Motor Carrier Attachment –Arizona Milk Transport Inc.

Safety / Conduct Policy

Phoenix, AZ

HWY21MH008

(29 pages)

Arizona Milk Transport, Inc.

Safety/Conduct Policy

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Rev. 5/10/18

Arizona Milk Transport, Inc.
Safety procedures for all drivers.

SAFETY POLICY DECLARATION

Safety is our highest priority and will influence all policies and procedures governing our business.

We recognize that it is our responsibility to obey all state and federal safety rules and regulations, provide a safe work environment and establish safety policies and procedures.

Everyone's responsibility is to work in a safe manner and follow all company safety policies. Arizona Milk Transport, Inc. expects a commitment to safety from all personnel. This commitment will reflect in the profitability of the company and the enhancement of the employee.

GENERAL

Most of the federal regulations apply only to interstate commerce (except the CDL license and Alcohol and Drug testing) but all of the states have written state laws which parallel the federal. It is the position of this policy to follow federal regulations in all of our activity unless a specific local or state law is more stringent or an operational exception has been made by management. Unless otherwise stated, this policy as written shall apply to any person who operates a Arizona Milk Transport, Inc. vehicle on a public street or highway.

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General Procedures

1. Drivers are required to comply with all federal, state and local laws and regulations that pertain.

2. All drivers are required to perform pre-trip, during-trip, and post-trip inspections of all vehicles operated. A written daily vehicle inspection report (DVIR) must be completed at the end of each day. Drivers must report any potential safety defects to their Operations Manager prior to the end of the day.

A safety defect is any part or accessory which "would affect the safety of operation of the vehicle or result in a mechanical breakdown".
Examples may be:

- Headlights, flashers, turn signals and stop lights but not clearance lights
- Any brake comment (i.e. soft, jumps, pulls, emergency warning buzzers and lights out, etc)
- Tires (2/32" tread on drives and trailers, 4/32" on steering at the lowest tread)
- Steering (i.e pulls, clunks, shimmies, wanders, etc)
- Dash lights would not be a safety defect but need to eventually get done.
- Transmission or drive line vibrations and gears missing
- Defroster would be a safety defect but air conditioning and heater generally not unless extreme weather
- Refrigeration and trailer body work is not a safety defect.
- Windshield damage of the size of a quarter or a crack that cross on driver's side.

Operations Managers must collect and review these DVIRs every day or at the completion of each trip. Operations managers or his/her designee will determine if a safety defect is present and must be repaired before the truck is operated again. Safety must take precedence in these decisions and if it is determined that the defect is not a safety defect then the note "no repairs needed" must be signed on the original by the decision maker. (Generally it would be safer to error on the conservative side (more defects to be repaired) than on the liberal (no defects) side.)

A vehicle with a safety defect will not be operated until after a mechanic or supervisor has certified it as road ready. Note that for all vehicles with a defect noted on the DVIR or roadside inspection reports, there must be a work order for that repair or inspection stapled to the appropriate DVIR or roadside inspection report and a copy placed in that vehicle's maintenance file.

3. Drivers are responsible for checking all safety equipment. Any fines resulting from an inspection of safety equipment while on the road will be the driver's responsibility.

4. Speeding will not be tolerated by Arizona Milk Transport. All speeding violations in any vehicle are the driver's responsibility to pay and must be reported to their Supervisor within 24 hours. Arizona Milk Transport will tolerate no more than 2 speeding tickets in ANY vehicle in a three year period. The third conviction within 3 years will result in disqualification as an authorized driver. If speeding 15 mph over the posted speed limit or an unattentive driving violation is received you may be terminated immediately

6. All accidents, regardless of how small, must immediately be reported to the driver's Supervisor. The Supervisor will notify Susan Soloman as soon as possible. Accidents determined to be preventable will result in an official warning and may result in additional disciplinary action.

7. All paperwork must be accurate, complete and turned in on a timely basis. All drivers must turn in their paperwork upon the completion of each trip or at the completion of the day. The Supervisor must review all paperwork prior to the driver's or vehicle's next assignment.

8. No driver will be required to operate unsafe equipment. Unsafe equipment must reported immediately to the driver's Supervisor and be placed out of service until necessary repairs can be made.

9. Any driver involved in proven acts of abuse or negligence to Arizona Milk Transport's vehicles will be held financially responsible. Any costs incurred by Arizona Milk Transport through the negligent actions of a driver will be charged back to the driver responsible. Additional appropriate disciplinary action will be taken.

10. No passengers are permitted in the equipment at any time. If unauthorized passengers are observed in the truck, the driver will be terminated immediately.

11. Renewal of the physical and driver's license is the driver's responsibility. Physical cards dated from within 2 years and an appropriate Class A endorsement must be in the driver's possession at all times when operating the vehicle. The driver sends copies of each to the Supervisor at least one week prior to expiration. Drivers will not be assigned a driving function until received.

12. The Federal Department of Transportation's rules and regulations require that all drivers of vehicles greater than 26000 lbs GVWR submit to pre-employment, random, reasonable suspicion, and post-accident alcohol and drug tests when instructed to do so. If abuse is detected, appropriate action will be taken as defined by Arizona Milk Transport's Drug and Alcohol Testing Policy.

The Role of the Driver at Arizona Milk Transport

Professional drivers are essential to ARIZONA MILK TRANSPORT's success. In addition to their job description, the Arizona Milk Transport driver is to:

- Pick up and deliver product safely, legally, and on time
- Communicate essential information accurately and on time
- Keep company equipment clean
- Offer ideas and suggestions that lead to continuous improvement of our business
- Professionally represent ARIZONA MILK TRANSPORT at all times

SAFETY COMPLIANCE

Compliance with federal and state laws and company guidelines is an important aspect of Arizona Milk Transport's success and professionalism. Therefore, you must remain within compliance while operating Arizona Milk Transport equipment. If an employee is found to be violating safe work practices or procedures, the supervisor is responsible for disciplining the employee and reinforcing the correct safe behavior or activity. Discipline will depend on the severity of the safety rule infraction, and can range anywhere from a verbal reprimand to a written warning to suspension or even termination.

