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Montgomery Transport, LLC is pleased to announce the implementation of our *Safety Initiative Program*, effective, January 1, 2013. At Montgomery Transport, LLC we recognize the importance of safety performance. It is our goal to be one of the safest, most professional companies in the industry. Safety consists of much more than just accidents. At the time DOT performs a carrier review, evaluations are done according to accidents, incidents, logs, timeliness of log reporting, roadside inspections and moving violations; therefore, Montgomery Transport, LLC uses these evaluations as a measure for safety performances.

Montgomery Transport, LLC's goal is to improve performance in all areas related to safety. Your commitment to this goal is the only way we can achieve this.

Montgomery Transport, LLC's program will consist of two incentive systems, the *Safe Mileage Program* and the *Safety and Performance Points Program*.

# Safe Mileage Program

Montgomery Transport, LLC will reward its company drivers based on safe mileage after having met the criteria below. Eligible drivers will receive rewards at 250K, 375K, 500K, 645K, 750K, 875K and **1,000,000** miles. *See Table A below for reward details.* Safe mileage is calculated through <u>paid miles</u>.

## **Eligibility Requirements**

In order to be eligible for Montgomery Transport, LLC's *Safe Mileage Program*, driver employees must meet all of the requirements below:

- Driver must not have any preventable or chargeable accidents in the previous mileage window.
- Driver must have completed all required safety training.
- Driver must not have received any disqualifying moving violations in the previous mileage window. (Disqualifying moving violations are detailed in the Driver Manual)
- Driver must not have received any Out of Service violations due to driver non-compliance with Federal Motor Carrier Safety Regulations in the previous mileage window.
- Driver must not have received any Vehicle Out of Service violations due to failing to complete a proper Pre-Trip or Post-Trip inspections as required by Federal Motor Carrier Safety Regulations during the previous mileage window.
- Driver must not have received any Probationary Period status for Log (*Record of Duty Status*) non-compliance in the previous mileage window.
- Driver must not have been involved in any Loss Time Workers Compensation claim during the previous mileage window.
- Driver must immediately report any injury, near miss, property damage or safety hazards. (*Reportable Accident details on page 30-36 in the Driver Manual*)

Note: Any driver disqualified from the Safe Mileage Program due to any occurrence listed above will restart at zero safe miles the date the incident occurs and will begin accruing again immediately. In the event that this does happen and the driver employee is recycled into the reward system, they will have the option to accept the reward again or have the cost of the reward paid to them through the payroll department via their weekly paycheck. Any safe miles obtained by a driver employee at the time of an employee's separation from the company shall be forfeited. If a driver rejoins with Montgomery Transport, they will restart at zero safe miles at their rehire date.

Table A - Safe Mileage Program Reward System				
250K	250K Safe Miles Personalized Plaque			
375K	375K Safe Miles Certificate and Coil Tarp			
500K	500K Safe Miles Certificate and an embroidered Carhart jacket. Driver name on Safety Recognition Board, Wall of Fame.			
625K	625K Safe Miles Certificate and an additional \$0.01/mile compensation			
750K	750K Safe Miles Certificate and an additional \$0.01/mile compensation			
875K	875K Safe Miles Plaque and a Personalized Denim Shirt			
1,000,000	Million Safe Miles Ring and name engraved on Safety Recognition Board, Wall of Fame. We will have annual 1,000,000 safe			
	miles celebration ceremonies at our corporate terminal to reward and recognize our safe driver's accomplishments.			

### Safety and Performance Points Program

The *Safety and Performance Points Program* is a reward system that encourages Montgomery Transport driver employees to go the extra mile and stay committed to safety. Driver employees have the opportunity to accrue up to 120 points per quarter. Although the maximum number of points available in a quarter is 120, driver employees are encouraged to participate in activities multiple times. *The Safety and Performance Points Program* allows driver employees to redeem their points for incentive rewards.

