

INDUSTRIAL SERVICES, INC.

COMPANY VEHICLE POLICY AGREEMENT

Company Records Copy

Name: _____

Advanced Industrial Services, Inc. Vehicle Policy establishes guidelines and procedures to be followed to protect the safety of individuals operating any company motor vehicle on or off company business. Protecting our employee drivers, their passengers and the public is of the highest priority to the Company.

The commitment of management and employees is critical to the success of this policy. Clear communication and strict adherence to the policy's guidelines and procedures are essential.

The primary goal of the Company Vehicle Policy is to maintain a high level of safety awareness and foster safe, responsible, and courteous driving behavior. Additionally, this policy will enable us to better manage the maintenance of company vehicles and better manage the overall costs of operating these vehicles.

Personnel who may be assigned a company vehicle as well as those who are dispatched to drive a company vehicle must follow the requirements outlined in this mandatory policy. Personnel who violate this policy are subject to disciplinary action ranging from suspension of driving privileges and the consequent wage reduction to termination of employment.

Please note that, in the event this document conflicts with the company Policy Manual or the Fleet Safety Manual and Drivers Handbook, this document shall supersede earlier publications. In no case shall company policy be construed to supersede or supplant federal, state, or local laws or regulations.

A. Rules and Regulations

1. In general, company vehicles are to be used for business purposes only. There are and will be vehicles assigned to certain field personnel, but most company vehicles will be dispatched by Operations for daily or extended use as required to support jobs and projects. Certain members of management staff are assigned company vehicles for their exclusive business and discretionary personal use as part of their compensation package.
2. The term "company vehicle" as used in this document shall be understood to include all company owned, leased, and rented vehicles as well as any other vehicle operated or controlled by the company.
3. Personal use of a company vehicle is only permitted at the discretion and the expressed consent of the company. Under no circumstances shall such vehicle be used for commercial purposes, used in any illegal or prohibited activity, or used in violation of DOT regulations. If a field employee is assigned a company vehicle, it inherently becomes a certain part of his/her personal transportation, specifically a means of getting back and forth to work. As an AIS employee you are required to avoid excessive mileage during your personal use of a company vehicle. The use of said vehicle will be tracked by Operations and employees are expected to reimburse the company for excess fuel costs. Any other employee that has a need to use a company vehicle for personal use must first submit a request form, obtain written authorization, and shall be responsible for vehicle inspections, care, and replenishment of fuel consumed. A receipt for this fuel and other consumables must be signed by the driver and be submitted when returning a vehicle.

4. Driving a company vehicle is a “privilege” and not a “right”. Company vehicles are to be used only by the assigned driver. Use by anyone other than the assigned driver must be pre-approved by management.
5. Field employees assigned company vehicles who reside outside 20 miles of the company headquarters are required and obligated to help supplement the costs for the excess mileage and maintenance that will be incurred. As this accommodation is a “perk”, it has the potential to be overly complicated and will be subject to extra scrutiny and policing.
6. Drivers of assigned and/or dispatched vehicles are required and obligated to accommodate transportation needs of other employees as directed by Operations and as practical to suit the needs of a job or project. Most company vehicles are of a crew cab / multi-passenger design for this very purpose.
7. All Company Rules (see the Company Policy Manual and Fleet Safety Manual and Drivers Handbook) and applicable State, Federal and Local laws governing the use of (company) vehicles on public or private property must be followed by the *drivers and passengers* while in a company vehicle.
8. A person assigned a company vehicle is responsible not only for the vehicle but also for the behavior and conduct of all persons carried by the vehicle.
9. Possession and/or use of any controlled substance(s), drugs and/or any form of alcohol by any person within a company vehicle or within the vicinity of a company vehicle are strictly prohibited. This includes but not limited to when the vehicle is in motion, parked, or being repaired. This also includes on and off work hours, weekends, holidays or other non-work period of time.

Violation of this policy will cause the driving privileges of the person assigned to the company vehicle to be immediately suspended or permanently revoked and/or may be cause for immediate termination of employment as determined by management.

Persons assigned or dispatched to drive company vehicles shall not allow alcoholic beverage containers, empty or full, to be transported in the in the company vehicle for any reason, at any time, including reasons of “recycling”. DOT regulations prohibit transportation of alcohol in a commercial vehicle (10,001 pounds or more) unless it is secured in the cargo area and itemized on a/the manifest or bill of lading.