PASSENGER AUTHORIZATIONS

The transportation of unauthorized passengers in any Arizona Milk Transport equipment is in violation of both Arizona Milk Transport policy and Federal Regulation 49 CFR, Section 392.60. Any driver who fails to follow this policy will be immediately terminated.

SEATBELTS

Arizona Milk Transport has instituted the following program because we are concerned with the safety and welfare of our drivers and their passengers.

- Driver must make a physical check of the vehicle to be driven to make sure properly functioning seatbelts are available for each individual who will ride in the vehicle.
- Always fasten the driver's own seat belt before operating the vehicle.
- Do not allow more people in a vehicle than there are seatbelts available.
- Never allow people to ride in other than the cab of the vehicle.
- Periodically remind passengers that they are required to use seatbelts while on company business or in company vehicles.
- Seatbelts do save lives!

PHYSICAL EXAMINATION RENEWAL

Federal regulations require drivers to be physically examined and certified every two years, or more frequent in some cases.

- If a renewed physical exam form is not received by the Arizona Milk Transport Supervisor at least one week prior to the expiration date, the driver will be placed out of service until the renewal from is received.

ANNUAL CERTIFICATE OF VIOLATION

Federal regulations require that every driver must annually submit a Certificate of Violations to the carrier.

- Drivers must complete the new Certificate of Violations form and return it to the Supervisor prior to the expiration date of the current document. Drivers who fail to do so will be placed out of service until the renewal document is received.

MOVING VIOLATIONS

Arizona Milk Transport safety standards regarding moving violations reflect the professionalism achieved by Arizona Milk Transport's driver. Maintaining a good driving record is necessary when operating both commercial and non-commercial vehicles, however, if a driver receives any moving violations in any vehicle within the current 36-month period, following a review of the violation by management action will be taken, this action will be decided by management upon review of the violation.

All requalifications will be dependent upon a clean driving record as a prerequisite and will be subject to the approval of Susan Soloman.

ALCOHOL / DRUG OFFENSES

See company Alcohol and Drug Abuse Policy for more detail on Arizona Milk Transport testing procedures and consequences.

HIT AND RUN, RECKLESS OR CARELESS DRIVING

If a driver is found to be involved in a hit and run, leaving the scene of an accident, reckless or careless driving, the driver will be terminated immediately upon confirmation.

REPORTING MOVING VIOLATIONS

Drivers must notify Arizona Milk Transport by telephone or in person of all moving violations within 24 hrs of the occurrence. If the driver pleads guilty or is convicted for a moving violation in a state other than his/her home state, the driver must then notify the Department of Motor Vehicles in the state that issued his/her license. Failure to report a moving violation conviction to Arizona Milk Transport and the state is a violation of federal regulation (Section 382.31) and could be punishable with up to a $2,750 fine by the federal government.

SUSPENDED, TERMINATED, OR RESTRICTED LICENSE

Driving with a suspended or terminated license severely compromises Arizona Milk Transport's carrier profile and our ability to operate trucks on the highway. Any driver found operating with a suspended or terminated license will be immediately disqualified as a driver. All requalifications are subject to the approval of Susan Soloman.

- No driver may operate a Arizona Milk Transport vehicle with a restricted operator's license that affects Arizona Milk Transport's operation.
- Drivers must notify their Supervisor within 24 hours of the suspension or revocation of the driver's license.
- Current licenses must be issued by the state in which the driver resides. A driver must obtain a license from the new state within the time period required by that state (usually within 30 days). A legible copy of the new license must be sent to the Supervisor.
- Driver must have only one valid license.

ACCIDENT REPORTING / PREVENTABILITY

Arizona Milk Transport has a low accident ratio thanks primarily to our professional drivers. But we know that even a professional driver can have an accident. To ensure timely reporting and to control the severity of claims relating to accidents, our drivers must follow the below listed Arizona Milk Transport accident procedures.

ACCIDENT PROCEDURES

1. Stop immediately! Make the situation as safe as possible.
2. Set up warning devices (triangles, flashes, flares, etc.). Turn on flashers.
3. Notify the nearest state or local police. If a doctor or ambulance is needed, inform police.
4. Move the vehicle out of the traffic lane only if required or if the location of your vehicle may cause another accident.
5. Assist injured people as appropriate but do not attempt to move them unless absolutely necessary. Your assistance should be limited to control of bleeding and/or keeping the person warm and as quiet as possible until an ambulance, doctor, or police officer arrives to provide assistance.
6. If death, personal injury, or serious vehicle, property or cargo damage occurs, immediately contact your supervisor and Susan Soloman to receive instructions.
7. Statements should only be given to the police officer, Arizona Milk Transport management, or their insurance carrier representative. Avoid a discussion regarding fault!
8. Keep a level head and be polite. All details are to be taken care of including a clear and complete report prior to leaving the scene.
9. Take photographs of all property and vehicle damage and the accident scene if possible. Use up all film if at all possible.
10. If you were issued a citation for a moving violation, notify the Arizona Milk Transport Supervisor by phone or in person within 24 hours from the date the citation was issued.
11. ADOT alcohol and drug screen will be required if the accident caused a death, or the driver received a citation for a moving violation in connection with a personal injury which required immediate medical treatment away from the accident scene or disabling damage to one or more vehicles requiring the vehicle to be transported away from the scene. An alcohol and drug test will be conducted for all other accidents. You cannot use alcohol or drug for at least 8 hours or until you are tested. You must submit to an alcohol and drug screen as soon as possible, but not later than 2 hours after the accident. See the Arizona Milk Transport drug policy for more information.
12. Complete the "Police Accident Report" if provided from the responding officer. Send the original of the completed report form to the address indicated on the form and send a copy to the Arizona Milk Transport Supervisor within 24 hours.
13. Pick-up emergency equipment that can be reused.

