DRIVER AND VEHICLE SAFETY HANDBOOK
POLICY STATEMENT

The following states The RK Logistics Group, Inc.’s position with respect to safety, vehicle accidents, and the losses which result from accidents.

Accidents are of considerable concern to us because:

- Any accident involving a company vehicle, even though minor, involves potential personal injury, and affects the safety and well being of our employees, customers, and other drivers.
- Accidents are costly and time consuming. They have a definite bearing on our operational costs and often reflect basic conditions for other potential losses.
- Our own insurance costs eventually reflect these losses.

At The RK Logistics Group, Inc. safety is one of the most important and critical elements of our success. Drivers are to take personal responsibility for the safe operation of their vehicle. Safety is a critical element considered at each performance review.

Because our company has an interest in your personal safety, and the general public as well, our established policy provides that vehicles should be operated only...

- When the vehicle is in good, safe mechanical condition;
- When the driver feels capable of driving safely;
- In accordance with all traffic laws, signals, and markings, with additional consideration for weather and traffic conditions;
- In accordance with the principles of “defensive driving”, the driver always being on the alert and prepared to compensate for unpredictable actions of other drivers and pedestrians;
- In a courteous manner at all times, with consideration for the rights of other drivers and pedestrians.

It is anticipated that each individual at The RK Logistics Group, Inc. will do his or her part towards the success of this program.

Don Batman
Fleet and Driver Safety Director
DRIVER ELIGIBILITY REQUIREMENTS

General – Applicable to all drivers:

- Must be at least 23 years of age, and no more than 65 years of age pending annual health certification in accordance with USDOT.
- Must have at least one year of verifiable driving experience in type of vehicle to be operated.
- Must have no major violations within the past 36 months. (Refer to list of major/minor violations below)

Drivers with the following are not acceptable:

Ages 23-24:
- More than one (1) minor violation within the past 12 months;
- More than two (2) minor violations within the past 24 months;

Age 25 and over:
- More than three (3) minor violations within the past 36 months.

DEFINITIONS OF MAJOR AND MINOR VIOLATIONS

Major Violations:

1. Leaving the scene of an accident.
2. DUI or DWI.
3. Hit and Run.
4. Reckless driving or conduct.
5. Felony with vehicle.
6. Racing or dragging.
7. Excessive speed; 20 or more miles per hour over posted limit.
8. Eluding police.
9. Passing a school bus.
10. Allowing a DUI or DWI or unlicensed person to drive.
11. Driving with a suspended, revoked, or fraudulent license.
12. Failure to report or making a false report of an accident.
13. At-fault accident involving a citation.

Minor Violations:

Any moving violation other than as noted above, such as:

1. Speeding; 19 or fewer miles per hour over posted limit.
2. Violation of traffic control device.
3. Lane violation.
4. Failure to yield.
5. Following too close.
6. At-fault accident not involving a citation.
**VERIFICATION OF DRIVING RECORD**

**Motor Vehicle Records**

Each applicant’s driver license will be verified at the time of employment and a copy of the applicant’s Motor Vehicle Record (MVR) will be obtained at hire, and annually thereafter, to ensure that employees of The RK Logistics Group, Inc. maintain good driving records.

a) MVRs shall be obtained for each employee of The RK Logistics Group, Inc. whose job description requires driving a company owned or operated vehicle.

b) MVRs are to be evaluated according to the Driver Eligibility Requirements on the previous page.

c) MVRs will be obtained:
   - Prior to employment;
   - After involvement in an accident or receiving a citation;
   - Any other time management deems it advisable.

**Driver’s Licenses**

a) Revocation or suspension of a driver’s license must be reported to the company immediately.

b) Only one valid driver’s license is to be held by an employee of The RK Logistics Group, Inc. at any time. The current license must be issued in the driver’s state of residence, or, if required by state law, the license will be issued in the state where the person is gainfully employed. A copy of the driver’s license will be maintained in the driver’s file. License verification of employees of The RK Logistics Group, Inc. is made via a Motor Vehicle Record report (DMV printout).

c) Driver’s licenses will be checked for the following:
   - The state of issue;
   - Date issued;
   - Date of expiration;
   - Restrictions;
   - Violations (if in a state where violations are listed on the license);
   - Any evidence of alteration or mutilation.
DRIVER RESPONSIBILITY

All motor vehicle violations and accidents in company and personal vehicles, must be reported to management as soon after the incident as practical. Failure to do so may result in disciplinary action up to and including termination of employment.

It is every driver’s responsibility to drive defensively to avoid accidents, and safely maintain each vehicle under the driver’s control. Defensive Driving is defined as “Driving to avoid accidents in spite of the incorrect actions of others, and the adverse conditions of weather, visibility, light, and traffic that the driver may encounter on the road”. Failure to operate a vehicle safely may result in a suspension of driving duties or termination of employment.

