



CHRISTOPHER TRUCKING INC.

CHRISTOPHER TRUCKING INCORPORATED (CTI)
EMPLOYEE HANDBOOK

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EMPLOYEE HANDBOOK

Welcome to Christopher Trucking Incorporated (CTI). We hope that you will have a long and productive relationship with our company. To help with this, we are providing you with a copy of our employee handbook. Please read this handbook carefully. The information in it will acquaint you with the company policies and will answer many of your questions.

This handbook does not contain all of the information you will need as an employee, but will give you important information you will need to know while you are employed by CTI. You may receive other information through written notices, orally and when there is a change in policy. When the company changes a policy, it overrides the current policy.

This handbook is not an employment contract. Unless you have a written employment contract with CTI, signed by the president of the company, legally, you are an **at-will employee**. This means you or the company may terminate the employment relationship at any time, with or without a cause/reason.

Your status as an at will employee can only be changed through a written contract signed by both you and the president of CTI. No oral statements, promises or contracts regarding the terms and conditions of your employment are valid.

The contents of this handbook are presented as a matter of information **ONLY**. The plans, policies and procedures described are not conditions of employment. CTI reserves the right to modify, revoke, suspend, terminate or change any or all such plans, policies or procedures, in whole or in part at any time with or without notice. The language in this booklet is not intended to create, nor is it to be construed as or constitute a contract between CTI and any one or all of its employees. Again, employment can be terminated at any time at the will of either the employer or the employee.

RECEIPT AND ACKNOWLEDGEMENT

I have received my copy of the employee handbook and I understand it is my responsibility to read and comply with the policies contained in this handbook and any revisions to it. I understand that the company may make changes to the policy handbook and the updated or new policy will be given to the employee to replace the appropriate policy/page in his/her employee handbook. I also acknowledge that this handbook is not a contract of employment and the company or I may terminate employment at any time with or without cause and with or without notice.

Date: _____ 20____

Employee's Signature

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1.0 WELCOME

Welcome to Christopher Trucking Incorporated (CTI). We trust that you will find satisfaction in your work and we hope you will have a long, positive and productive relationship with the company. To help with this, an Employee Handbook is being provided to you. This Handbook is being given to you for use as a guide to the Company's guidelines and common practices. Please read this handbook as it will answer many of your questions.

CTI in its employment practices, tries to be careful in hiring only those persons it feels reasonably sure are qualified to do the necessary and required work of the Company and those who will be congenial to other co-workers and employees. If someone is hired who will not or cannot do the work satisfactorily, they will be discharged in order to keep the Company in a strong and competitive position.

We hope your experience with CTI will be enjoyable and rewarding. Again, welcome!

1.1 COMPANY INFORMATION

Christopher Trucking Incorporated (CTI) has been in the trucking business more than thirty (30) years and has contracted with FedEx Ground for more than twenty (20) years. CTI takes pride in being fair and maintaining a good working relationship with its employees. CTI believes its employees contribute to its success and growth and hope you will take pride in being a member of the team.

1.2 INTRODUCTION

This handbook is by no means all-inclusive of the rules, regulations and policies of Christopher Trucking Incorporated and its suppliers. It is impossible for us to foresee all situations that might arise, therefore, we reserve the right to deviate from the guidelines and practices outlined in this Handbook if in our judgment, such deviation is warranted based on the facts of a particular situation. There may be circumstances where rules, regulations, policies have to be modified, revised, clarified or deleted, etc. Revisions may be made without prior notification to employees; however, in the event this should happen, you will be notified in writing when issued.

1.3 ORIENTATION

The formal welcoming process or "employee orientation" is conducted by CTI Manager and includes an overview of the company, benefits, probationary period and completion of required paperwork. The CTI Manager will also do an in-depth

orientation regarding truck inspection, maintenance and expectations.

2.0 EMPLOYMENT STATUS

CTI strives to achieve quality service through employee performance and good customer relations. By becoming an employee of CTI, you have accepted the responsibility of maintaining those high standards. You have voluntarily entered into an employment relationship with CTI, which is an **at-will employment** Company. At-will employment means you are free to terminate your relationship with this Company at any time, with or without (preferably "with") cause/reason and CTI may terminate this relationship with you at any time, with or without cause/reason.