FAILURE TO REPORT AN ACCIDENT

Except in certain acceptable mitigating circumstances, late reporting (24 hours) will result in termination.

ACCIDENT REVIEW

An accident review will determine the preventability of vehicular accidents.

A "preventable accident" is when the driver could have reasonably reacted in some manner to prevent an accident from occurring. Certain types of accidents, while possibly considered non-preventable in a legal sense, may have been prevented through defensive driving and therefore will be ruled as preventable.

"Defensive driving" is defined as; driving in full compliance with all applicable laws and regulations in such a manner as to avoid accident involvement despite adverse road conditions caused by weather, traffic, or errors of others.

The accident review, composed of Arizona Milk Transport Supervisors and Susan Soloman, if possible, will review all vehicular accidents at the first possible time after the investigation is complete.

All facts, including date, time, location, weather conditions, driver and witness statements, photographs, police reports (if available), and circumstances surrounding the accident will be presented for its review.

A meeting with Arizona Milk Transport management will be given to each driver after the accident review is complete.

PREVENTABLE ACCIDENTS

A driver who experiences recurring preventable accidents within any 12-month period will result in disciplinary action which may include termination.

Any accident involving a fatality or gross or criminal negligence may be dealt with more harshly - the degree of driver negligence will be a major factor in administering these standards.

MAINTAINING PROPER DUTY STATUS RECORD

Every Arizona Milk Transport driver must maintain record of hours on the company time sheet. Time sheets must be recorded for every day within pay period, regardless of whether or not a driver has driven a vehicle, plus time recorded for the seven previous days. Local drivers may use the 100 mile radius exception as listed below if all (4) conditions can be met.

- Log must be current to the last change of duty classification throughout the 24-hour log day.
- A day consists of the 24 hours from midnight to midnight, one calendar day. Within those 24 hours, the time is categorized into four duty classifications:

Off Duty - Time which is not devoted to any aspect of the job is off duty time.

Sleeper Berth - Time spent resting in the sleeper berth. If not resting in a DOT qualified sleeper berth, you cannot record that time as sleeper berth time.

Driving - Time spent at the driving controls of a motor vehicle in operation.

On Duty, Not Driving - Time spent performing work-related duties and tasks other than driving, e.g., loading and unloading, attending a vehicle being loaded or unloaded, filling out paperwork, inspecting your vehicle, reporting accidents, receiving citations, waiting at a roadside for a mechanic, or any other responsibility which would be considered work.

100 AIR MILE RADIUS EXCEPTION (LOG BOOK EXCEPTION)

Drivers who can meet all of the below conditions can switch to the time sheet "record of duty" for any given day. There must be a start time, end time, and total hours for each day recorded. The original 7 day time sheet must be turned in with any individual applicable log sheets at the end of each pay period. Note: a log page must be completed and turned in for every day for which any of these conditions are not met.

1. The driver operates within a 100 air-mile radius of the normal work reporting location;
2. The driver returns to his work reporting location and is released from work within 12 consecutive hours;
3. At least 10 consecutive hours off duty separate each 12 hours on duty;
4. The driver does not exceed 11 hours maximum driving time following 8 consecutive hours off duty.

LOG ENTRY ERRORS

Never erase or white out a log entry. If you make a mistake, neatly cross off the error and enter the correct information above the crossed out line. Any erasure might be interpreted by the DOT as a falsification of your record of duty status which is a chargeable violation.

11-14-60 HOURS OF SERVICE REGULATIONS (Part 395)

The DOT has established three basic rules designed to control driver fatigue.

11-Hour Driving Rule

After having at least ten consecutive hours off duty, a driver cannot drive more than 11 hours.

14-Hour On Duty Rule

A driver cannot continue to drive after being on duty for 14 consecutive hours after coming on-duty following ten consecutive hours off duty. The driver may continue to work after 14 hours on duty, provided he does not drive again until taking ten consecutive hours off duty.

60-Hour Maximum On Duty Rule

A driver cannot drive after accumulating 60 hours on duty, (combination of driving and on duty, not driving time) in any seven consecutive-day period. The driver may continue to work, but cannot drive again until having hours available within the 60-hour rule. The driver may reset his/her accumulated hours to zero following 34 consecutive hours off duty.

Remember, the hours of service rules are used to prevent serious accidents caused by driver fatigue. Please realize that a fatigued driver threatens:

1. The driver's own life and livelihood.

2. The safety of the motoring public.

3. The safe arrival of the vehicle being transported.

SLEEPER BERTH RULE

The 11-hour and 14-hour rules require that a driver get ten consecutive hours of rest before driving again. However, drivers using sleeper berth equipment can accumulate the required ten consecutive hours resting in a sleeper berth in two separate periods totaling at least ten hours.

Time resting in the sleeper berth must be recorded in no more than two periods totaling ten hours. Regulations also require that a minimum of eight hours must be spent in one of the sleeper berth periods. A combination of off duty time and sleeper berth may be utilized to complete a split break after the 8 hours in the sleeper berth.

ADVERSE DRIVING CONDITIONS

If adverse driving conditions cause a delay after you begin your trip, you may drive up to two hours over the 11-hour limit to locate a safe place to park and protect yourself and your vehicle. That "safe place" must be within a 11-hour drive from your starting point for the day under normal conditions. This exception does not allow you to drive after the 14th consecutive hours after the 10 hour break. Adverse driving conditions include snow, sleet, fog, or other hazardous weather conditions.

