maintenance and repair costs are included as part of the mileage reimbursement rate calculation. Therefore, the Company will not pay or reimburse employees for maintenance or repair costs associated with the use of POVs for Company business.

### **5.3.10 Full-Time Use of Company Vehicles**

The Company President/CEO, COO, or authorized designee may occasionally assign a COV to Company employees on a full-time basis. In those cases, a separate agreement will be used. Employees who agree to accept full-time use of a COV will be required to sign a *Vehicle Use Agreement* form. This agreement describes insurance, tax, maintenance, repair, and other matters associated with full-time COV use.

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**5.3.11 Limited Personal Use of Company Vehicles and Income Tax Liability**

Any authorized use of a COV for personal needs (e.g., for commuting to and from work, running errands, moving personal belongings, etc.) is potentially taxable to the employee as a fringe benefit. Where significant authorized personal use of COVs, an IRS 1099 form will be issued, and the reasonable value of such personal vehicle use reported to the IRS as taxable income to the employee on an annual basis.

Employees making other than “de minimis” personal use of vehicles (i.e. so little it is not worth the expense of accounting for it) are responsible and liable to report and pay all applicable taxes, penalties, and fees associated with such use.

The Company will declare the value of full-time use vehicles as income to the Company employee in accordance with applicable IRS valuation requirements (which generally include the value of vehicle use, maintenance, repairs, insurance, etc.) and will make all required tax withholdings from the employee's wages. Company employees who are assigned the full-time use of a COV are responsible for keeping track of the personal use he/she makes of the vehicle.

**5.3.12 At-Will Employment**

None of the forgoing shall in any way be deemed to alter the “at-will” employment of any employee. Either the employee or the Company may terminate employment at any time, with or without cause. The “at-will” employment relationship also applies to other personnel actions including, but not limited to, job assignments, demotions, disciplinary actions, and driving privileges. The Company and its subsidiaries reserve the right, at their discretion, to take such personnel actions at any time, with or without cause.

**6.0 Forms**

*Disclosure and Release for All Driving Records*

*Driver Status Acknowledgment for Candidates (DocuSign)*

*Driver Status Acknowledgment for Existing Employees*

*Mandatory Notification of Traffic Violation*

*Vehicle Use Agreement*

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