10. All unlawful activity is forbidden while within or in the vicinity of a company vehicle, whether or not the company vehicle is parked or in motion. This activity includes but not limited to, firearms, weapons of any description, any contraband, controlled substance paraphernalia, stolen property, or property that may be stolen. In addition, any items, conduct or activity that is related in any way to gang activity, or other organized crime and any other activity that may be deemed unlawful is prohibited while in the proximity, control or vicinity of a company vehicle.
11. Passengers carried in company vehicles must be on legitimate company business. Passengers are not allowed to ride in the back of pickup trucks for any reason, or for any distance. This includes “point to point” on a construction jobsite or right of way. All passengers must ride in the cab of company vehicles and be secured with a seatbelt.
12. As a matter of safety, no person is permitted to ride on any company or personal vehicle tailgate, fender, side wall, bumper, running board, step, hood, or any other part of the company or personal vehicle other than inside the cab while conducting or on company

business. This includes company vehicles during the off hour periods.


13. Seatbelts are provided in company vehicles and shall be worn by all occupants while the vehicle is in forward or reverse motion, regardless of speed or distance to be traveled. The number of vehicle occupants shall not exceed the number of factory installed safety restraint. Employees assigned a company vehicle are responsible for ensuring passenger compliance with seatbelt policy. Passengers violating this rule may cause the person responsible for the vehicle to lose driving privileges. Passengers may be subject to disciplinary action as determined by management.
14. Transportation of any hitchhiker or non-authorized passenger is strictly prohibited in any company vehicle at any time, location or hour.
15. The company will not pay for any motor vehicle moving or stationary violations. Such violations are the responsibility of the person assigned to the company vehicle.
16. Any person receiving a vehicle code moving violation notice, while in control of any company vehicle, at any time, including off/on work hours, weekends, holidays or other periods of time, is required to notify the Operations Department in writing by email, facsimile, or other written means within 24 hours (twenty-four hours) of receipt of such notice; whether or not the violation has been placed before any traffic court for final determination of fault.

Failure to properly notify the Operations Department within 24 hours (twenty four hours) may be cause for immediate forfeiture of company vehicle driving privileges, and/or termination of employment.

If a moving violation occurs on a holiday or weekend, it must be reported to the Operations Department no later than at the beginning of regular business hours on the next regular business day or sooner when possible. If the report of violation is not received by the Operations Department by the end of the day following resumption of regular business hours, the employee will be considered in violation of this policy and will be subject to disciplinary action as described in Part D.
17. Mechanical defect violations (e.g. headlights, windshields, turn signals, etc.) will be paid by the company; however, the person assigned responsibility for the company vehicle is obligated by this policy to keep the vehicle in "sound" operating condition and to notify the company of needed repair. If such mechanical defect violations are incurred because of failure to properly complete the requisite pre-trip vehicle inspection and report (DVIR), disciplinary action may ensue.
18. The person assigned responsibility for operating of a company vehicle is additionally responsible for notifying the company of any lapse of vehicle registration or licensing as well as lost or damaged credentials or decals such as weight class, IFTA, or NY-HUT.
19. Use of a motorcycle for company business is prohibited.
20. Smoking is never permitted and will not be tolerated in any company vehicle. The driver of a vehicle is responsible for any passengers' smoking. Passengers also in a vehicle who fail to report smoking in the vehicle share responsibility and disciplinary consequences. Your failure to note in writing a previous occupants tobacco use will result in you being held accountable. The first offense will result in a three day suspension without pay. A second offense will result in termination. This policy also applies to all office staff and managers who drive company provided vehicles.
21. Drivers are required to maintain drivers logs, either electronic or on paper as deemed appropriate by the company, so as to reflect their most recent change of duty status as

required by federal regulations. Drivers must use their logs to remain strictly within Hours of Service regulations. Drivers shall communicate with Operations with sufficient advanced notice before running out of available hours for alternate arrangements to be made. Drivers shall not disconnect or defeat any electronic logging or geo-positioning device and doing so will result in immediate termination. In the event of the failure or inaccessibility of an electronic logging device, drivers must revert to using paper based logs.