LOG VIOLATIONS

Driver's daily logs are a necessary tool in monitoring fatigue and help Arizona Milk Transport and its drivers maintain a safe and legal operation on public roadways.

Log compliance is legally required by federal and state agencies, and is monitored by Arizona Milk Transport. Driver logs will be audited at the end of every pay period. Drivers should keep a copy of each log or time sheet for at least 1 year and in some cases seven years, such as for IRS.

After auditing, the Supervisor will file the logs/time sheets and notify each driver of log violations if any. Supervisors and drivers will sign the violation report and return it to the Arizona Milk Transport office within two weeks.

Drivers who do not maintain compliance with federal and state regulations, as well as Arizona Milk Transport's company polices, will be subject to disciplinary action.

VEHICLE INSPECTIONS

DOT ROADSIDE INSPECTIONS

If your vehicle is ever inspected by a federal or state inspector, you must do the following:

- Record on your log the location (city/county) and total time of the inspection in the on duty, not driving status.
- Drivers must turn the inspection report in to their Supervisor within 24 hours. The Supervisor must certify that corrections have been made, sign the report if required, and immediately send the original to the Arizona Milk Transport office to be returned to the appropriate department.
- Copies of the repair receipts must be given to the Arizona Milk Transport office within one week from the date of the inspection.

DAILY VEHICLE INSPECTION REQUIREMENTS

Pre-Trip Inspection

Federal Regulation 396.13 states that before driving a motor vehicle, the driver shall:

- Be satisfied that the motor vehicle is in safe operating condition.
- Review the last vehicle inspection report required to be carried on the power unit.
- Sign the report (only if defects or deficiencies were noted by the driver who prepared the report) to acknowledge the driver has reviewed it and there is certification that the required repairs have been performed.

During Trip Inspection

Drivers must inspect the vehicle within the first 50 miles of a trip at every change of duty status, and every 150 miles, or every three hours (whichever comes first) afterward. The driver is required to check at least the following items:

- Cargo doors and cargo securement
- Tires - enough air pressure and not overheated
- Brakes - not overheated (put back of hand near brake to test)
- Coupling devices

Post-Trip Inspection

Per Federal Regulation 396.11, every motor carrier shall require its drivers to report, and every driver shall prepare a report, in writing at the completion of each day's work on each vehicle operated. The report shall cover at least the following parts and accessories:

- Service brakes including trailer brake connections
- Parking (hand) brake
- Steering mechanism
- Lighting devices and reflectors
- Tires
- Horn
- Windshield wipers
- Rear vision mirrors
- Coupling devices
- Wheels and rims
- Emergency equipment

The report shall identify the motor vehicle and list any defect or deficiency discovered by, or reported to the driver which would affect the safety and operation of the motor vehicle or result in its mechanical breakdown.

If no defect or deficiency is discovered by, or reported to the driver, the report shall so indicate. In all instances, the driver shall sign the vehicle inspection report. If a driver operates more than one vehicle during the day, a report shall be prepared for each vehicle operated.

CORRECTIVE ACTION

Prior to operating a motor vehicle, Arizona Milk Transport will insure that the repair of any items listed on the vehicle inspection reports which would be likely to affect the safe operation of the vehicle, except for minor repairs, has been accomplished. If this should occur on the road, the driver must proceed to a shop and get the defect corrected before the end of the day and before the daily inspection report is completed.

On all Daily Vehicle Inspection Reports (DVIR):

- The Supervisor or his/her designee shall certify on the white copy of the DVIR which list any defects or deficiencies (which should be on the truck) if the defect is not a safety defect that the defects or deficiencies are not necessary to correct before the vehicle is again dispatched.

- A mechanic or supervisor shall certify on the white copy of the DVIR which lists the defect or deficiency (which should be on the truck) if the defect is a safety defect that the defects have been corrected.

- Arizona Milk Transport shall retain the original copy of each vehicle inspection report and the certification of repairs for at least three months from the date the report was prepared.

- The original copy (white copy) of the last vehicle inspection report, certified if required, shall be carried on the power unit until after the next driver completes the next report.

- Drivers will turn in the original white copy of the previous daily vehicle inspection report at the end of the day.

- The driver must notify his/her Supervisor of any defects noted by turning the yellow copy of the DVIR they prepared today. The Driver Manager must review every DVIR every day for possible safety defects before the vehicles are assigned.

REGULAR SYSTEMATIC MAINTENANCE

All Arizona Milk Transport owned vehicles which operate on public highways will be serviced and inspected on a regular preventative schedule. Service schedules may vary depending on equipment. Supervisors will monitor service interval due dates and schedule the vehicle in for service when due.

Schedule A Once every month, each vehicle (truck and trailer) will be inspected and serviced. This inspection is focused on minor "quick fix" service and safety items such as lights, brake adjustments, tires defects and inflation, and loose nuts, bolts, and lugs.

Schedule B Trucks--Every 15,000 to 20,000 miles power units will be inspected and serviced according to a (PM) checklist. A full lube and oil change with filters is to be performed in addition to the above "Schedule A".

Schedule B Trailers--Once every 3 months the trailer inspection must at least include inspection and applicable repair of brakes (including appropriate adjustments) and hoses, lights, wheels, lugs, and tires, 5th wheel, frame and structure.

Files are retained by Arizona Milk Transport for at least 12 months from the date of the inspection. Work orders and receipts for repairs must be forwarded to the Arizona Milk Transport office.

Drivers who have reason to suspect that their assigned unit has not been inspected should call their Supervisor prior to leaving on their assign route.

Mechanics or Supervisors who perform brake repairs or adjustments must be certified brake inspectors per sec. 396.25. Proof of these qualifications must be available for inspection for as long as the mechanic or Supervisor is performing the work plus one year thereafter.

PERIODIC INSPECTION

All Arizona Milk Transport owned vehicles which operate on public highways must be inspected at least annually according to Sec. 396.19 and FMCSR appendix G standards.