A “preventable accident” is one in which the driver failed to exercise reasonable precautions to prevent the accident. Preventable accidents are defined in the National Safety Council’s “Guide for Determining Preventability of Motor Vehicle Accidents”.

The Accident Review Committee will review each vehicle accident and a determination of preventability made. Drivers with unacceptable driving records will be subject to a progressive disciplinary procedure. Poor driving behavior can result in remedial training, days off without pay, reassignment to a non-driving job or termination of employment.

DRIVING PRIVILEGE

Only qualified and reliable employees with safe driving records are permitted to drive company vehicles. If adverse driving behavior, such as accident involvement, repeated violations of traffic laws, or poor vehicle condition and maintenance is experienced, drivers will be subject to a progressive disciplinary procedure.

The following are minimum guidelines for appropriate, graduated driver discipline for accidents occurring in company vehicles:

- One (1) preventable accident in one year: Written Warning, 1 day post-accident retraining at corporate office with pay.
- Two (2) preventable accidents within one year: Written Warning, 1 day post-accident retraining at corporate office with pay, and subject to transfer to a non-driving assignment, or termination of employment.
- Three (3) preventable accidents within one year: Termination of employment.
- Two (2) preventable accidents within two years: Written Warning, 1 day post-accident retraining at corporate office with pay.
- Three (3) preventable accidents within three years: Transfer to non-driving job or termination of employment.

(Generally, an accident in which over $500.00 in damage occurs will result in a suspension. If a pattern of non-suspension accidents develops, potential disciplinary procedures could result in termination.)
REAR END COLLISIONS

Rear end collisions are one of the most devastating types of crashes involving commercial motor vehicles. If a large truck rear ends a passenger vehicle, the sheer force of impact is enough to cause a catastrophic result. If you strike another vehicle from behind, chances are you will be at fault. The vast majority of these types of collisions are preventable, since most are caused by driver error. You can reduce your risk of being in a rear end collision by staying alert, driving defensively, and by leaving plenty of space between your vehicle and the vehicle in front of you.

Because the liability exposure to our company is so high in a rear end collision, we have developed a Zero Tolerance Policy regarding these types of incidents. We simply cannot afford the ramifications of rear end collisions. If you are found to be at fault in a rear end collision, your employment will be terminated.

WHAT TO DO AT THE ACCIDENT SCENE

In spite of our best efforts to avoid accidents, we realize they can happen and we must be prepared when they do. If you are involved in a vehicle accident, do the following:

- Stop immediately.
- If you are not injured, protect the accident scene to prevent other vehicles from becoming involved. Put out emergency reflectors or flares.
- Call for help and the police if necessary.
- Notify your supervisor or manager.
- Take photographs of the accident scene, if possible, with the disposable camera kept in the Accident Kit located in the vehicle.
- Complete the Drivers Report in the Accident Kit.
- Hand out witness cards and get names, addresses, and telephone numbers of witnesses.
- Do not admit liability at the accident scene.

In many cases, determining fault for an accident is done only after extensive investigation. Be courteous to others at the scene, but never take the blame. Let the investigators determine that. Also, do not discuss the details of the accident with anyone other than a licensed authority such as a police officer or our insurance company representative, without getting prior approval from management.

Upon returning to the dock, submit the completed Accident Kit to your supervisor.
RULES OF CONDUCT FOR DRIVERS

- Obey all traffic laws.

- Be courteous to other drivers and pedestrians. Remember, our company name is prominently displayed on the sides of our vehicles.

- Maintain at least a 3-second following distance from the vehicle ahead under excellent driving conditions; 4-seconds if over 40 mph. If you encounter adverse conditions of road traffic, light, visibility, or weather, add a second or two for good measure.

- Help other drivers to safely negotiate the highway. If it is safe to do so, allow other drivers to merge into your lane by backing off and letting them in. This applies at freeway on-ramps as well. This courtesy will help you avoid accident involvement and make the highway a more pleasant place to be.

- Always use the GOAL principle (Get Out And Look) when backing, or driving under an object.

VEHICLE USE POLICY

Company vehicles are intended to be used for company use only. Personal use is strictly prohibited, unless prior permission is granted by management. When assigned a company vehicle, its use is restricted to the assigned driver only. Use by family members or non-employees is not permitted.

SEAT BELT USE POLICY

Use of seat belts by The RK Logistics Group, Inc. drivers and all occupants of the vehicle is mandatory. Studies have shown that injuries are reduced or completely avoided when seat belts are worn.