22. Whether using electronic or paper logs, drivers who do not have a complete and valid record of the seven consecutive prior days shall complete and maintain with their log a copy of the Driver Statement of On-Duty Hours form as required by federal regulations.
23. Drivers are to maintain smart phones or other devices assigned for electronic logs and inspection reports with sufficient charge so as to keep the devices in a powered-up state and thus prevent lapses in service including those times when the device is with the driver and not in the vehicle. Such devices are to be in the vehicle absolutely any time it is operated. Failure to have such devices with vehicles when the engines are started or running will automatically trigger notices to be sent to Operations and management and the matter may result disciplinary action.
24. Drivers must complete Pre- and Post- Trip Driver Vehicle Inspection Reports as required by federal regulations. Due to the potential costs to the company for failure to comply with Hours of Service regulations and record keeping requirements, employees who do not comply with the regulations are subject to disciplinary action to include suspension of driving privileges with a consequent reduction in pay, or termination.
25. Drivers are responsible for confirming that vehicles have complete and up-to-date credentials including registration, proof of insurance, IFTA, NY HUT, and other documents as required by the class of vehicle, registration plate, inspection(s), and weight class sticker. Any shortages must be reported to the Fleet Manager.
26. Keys shall not be left in a vehicle while it is left unattended. Duplicate keys shall not be placed in a "hidden" location of the vehicle. Personal items left in the vehicle are the responsibility of the property owner. The company cannot be held responsible and accountable for personal items left or stored in the vehicle. Laptop computers, navigation devices, mobile phones, and other electronic devices and valuables shall be removed from the vehicle when the vehicle is left unattended (Exception: equipment may be kept in a locked portion of the vehicle, not visible to others).
27. It is strongly recommended that the windows be closed and the doors locked when operating company vehicles. (Exception: non-air conditioned vehicles).

 I have read, I understand, and I accept Section A (your initials)

B. Driver's Licenses


1. Operators of company vehicles must hold a current and valid driver's license issued within the United States for the type of vehicle the employee is operating, and with the proper endorsements as required by the Department of Motor Vehicles (e.g. a Hazardous Materials and Multiple-Axle endorsement). Drivers of company vehicles shall possess only a single driver's license. Employees willfully operating company vehicles without proper endorsements will be subject to disciplinary action, including but not limited to loss or restriction of driving privileges and consequent wage reduction, or termination of employment.

2. Supervisors who knowingly or willfully require any employee to operate a company vehicle of any description for which the employee does not have the proper license, endorsement(s), or company certification, who direct an driver to violate Hours of Service regulations, or direct a driver to deviate from a route prescribed by a oversize/overweight permit will be subject to severe disciplinary action including termination of employment.
3. Company drivers must report all status changes or restrictions to their driver's license immediately. Under no circumstance shall the employee fail to report to the Operations Department within 24 hours (twenty four hours), upon employee notification by the Department of Motor Vehicles, or law enforcement agency of the employee's driver's license status change or restriction.

Such changes or restrictions include but are not limited to revocation, restriction or suspension (either permanent or temporary) of a driver's license for:


- i. DUI/DWI
 - ii. Parole violation
 - iii. Habitual Offender
 - iv. Substance Abuse violation
 - v. Gang related activity
 - vi. Domestic violence
 - vii. Aggressive driving behavior
 - viii. Careless and/or reckless driving
 - ix.or any other reason as determined by the Department of Motor Vehicles or other law enforcement agency. Failure to abide by this rule will subject the employee to disciplinary action, which may include but is not limited to revocation or restriction of company driving privileges and consequent pay rate reduction, or termination of employment.
4. A current copy of the employee's driver's license and Medical Examiner's Certificate, if applicable, must be on file with the company at all times. Drivers must furnish copies for their licenses and Certificates upon renewal and anytime a replacement or update is issued such as with a change of address or when restrictions or endorsements are added or removed.
 5. Employee's motor vehicle records will be checked at the discretion of the company at any time and for any reason.
 6. Company drivers are subject to annual road tests and ongoing training as shall be determined necessary or desirable to improve safety. Failure to complete these when requested will result in revocation or restriction of company driving privileges and consequent pay rate reduction, or termination of employment.

The Operations Department shall certify all drivers annually as to the types of company vehicles they may operate. Employees shall operate only vehicles of the types for which they are certified.

 I have read, I understand, and I accept Section B (your initials)