A decal must be placed on each vehicle designating the date on which the inspection was conducted and where the files are maintained. The inspection report must be retained for at least 14 months in the maintenance file. Inspectors conducting this inspection must be qualified and their certification must be available for inspection for one year after the inspection.

LOCKOUT OF VEHICLE FOR REPAIRS/MAINTENANCE

Any vehicle needing repair or maintenance will be tagged with out of service markers and/or lockout devices. NO moving or ignition of the truck will be performed by anyone other than the mechanic or supervisor. During repair work on any vehicle the control of all keys belongs to the person performing the work. Violation of this policy will result in disciplinary action which may include termination.

REMOVAL OF KEYS DURING UNLOADING PROCEDURES

The rules are - once you have backed into a bay you will immediately turn over your keys to the receiver and you WILL NOT move that truck again or pull out of a bay until THE RECEIVER HAS PHYSICALLY PUT THE KEYS IN YOUR HAND and has told you that it is now safe for you to move your vehicle.

It is a violation of safety procedures to go and take the keys from the receiving shack. ALL drivers MUST WAIT until the keys have been returned to them by the receiver. NO keys are to be in the ignition of the trucks while being unloaded for any reason at any time or you will be terminated. The complete control of all keys during the unloading process belongs to the receivers. Any damage caused by your violation of these safety rules will be deducted out of your final paycheck.

SAFETY AWARDS / RECOGNITION

Arizona Milk Transport appreciates all of the professional drivers who work hard every day to care for our customers and contribute to our profitability. Thousands of miles are generated by drivers who never have an accident and follow all of the regulations that are part of our business. Drivers quite often are all the customer knows about Arizona Milk Transport.

In recognition of all the outstanding work drivers do every day, a $200 quarterly performance bonus will be paid out to full time drivers (averaging at least 40 hours per week for the quarter) who are able to accomplish the following conditions.

- Not involved in any preventable accidents where the property damage exceeds $200.
- Neither he/she nor their vehicle is placed out of service for any defect during a roadside inspection.
- Have no critical hours of service violations as described above.

Quarterly safety meeting will be scheduled where these awards will be presented.

At the end of the year, in addition to the above quarterly bonus, annually a choice of rewards will be presented for drivers who have not had any of the above and who have:

- Not had any moving violations or suspensions that show on his MVR
- Been available for work at least 50 weeks
- Not had any customer complaints reported that were a result of driver error.

DEFENSIVE DRIVING

YOU AND THE PUBLIC

Good public opinion doesn't just happen, it has to be earned.

- It is up to the professional driver to positively affect public opinion
- Drive professionally at all times. Skill and knowledge are the means to maintaining a professional image when you lend them your good judgment.

PHYSICAL AND MENTAL CONDITION

It is important to keep your attitude and outlook positive especially when behind the wheel. As a professional, a driver must manage his/her personal physical and mental condition, no one else can do it for you.

- If a driver feels too sick or too tired to drive, he/she is to call in to his/her Supervisor to make other arrangements.
- If a driver is believed to be suffering from a medical condition that could affect his or her driving, Arizona Milk Transport reserves the right to have the person examined.
- A fatigued driver is a threat to himself/herself and to the public. Arizona Milk Transport will enforce DOT hours of service limitations for all drivers. No driver may drive for more than 11 hours or drive after the 14th consecutive hour after taking 10 consecutive hours off, preferably resting. In addition, no driver shall drive after the total on duty hours for the last seven days (including the present day) equals or exceeds 60 hours.
- Once every 7 consecutive days, a driver can continue to drive up to the 16th consecutive hours after coming on-duty following ten consecutive hours off duty provided he has returned to his/her reporting location at the end of at least the last 5 duty tours. He/she must stay within the 11 hour maximum driving limit.
- Fatigue can also occur within the above limitations if the driver does not manage his/her personal rest periods sufficiently to achieve readiness. Each driver will devote the necessary off duty time to be ready for the assigned driving.
- Diet has also been proven to contribute to alertness. A balanced diet needs to be managed by the driver.

PERSONAL APPEARANCE

Keep as neat and clean as your work will permit.

- Drivers are expected to present a positive image to our clients and the public.
- Personal cleanliness is important

COURTESY

General courtesy will result in a positive opinion.

- Courtesy goes hand-in-hand with safety.
- Courtesy and common sense are among the indicators found in a professional driver.

FOLLOWING DISTANCE

Tailgating is a common complaint against truck drivers. It is one of the most frequent causes of accidents. Following, for your benefit, are distance guidelines.

- Three (3) second interval up to 40 MPH (assume 30 ft vehicle)
- Four (4) second interval over 40 MPH
- Always leave more room in unfavorable conditions.
- Avoid traveling in convoys.
- Cushion of safety

1. Tailgating another truck is the same as driving blind.
2. When you are being tailgated, increase your following distance to give the amateur behind you a cushion of safety.
3. Apply the One-Quarter-Mile-Scan-Principle. Continually keep your eyes moving, scanning 1/4 mile (15 seconds) ahead, and scanning your mirrors every 6 to 8 seconds. (your right mirror takes twice as long to scan and is your only defense against sideswipe accidents).
4. Check your blind spots regularly. Be sure the spot mirrors are set for the blind zone.

- Never follow so closely that you annoy the driver of the vehicle ahead of you. Keep a safe distance from a motorcycle; they can stop much quicker than you.
- Always leave enough space between you and the vehicle ahead to allow faster traffic to pass you and return to the right lane between you and the vehicle ahead.

GOING UP-GRADE

Stay to the right. On a two lane highway, stay as far to the right as possible and let other vehicles pass.

RENDERING ASSISTANCE

Stop at accident scenes only in the absence of authorities and other assistance. If you stop to render aid where it is required, always park your unit in a safe location and set out your safety equipment. No unauthorized passengers are to be carried in Arizona Milk Transport vehicles.