### Each participant will be rewarded points as follows:

- **Required Infinit-i Safety Training: 30 points** Complete the required monthly Infinit-i safety courses online. Driver employees are required to <u>complete one (1) Infiniti-i online safety course per quarter</u>. This course must be completed and passed in order to receive thirty (30) points.
- Additional Infinit-i Safety Training: Up to 30 points Complete and pass additional Infiniti-i safety training courses. These courses are optional, not required and available online. Within each quarter, driver employees have the <u>option to complete up to three (3) additional Infiniti-i courses and receive ten (10)</u> <u>points per each course</u>. The maximum available points for additional courses online within a quarter are thirty (30). No additional points may be earned unless required Infiniti-i safety courses have been completed.
- Assisting a fellow- MT driver: 30 points <u>A maximum of thirty (30) points per quarter for assisting</u> <u>another driver with securing or tarping a load.</u> Driver employees may receive ten (10) points per assist allowing up to three assists per quarter. The driver employee performing the assist should notify his/her Driver Manager and communicate the driver whom he/she assisted to receive the point. Once verified, assisting driver will be rewarded ten (10) points.
- Driver of the Month Nominee: 10 points <u>Each Driver of the Month nominee throughout the quarter</u> <u>will receive ten (10) points</u>. Maximum of ten (10) points per quarter. (Nomination requirements and details further described in the Driver of the Month section of the Driver Manual)
- Safe Driver Referral: 20 points Current drivers may receive up to twenty (20) points for up to two (2) Safe Driver Referrals. The current driver will receive ten (10) points once the referred driver has completed all necessary pre-employment stages, completes orientation and is hired.

#### Each participant will be deducted points in the following manner:

-10 points – A call in complaining of improper conduct

-10 points – Failure to report damage related to any Montgomery Transport equipment (*Refer to pages 30-36 in the Driver Manual*)

**-10 points** – Failure to comply with Montgomery Transport's Load Securement Guidelines (*Refer to pages 63-64 in the Driver Manual*)

#### **Points Program Reward System**

Time frames for the four (4) quarters throughout the year are: January 1st through the end of March, April 1st through the end of June, July 1st through end of September and October 1st through the end of December. New employees become eligible to earn points on January 1, April 1, July 1 and September1, the closest date following their hire date.

Incentive point payouts are on a quarterly basis and will be given on the last business day in March, June, September and December. Points earned will be communicated to driver employees by the Safety Department by the 5<sup>th</sup> business day following the payout.

The opportunity to cash in and redeem rewards will be given twice a year, during the entire month of April and the entire month of October. The last opportunity to place an order will be the last business day in April and the last business day in October. Cash in forms available by the Safety Department. Points may be redeemed in increments

of 150. i.e. 150, 300, 450 and 600. *Refer to table below for reward details*. Unused points will continue to accrue and available during the next cash in date. All rewards will be determined by management and subject to change.

Note: You must be a current employee in order to redeem points. Any earned and unused points at the time of an employee's separation from the company shall be forfeited. If a driver rejoins with Montgomery Transport, they will restart at zero points at their rehire date.

Safety and Performance Points System				
150 pts	300 pts	450 pts	600 pts	
Long Sleeve Safety Shirt	105 pc. Tool Set	Steel Toe Boots	Tailgating Tent	
High Visibility Sweatshirt	Prolite Fishing Pole	Carhartt Coat	Kindle Fire HDX	
Heavy Duty Safety Vest	Bluetooth Headset	Nascar Jacket	Bean Bag Toss	
Custom Hard Hat	Carhartt Sweatshirt	Camping Tent	Bluetooth CB Radio	
MT Jacket			New Yorker 4pc Luggage Set	

\*All rewards subject to change

## **Program Disqualifications**

At Montgomery Transport, LLC we strongly encourage active participation in our incentive programs. We take pride in our safety, our programs and our driver employees. To further promote our success in overall safety, the following criteria will result in disqualification from the Safe Mileage Program <u>and</u> the Safety and Performance Points Program:

- Any failure to immediately report any injury, near miss, property damage or safety hazard.
- It is solely at the discretion of Management to disqualify a driver from any or all safety incentive programs.