C. Vehicle Operation

1. Employees operating company vehicles are expected to observe the traffic laws of the state and municipality in which they are driving as well as applicable federal regulations. Drivers are responsible for proper and compliant DOT and state regulatory load securement.
2. Employees operating company vehicles are not allowed to exceed posted speed limits or the basic speed law. Drivers shall adjust speed and following distances appropriately when subject to inclement weather and other adverse conditions.
3. Drivers are responsible for not exceeding vehicle, state, and federal gross and axle weight limitations as well as dimension limitations including but not limited to front and rear overhangs. When it is practical to do so, drivers shall avail themselves of public truck scales in order to assure that axle and gross weight limits are adhered to. Drivers will be reimbursed for scale charges with submission of a signed and dated receipt. In situations where it is anticipated that gross or axle weights may be exceeded, project managers, foremen, and drivers shall avail themselves of the company's portable truck scales or a public scale, so appropriate permits can be secured.
4. Employees cited for, observed, or reported tailgating another vehicle on a public or private roadway in a company vehicle, or otherwise operating a company vehicle in an unsafe manner, regardless of on/off duty hours, will be subject to disciplinary action after an investigation.
5. Employees engaged in any of the following activity while in control of a company vehicle, regardless of on/off work hours, whether on or off public or private property are subject to disciplinary action as described in Part D of this policy:
 - x. Exhibition of speed (including tire spinning)
 - xi. Racing
 - xii. Unsafe lane changes
 - xiii. Failure to signal
 - xiv. Careless driving
 - xv. Unsafe acceleration
 - xvi. Aggressive driving
 - xvii. Threatening another motorist or pedestrian with physical, verbal or other gestures.
 - xviii. Driving too fast for conditions
 - xix. Carrying unsecured or unsafe loads
 - xx. Failure to stop when involved in an accident
 - xxi. Failure to immediately report an accident
 - xxii. Any violation that carries a count of 2 (two) points in or out of the State of Pennsylvania.
 - xxiii. "At fault" accidents (as detailed in the Drivers Handbook)
6. All reports of unsafe, discourteous, or inappropriate vehicle operation will be investigated.

 I have read, I understand, and I agree to Section C (your initials)

D. Disciplinary Action

1. Disciplinary action may include but is not limited in any way to the following:
 - i. Drivers may be required to complete driver safety training and a road test. Failure to successfully complete the training and road test will result in revocation or restriction of company driving privileges and consequent pay rate reduction, or termination of employment.
 - ii. Requirement to explain to the company officers, safety committee, insurance company or any other representative why the offense was made and their intent to correct driving habits.
 - iii. Requirement to explain to others in a group (or company safety meeting) why the employee had to complete driver safety training and a road test and how they intend to operate a motor vehicle in the future.
 - iv. Required suspension of driving privileges for not less than 90 days with restoration subject to review.
 - v. Revocation of company vehicle driving privileges for not less than 30 days up to permanent and complete revocation of driving privileges and consequent wage adjustment.
 - vi. Immediate termination of employment.

 I have read, I understand, and I accept Section D (your initials)

E. Noise, Mobile phones and Two-Way Radios

1. Employees are not permitted to play or increase the volume of any vehicle radio while the employee is inside or outside the company vehicle so as to create a nuisance to the surrounding area or become a distraction that will prevent the driver from operating the vehicle in a safe manner. The definition of nuisance under this policy will not be decided by the employee, but will be determined by the company. This rule applies to whether the company vehicle is being used on or off work hours and is located on public or private property during business hours, weekends and holidays. Employees shall regulate volume in a manner that is respectful of others in the vehicle.
2. Mobile phones and two-way radios can be used while driving when and where not prohibited by federal, state, and local laws or regulations; however, the employee (driver) must use extreme caution when communicating. If the conversation requires the operator to become inattentive to his/her driving, the driver shall pull off the path of travel to a safe location to engage in further communication. If at all possible have a co-worker communicate for you. (e.g., no writing or searching for a document while attempting to drive). Drivers of commercial vehicles (10,001 pounds or more) must comply with federal regulations concerning the use of cell phones and electronic devices.
3. Employees shall not wear headphones which exclude external sound while driving company vehicles on public or private property under any circumstances at any time. Earpieces as provided with a "hands-free" mobile phones or two-way communication devices are acceptable and encouraged. Due to hygiene and fitting considerations, drivers are to secure

their own such devices. The company will make Bluetooth headsets available to drivers at a discounted price.

4. Any employee who consistently violates any provision of this part (E) and continues to cause the company to take action to correct their behavior will be subject to termination without further notice.

 I have read, I understand, and I accept Section E (your initials)