PARKING

Park so other vehicle can get out. Do not block driveways, fire hydrants or park in a "no parking zone". If you must park with the motor running, be considerate of people nearby who may be trying to sleep. Do not park on shoulders, toll roads or any other place where parking is prohibited by law. When parking, apply parking brakes and place vehicle in the lowest forward gear or reverse after the engine has been shut down - remember 3-5 minutes cool down period. Avoid parking on steep grades. If it is necessary to do so, be sure to properly chock the wheels.

STOPPING

Do not stop close behind another vehicle at stop signs or red lights. Make safe gradual stops; give drivers behind you adequate warning. Avoid sudden stops by driving defensively. If stopping on an open highway, use hazard lights and get off the road as far as possible.

GOING THROUGH TOWNS

Remember that a large truck appears to be going faster than it actually is. Observe speed limits. Avoid high RPM's. Don't use air horns unless necessary. Watch for bicycles and pedestrians.

INTERSECTIONS

Watch for stale green lights. Green lights do not automatically give you the right of way. Yielding the right of way is the mark of a professional.

HEADLIGHTS

Always dim your lights for oncoming traffic. Dim your lights in fog or snow. Dim your lights when following other traffic. Periodically check headlight aim.

SPEED

Your speed should never be faster than at a rate that is consistent with existing speed laws, traffic, road and weather. All posted speed limits in town and on the open highway must be obeyed. Never overdrive your headlights. Speed limits are for cars, trucks must go slower than posted speed, especially on curves.

RIGHT OF WAY

Never attempt to exercise the right of way. Always let the other driver go first. Keep to the right except when passing or getting into position to make a left turn. Be ready to yield to drivers who may dash out in front of you from side streets, interchange ramps, private and public driveways. When entering main thoroughfares from side streets, alleys, driveways, garages, terminal yards or buildings, make a full stop before entering a crosswalk. When the way is clear, pull onto the crosswalk and make another full stop to check traffic in the street before entering traffic. Yield the right-of-way to emergency vehicles when they are using sirens or warning lights. Pull to the right and stop if possible until they have passed.

PASSING

Passing should be attempted only where legal to do so. Passing should be attempted only where clearance is adequate. Turn signals should be used to indicate any lane change. Pass only when necessary.

- Turn signals should be used for at least 100 feet prior to any lane change.
- Do not attempt to pass in vicinity of an interstate exit or entrance ramp.
- Other drivers might suddenly switch lanes to get in position to exit the interstate.
- Other drivers may enter the interstate in front of the vehicle you are passing, causing the vehicle you are passing to swerve into your lane.
- Be alert for an unexpected move of the driver being passed. Be ready to sound your horn and take evasive action.
- After passing observe the vehicle in your right hand mirror and that you have adequate clearance before signaling and returning to the right hand lane.
- Use extra caution when passing a driver who is operating in an erratic manner. The person may....
  - Be intoxicated
  - Be having mechanical trouble.
  - Be lost
- Consider using your horn to make sure the driver knows you are there and that you are going to pass.
- On two lane roads, never attempt to pass on a hill, curve, intersection, side road or railroad crossing. Never attempt to pass any other place where you do not have a clear vision ahead or where you cannot see traffic approaching from either side.
- Buses and street cars should be passed in accordance with local traffic regulations. Utmost care shall always be used. Be especially alert around school buses when children are waiting to board them or that have just gotten off them. When stopping for buses, give as much warning as possible to traffic behind you.
- Do not attempt to pass more than one vehicle at a time. You may not be able to return to the right-hand lane in time.
- Do not attempt to pass unless there is sufficient difference between your speed and the speed of the vehicle you are passing.
- On a two lane road, lack of sufficient speed causes undue amount of time in passing and raises potential for an accident.
- If you start to pass and find you cannot do so, drop back.
- On a dual lane highway, vehicles behind you may want to pass. On a three (3) lane highway, use the 2 right-hand lanes unless signs restrict you to the right lane only.

BEING PASSED

When being passed, keep to the right and, if necessary, reduce your speed to facilitate safe passing. Never speed up. Do not signal the driver of an overtaking vehicle that it is safe to pass.

Be alert for the driver who tries to pass in unsafe conditions. Slow down or take whatever evasive action is necessary to avoid being involved in an accident.

At night, dim your lights after being passed to avoid creating glare in the other driver's mirror.

MEETING OTHER VEHICLES

Keep right when meeting an oncoming vehicle.

At night, dim your headlights when within 500 feet of an oncoming driver, regardless of any action he may take.

If a vehicle approaches on your side of the road, slow down, pull as far to the right as safely possible and stop. If you go onto the shoulder, do not try to come back on the highway until your speed has reduced enough to climb the edge of the highway safely; it is better to pay a wrecker bill from being stuck on the shoulder than to roll-over trying to come back on the highway at too high of a speed.

Never pull to the left in an attempt to avoid oncoming vehicle. If an accident occurs in left lane, it could be ruled your fault.

CURVES AND TURNS

Curves and turns must be negotiated at reduced speeds considering the available sight distance, the sharpness of the curve or turn and other prevailing road and traffic conditions. Reduce speed before entering any curve or turn.

Extreme caution must be used in negotiating ramps at highway interchanges. Ramp speed limits are too high for trucks in many cases. Reduce speed 5 to 10 miles an hour below the posted ramp speed unless you are thoroughly familiar with the ramp. Ramps can be blocked by other traffic or an accident.

When rounding curves on an open highway, be sure to stay within your lane. Signal all intentions to turn at least 100 feet before turning and at least 500 feet on an open highway.

Check traffic conditions before turning and do not turn until the way is clear. Continue to check traffic while turning.