DRIVER EDUCATION

Each employee who is assigned a company vehicle, or whose job description necessitates the frequent use of a company vehicle, must pass the company’s new hire training and safety course. Monthly driver safety meetings will be conducted. At least one safe driving topic will be discussed each month with driving employees. Meetings will be regularly scheduled, and documented on a prescribed form as to the date of the meeting, topic(s) discussed, and the names of drivers attending.
VEHICLE MAINTENANCE

All of our vehicles are operated under a full maintenance program. Any malfunctions or safety concerns should always be reported to a supervisor and noted on a Vehicle Inspection Report (VIR) to ensure repairs are made.

- Part of your daily routine includes a pre-trip and post-trip inspection of your vehicle using a company provided VIR. Turn in a copy of the VIR at the end of your shift.

- Keep your cab clean. The RK Logistics Group, Inc. will provide cleaning supplies such as paper towels, spray cleaner, and whisk brooms to help maintain the condition of the cab and create a safe workplace. Loose papers, soda cans, or bottles and other unnecessary items in the cab can be hazardous.

DOCK DEPARTURE PROCEDURES

According to OSHA, approximately 100 employees are killed and 95,000 injured each year while operating forklifts in the United States. Forklift turnovers and driving off the dock account for a significant percentage of these fatalities and injuries. Truck drivers play a critical role in keeping forklift drivers safe.

With this in mind, The RK Logistics Group, Inc. has implemented the following policy regarding departing the loading dock:

NEVER PULL AWAY FROM THE DOCK WITHOUT…..

- Verbally communicating your intentions to pull away from the dock with the forklift driver.
- Disengaging the dock plate from the rear of the trailer (or truck).
- If one exists, securing the safety chain across the dock opening.
- Closing the dock roll-up door.
- Following any other dock procedures required by the customer.

SMOKING POLICY

Because of the obvious health and safety concerns, and out of courtesy for other employees, smoking is not permitted in company vehicles (cab or box) or at customer facilities.
LOCKING COMPANY VEHICLES POLICY

At The RK Logistics Group, Inc. we are ever mindful of the safety and security of our employees, the company vehicles they drive, and the cargo transported in these vehicles. For this reason, our employees are required to abide by the following:

- At all times (except during loading or unloading), cargo doors on trailers and straight trucks shall be locked with a padlock or other approved locking device.
- Truck cabs shall be locked when not attended.
- These requirements also apply to doors on vans or other company vehicles.
- Employee will abide by these requirements throughout his or her shift, ensuring the vehicle is secure at all times. The only exception is during loading or unloading.
- At the beginning of each shift, employee will inform a supervisor if the cab of his or her assigned truck is found unlocked, or if the cargo door is not secured by a padlock or other approved locking device.
- At the end of his or her shift, each employee will ensure that the assigned vehicle is properly secured by locking all doors.

DISCIPLINARY ACTIONS FOR EMPLOYEES WHO VIOLATE THE “LOCKING COMPANY VEHICLES POLICY”

If an employee is found to be in non-compliance with any part(s) of the “Locking Company Vehicles Policy” listed above, the following will apply:

- Employee will be suspended for five (5) days without pay.

If loss due to theft or vandalism occurs because of non-compliance with any part(s) of the policy listed above:

- Employee will face disciplinary action up to and including termination of employment.
CELL PHONE USAGE

Driving is a serious responsibility that demands and deserves your full attention. Driver distractions may occur anytime, anywhere. A distraction is anything that takes your attention away from driving, such as cell phone use.

Studies have proven you increase the risk of having an accident by 400 percent every time you use your cell phone when driving.

With this in mind, The RK Logistics Group, Inc. has implemented the following policy regarding the use of cell phones while on duty:

- The use of COMPANY issued cell phones or radios should be used on an as needed basis, and only when it is safe to do so. Personal use of these units is prohibited.

- California state law prohibits the use of cellular phones while operating a motor vehicle without the presence of a hands-free or Bluetooth device.

- The use of PERSONAL cell phones while on duty is strictly prohibited while driving a company vehicle, operating a forklift, working in a warehouse, and/or any other safety sensitive position.

DISCIPLINARY ACTIONS FOR EMPLOYEES WHO VIOLATE THE “CELL PHONE USAGE POLICY”

If an employee is found to be in non-compliance with any policies outlined in this handbook, the appropriate disciplinary actions will be applied. Disciplinary actions, when required, will be based on the severity, frequency, and overall impact of the infraction. Potential disciplinary actions are as follows:

- Verbal Warning
- Written Warning
- Suspension without pay
- Termination
DRIVER & VEHICLE SAFETY HANDBOOK

RECORD OF RECEIPT

Please read the following statements, sign, and return the original to The RK Logistics Group, Inc.:

I, ________________________________ have received the Vehicle Safety Handbook on 
Print Name

______________________________.
Date Received

- I have read the Vehicle Safety Handbook and agree to abide by the policies and procedures of The RK Logistics Group, Inc.
- I have had the opportunity to ask questions and to clarify any uncertainty regarding these policies.

________________________________________
Signature

________________________________________
Date