F. Vehicle Maintenance and Inspection

1. Drivers are responsible for ensuring the scheduled and daily maintenance and cleanliness of their assigned and/or dispatched vehicles. The company will pay maintenance expenses unless the company has reason to believe the vehicle has been purposely neglected or misused. Your assigned and/or dispatched vehicle must be inspected each day before and after use, since you are solely responsible for its condition. For commercial vehicles, pre- and post-trip inspections are DOT requirements. Drivers should make a point of checking and replenishing engine oil and fluid levels including diesel emissions fluid and windshield washer fluid at each fueling.
2. Employees are not to operate vehicles they consider are mechanically unsafe to drive until certified to be safe by an approved mechanic employed or authorized by the company. Any condition which renders the operation of the vehicle unsafe to operate shall be reported immediately.
3. Accumulated trash must be removed from vehicles daily. The dashboard, seats and floor shall be free of any unsecured objects that are not a functional part of the vehicle. (Exceptions: briefcase, purses, rolled blueprints. Failure to note on the Driver Vehicle Inspection Report or to advise Operations in another written form of litter left by a prior driver may subject the driver to the penalties applicable to the original litterer.
4. While in use and upon return, drivers of assigned and/or dispatched vehicles are responsible to maintain and keep the windshields and windows cleaned inside and out. The company will provide the supplies for the cleaning. You are also responsible to assure the interior and exterior of the vehicle are given reasonable care and not defaced or deliberately damaged. Personnel or managers who may be assigned a company vehicle for full time business use is expected and required to maintain reasonable care of the vehicle including keeping it washed, waxed, and overall cleaned inside and out.
5. Mirrors (e.g. rearview) shall not have objects attached or hanging from them, including the attachment of stickers unless they have been approved by the company or applied by the vehicle manufacturer.
6. Decals, photographs, labels or stickers shall not be attached to any part of the vehicle unless they have been approved my management or applied by the manufacturer for safety or operational purposes.

 I have read, I understand, and I accept Section F (your initials)

G. Accident Reporting

1. Each vehicle will have an accident reporting kit which includes registration and insurance information. It is the driver's responsibility to replenish accident kit contents when consumed.

2. If involved in an accident and you are not injured, obtain as much information as possible about the other driver(s). (Note: Be familiar with the accident reporting kit as it will aide you in obtaining information).
3. Follow these guidelines if involved in an accident:
 - i. Cooperate with law enforcement agencies
 - ii. Do not admit guilt - ever.
 - iii. Obtain names and phone numbers of witnesses. Hand them a “witness card” and request that they complete it prior to leaving the scene. Include this information with your report.
 - iv. Take photographs of the accident scene using the camera provided in the accident kit.
 - v. You may give the following information to others:
 - Your name
 - Your driver’s license number
 - Company contact information
 - Company’s insurance company name and policy number
 - vi. Contact the company immediately
 - vii. Follow the requirement for substance abuse testing. (Note: Failure to comply with the substance abuse program will constitute admitting being under the influence. If you are injured, the treating medical facility will comply with our substance abuse regulations). A driver shall not operate a motor vehicle if, because of federal regulations or because of reasonable suspicion, drug and alcohol testing are required following an accident. Failure to adhere to this will result in termination.

 I have read, I understand, and I accept Section G (your initials)

H. Trailers

1. Company trailers are to be used for business purposes only. Personal use is discouraged but may be considered depending on the reason for use. If personal use is approved, written authorization must be obtained and the employee shall be responsible for vehicle inspections, and care.
2. Company trailers dispatched and/or assigned to a driver are to be used only by the assigned driver. Use by anyone other than the assigned driver must be pre-approved by management.
3. All Company Rules (see the Company Policy Manual and Fleet Safety Manual and Drivers Handbook) and applicable State, Federal and Local laws governing the use of (company) trailers on public or private property must be adhered.
4. Trailers are not to be towed with any vehicle other than those specifically identified by the company for the purpose.
5. Trailers are not to be used unless the driver has successfully completed the company trailer certification procedure.
6. Driver are responsible for confirming that trailers have complete and up-to-date credentials

- including registration, proof of insurance, registration plate, and inspection sticker.
7. Trailers may not be parked at drivers' homes unless authorized by the Operations Department.
 8. In no case shall trailers be parked overnight on public roadways or commercial parking facilities.
 9. Trailers shall not be parked in hotel parking lots unless en route to or from a job site.
 10. Trailers shall be locked at all times.
 11. When trailers are parked at a job site, they must be located as pre-arranged by the project manager or as directed by a responsible customer representative. On local jobs where a trailer is off-loaded at the job site, the trailer should be returned to the home office.

I have read, I understand, and I accept Section H (your initials)

**ADVANCED INDUSTRIAL SERVICES, INC.
COMPANY VEHICLE POLICY AGREEMENT**

Driver's Acknowledgement and Acceptance
of the Terms and Conditions
Governing Company Vehicle Use

Signature Section

I, _____, have read, understand, and accept the rules, regulations, and provisions of the Company Vehicle Policy and I will abide by all terms and conditions established herein.

_____ (signature)

Date: _____

Witness: _____ (signature)

Date: _____