When making a right hand turn, block right lane with the back of your vehicle or trailer to prevent traffic from squeezing in on your right side. If you have a trailer, watch for off tracking.

Turn off turn signals after the turn.

RAILROAD CROSSINGS

Railroad crossings are always dangerous. Every crossing must be approached with the expectation that a train is coming. Speed must be reduced in accordance with ability to see approaching trains. Speed must be slow enough to stop if necessary. Remember, railroad crossing signals can be out of order.

Crossings can be rough and must be traversed at reduced speed to prevent abuse to the equipment. Never get trapped into stopping on a railroad track. Be particularly cautious of a crossing inside a plant. Do not shift gears while crossing a railroad track. Double tracks are double dangerous. Trains going in one direction can block your view of the opposite direction.

CLEARANCES (VIADUCTS)

Bridges, tunnels, alleys, wires, tree limbs and other obstructions demand special care on the part of a professional driver.

Road repairs, rough roads, ice, snow and empty equipment may cause difficulty where clearance is otherwise adequate.

- Watch for new blacktop.
- Snow and ice accumulation on roadway.
- Ice or other objects hanging down under viaduct.
- Width will not permit 2 vehicles at the same time in some cases.
- Yield right-of-way.

Watch for fire escapes, wires, shutters, open windows, tree limbs or other overhead obstructions in alleys or near curb line.

BACKING UP VEHICLE - G.O.A.L. - Get Out And Look

Extreme caution must be used when backing up the vehicle. Arizona Milk Transport requires all drivers to get out and look if they are not sure they are clear to back up.

SAFETY HAZARDS

Ten Rules to Preserve Ten Fingers

1. Beware of pinch points. Train yourself to recognize pinch pints and avoid placing your hands and fingers in such hazardous spots.
2. Expect the expected. When using wrenches and other hand tools, with which you expect resistance, anticipate that the tool might slip or the object to which pressure is being applied may suddenly give way.
3. Inspect tools. Check to see if they are in good condition and safe to use.
4. Do not work on moving equipment. If the equipment can be stopped, do so. Working on moving equipment presents a real threat to hands and fingers.
5. Replace machine guards following repairs that require removal of guards. The presence of machine guards is an important factor in keeping hands and fingers out of dangerous areas.
6. Be mindful of equipment that starts automatically. Never work on such equipment without first eliminating the possibility of automatic startup.
7. Deenergize electrical equipment prior to working on it. Flash burns caused by electrical equipment shorting out is a threat to hands and fingers when work around such equipment is being performed.
8. Be mindful when closing doors. Keep hands and fingers clear.
9. Avoid touching lines or equipment that is hot. Every hot line or hot piece of equipment is a potential source of painful injury to any hand or finger that comes in contact with it.
10. If the work being performed requires gloves, use them. Gloves offer protection from sharp objects, wood and metal splinters, acids, electrical burns, chemicals, and many other sources of injury.

Entering/exiting vehicles, climbing tank ladders

Drivers are expected to enter and exit company vehicles and to climb ladders on tanks using three points of contact at all times and jumping from any vehicle or other equipment is strictly prohibited.

Walking/Standing on Tankers Prohibited

It is strictly prohibited to walk or stand on top of tankers. Drivers are expected to use three points of contact at all times while on tankers.

To all associates and prospective associates:

Employment with Arizona Milk Transport is at the mutual consent of Arizona Milk Transport and the employee, and either party may terminate that relationship at any time, with or without advance notice..... Int._____

An offer and the acceptance of employment with Arizona Milk Transport does not imply a contract between Arizona Milk Transport and the associate. Employment by all parties is considered at will. ..... Int._____

Possible reasons for termination are as follows:

- Fighting or threatening violence in the workplace.
- Negligence or improper conduct leading to damage of employer-owned, customer-owned or employee-owned property.
- Insubordination or other disrespectful conduct.
- Violation of safety, health rules.
- Sexual or other unlawful or unwelcome harassment.
- Possession of dangerous or unauthorized materials, such as explosives or firearms.
- Excessive absenteeism or any absence without notice.
- Unauthorized absence from work station, route or routine during the workday.
- Violation of personnel policies.
- Unsatisfactory performance or conduct..... Int._____

Arizona Milk Transport is committed to providing a work environment that is free of discrimination and unlawful harassment. Actions, words, jokes, or comments based on an individual's sex, race, ethnicity, age, religion, or any other legally protected characteristic will not be tolerated. As an example, sexual harassment (both overt and subtle) is a form of employee misconduct that is demeaning to another person, undermines the integrity of the employment relationship and is strictly prohibited. ..... Int._____

Any employee who wants to report an incident of sexual or other unlawful harassment should promptly report the matter to his or her supervisor. If the supervisor is unavailable or the employee believes it would be inappropriate to contact that person, the employee should immediately contact the company owners. Employees may raise concerns and make reports without fear of reprisal..... Int._____

Any supervisor or manager who becomes aware of possible sexual or other unlawful harassment should promptly advise the owner, who will handle the matter in a timely and confidential manner..... Int._____

Anyone engaging in sexual or other unlawful harassment will be subject to disciplinary action, up to and including termination of employment. ..... Int._____

Prospective associates will receive a minimum of 3 days bulk milk hauling training. Upon acceptance of position and completion of training, associate will be paid $75 for each day of training. Pay for training is not per load, but a total of $75 per day of training. ..... Int._____

Employment is subject to a 90 day probationary period. If during this time your employment is terminated, either voluntarily or at our option, the cost of your pre-employment drug screen will be deducted from your final paycheck. ..... Int._____

Arizona Milk Transport is a drug free work place. We have zero tolerance for substance abuse. Random drug testing is a condition of employment..... Int._____

There are two pay periods running from the 1st of the month through the 15th and from the 16th through the end of the month. Paychecks are issued on the 5th and 20th of each month after 12 noon. There are no advances against earned wages for any reason..... Int._____

As a driver for Arizona Milk Transport you are expected to maintain a neat appearance and to dress appropriately. Uniforms will be provided upon request after you have completed a 90 day probation period..... Int._____

It is the drivers' responsibility to keep the truck clean inside and out. Cleaning supplies are provided for each truck. If you need something, tell your supervisor. Do not make purchases on your own, as you may not be reimbursed. ..... Int._____

If employment is terminated, either voluntarily or at our option, it is the driver's responsibility to immediately return all property of Arizona Milk Transport. This includes but is not limited to the following: all keys to vehicles, uniforms and tools. Failure to fulfill this obligation will result in replacement costs being directly charged to associate. All items must be directly returned in person by the associate to his or her supervisor..... Int._____

Arizona Milk Transport has a no rider policy. No passengers are allowed in the truck..... Int._____

UDA bills each leassor for losses incurred to producers, at UDA and other locations where we load or unload, caused by driver neglect, e.g. lost wrenches, broken sample dippers, hose caps, etc. Be careful, do not bring wrenches outside the milk house, cap off hoses and put dippers back in washout sink. Reimbursement from the responsible driver will be sought at the loss occurs..... Int._____

UDA has put in place a scale of fines for paperwork errors and scale variances of more than 300 pounds. The minimum fine will be $15.00. These fines can be eliminated by taking time to review your paperwork and checking what your weight should be before printing your ticket. Be sure to allow loads to settle, make sure you are completely on the scale and these fines can be avoided. Fines will also be given due to warm samples or missing samples at $100 per route. You must see to it that the samples are kept underneath the ice and that the ice chest itself is taken to the lab and you have the lab personnel check each sample's temperature at the time you turn them in. Any charges to Arizona Milk Transport resulting from associate's failure to follow these procedures will be deducted from the responsible associate's pay as fines occur..... Int._____

Associate Signature	Date	Supervisor Signature

ATTENTION ALL ARIZONA MILK EMPLOYEES:

Under Federal DOT Law and Regulations it is you, the drivers' responsibility to perform a safety inspection and DOT check to your vehicle and to fill out the pre inspection book before you drive out of the yard.

As of today 11-30-06, any driver who does not inspect his vehicle and does not fill out an inspection form will not be paid for that day. Let me be perfectly clear about this, it is required as part of your job under Federal DOT laws that you will do this. Failure on your part to do this will mean a forfeiture of that day's pay and verbal and written warning. The second offense will mean a forfeiture of that day's pay and a second written warning. The third offense in not following DOT regulations means you will be terminated.

United Dairymen of Arizona has implemented new rules for us as of now, 11-30-06. Every time that we hook up to one of their trailers we will fill out a vehicle inspection report that will include every dent, every scratch, every bent fender, every torn mud flap, every burnout or missing light, every bad tire, and ALL damage that the trailer has prior to you exiting the property with their trailer.

We at Arizona Milk Transport, Inc. have been warned by United Dairymen that we will now be liable for any and all damages to their trailers. It is your responsibility, driver, to truly inspect and log down any and all damage that exists on UDA's trailer and to notify UDA personnel of the damage.

After you have filled in the vehicle inspection report, you WILL turn in a copy every time into the grey box on top of the scale box before you leave for your routes.

These are new United Dairymen rules and we are subject to them. I apologize for any inconvenience that this may impose, but as a lease hauler for United Dairymen it is my responsibility to implement and enforce any and all rules that they impose upon us. They are our customer.

I hereby acknowledge that I have read and understand this memo:

Driver _____ Date _____ Supervisor _____

ATTENTION ALL ARIZONA MILK TRANSPORT DRIVERS

We have made it clear to all drivers that it is a violation of safety procedures to go and take the keys from the receiving shack.

United Dairymen of Arizona has expressly forbidden any drivers to go and take their keys back. **ALL drivers MUST WAIT until the keys have been returned to them by the receiver. NO keys are to be in the ignition of the trucks while being unloaded for any reason at any time or you will be terminated.** THE COMPLETE CONTROL OF ALL KEYS during the unloading process BELONGS TO THE RECEIVERS. Any damage caused by your violation of these safety rules will be deducted out of your final paycheck.

The rules are - once you have backed into a bay you will immediately turn over your keys to the receiver and you **WILL NOT move that truck** again or pull out of a bay **UNTIL** THE RECEIVER HAS PHYSICALLY PUT THE KEYS IN YOUR HAND and has told you that it is now safe for you to move your vehicle.

You are hereby notified in writing that if you are witnessed violating this safety procedure you will be terminated immediately.

_____

Driver Signature

_____

Driver Name (Printed) Date

_____

Supervisor Signature

ATTENTION ALL ARIZONA MILK TRANSPORT DRIVERS

We have made it clear to all drivers that it is against company policy at any time and for any reason to make a right turn from Southern Ave. onto Mill Ave. in Tempe.

United Dairymen of Arizona has expressly forbidden any haulers to make a right turn at this intersection. It has come to our attention that some drivers are using this intersection and making right turns.

You are hereby notified in writing that if you are witnessed making this turn you will be terminated immediately.

_____

Driver Signature

_____

Driver Name (Printed) Date

_____

Supervisor Signature

APPENDIX A

DRIVER NOTIFICATION LETTER

I certify that I have received a copy of, and have read the above Arizona Milk Transport Company safety policy. I understand that as a condition of employment as a driver, I must comply with these guidelines, and do agree that I have read and understand them. If I develop a problem with any of these conditions during my employment with Arizona Milk Transport, I will seek assistance through the current Supervisor or Susan Soloman.

I also understand that if I become disqualified under FMCSR driver standards, lose my driver's license for any reason, or become uninsurable, I have self terminated my employment with Arizona Milk Transport.

Signature	Print Name	Date