In accepting or continuing employment with CTI, you are agreeing that our relationship is and always has been, strictly voluntary and at-will on both sides. There is nothing in this Handbook or any other document issued by CTI that will alter this at-will relationship except a written contract for that express purpose and which is signed by both employee and the President. Employee should not rely on verbal comments made by anyone at CTI as a guarantee of specific privileges, benefits, working conditions or future employment.

A full-time regular employee is an employee who has satisfactorily completed and passed the ninety (90) day probationary period. All employees are "**at-will** employees."

2.1 PROBATIONARY PERIOD

All new hires and former employees who have been re-hired are subject to a ninety (90) day working period before being classified as a regular, full-time employee. During this probationary period, employee will be evaluated and observed by the Line Haul Manager, Dispatch and Management of CTI for performance, attitude, skill and ability.

At the end of the ninety (90) day probationary period, the employee will be given an evaluation of his/her performance and classified. If employee's performance is satisfactory and probation is passed, employee will be classified as a regular full-time employee. If his/her performance is unsatisfactory and improvement is needed in order to receive this classification, it will be documented on the evaluation and the employee will either be terminated or the probationary period will be extended.

If a uniform is supplied to employee by CTI and the employee resigns/quits or is terminated before the ninety (90) day probationary period ends and the uniform is not returned, the cost of the uniform will be deducted from the employee's final paycheck.

2.2 EQUAL EMPLOYMENT OPPORTUNITY

CTI is an equal employment opportunity employer. Employment decisions are based on merit and business needs and not on race, color, citizenship status, national origin, ancestry, gender, sexual orientation, age weight, religion, creed, physical or mental disability, marital status, veteran status, political affiliation or any other factor protected by law.

2.3 IMMIGRATION LAW COMPLIANCE

All offers of employment are contingent on verification of the candidate's right to work in the United States. On the first day of work, every new employee will be asked to provide original documents verifying his/her right to work and, as required by federal law, to sign Federal Form 1-9, Employment Eligibility Verification Form.

3.0 WORK ASSIGNMENTS

As far as practical, every employee will be assigned to a regular job in a regular truck. Sometimes, however, illness, absence, vacation or other circumstances make it necessary to temporarily transfer an employee to a location/run different from his or her regular assignment. The goal will be to make the best use of the available worker(s) to fill the run at that time. We would expect cheerful cooperation in this situation. However, in the event you refuse or fail to move to a run assigned to you under these circumstances, you may be found to be insubordinate and disciplined as set forth in the section entitled "Discipline."

The failure of any employee to move to an assigned run can result in finding of insubordination, or in management's discretion, immediate discharge.

3.1 LAYOFF AND RECALL

It is to the advantage of both you and the Company to provide regular work as much as practical. As such, CTI will use its best efforts to avoid layoffs whenever possible.

If a reduction in production cannot be avoided, the Company will rotate people among runs to avoid layoffs. Those not on a regularly assigned run will be in a rotation based on seniority and extra runs given.

If personnel must be reduced, seniority will be a controlling factor in deciding which employees will be kept or laid off only when other factors such as skill, ability, attitude and productivity are equal. Layoffs of less than five (5) workdays will be made with regard to the layoff procedure.

An employee laid off from his or her job classification may be transferred to the extra board rotation. Upon new run assignments the employee laid off will be given priority of a set assigned run based on attitude, productivity and willingness to assist while on the extra board.

An employee who elects to take the layoff instead of the offered transfer will be considered to have voluntarily quit.

When production increases again after the layoff, management will decide how many jobs from each classification will be made available. Then they will select which of the laid-off employees qualify for recall to those positions. CTI will not hire a new worker if a laid-off employee qualified to fill the vacancy is available to report for work within five (5) calendar days.

An employee who declines recall to his or her regular job will be considered to have voluntarily quit. An employee who declines recall to any other position will be considered to have voluntarily quit as well.

An employee recalled to his or her regular classification or the classification from which he or she was laid-off will be paid the same rate as when laid-off.

3.2 SENIORITY

Seniority is based on your length of continuous service with CTI. Length of service is defined as the period of time from your most recent date of hire to the present time. Only full-time regular employees who have successfully completed their ninety (90) day probationary period are considered for seniority. The date of hire used in determining your seniority dates back to your first day of actual work, not the last day of your probation.

Please understand that the completion of the ninety (90) day probationary period does not guarantee continued employment for any specified period of time, nor does it alter the terminable at-will status of your employment.

The seniority list is company-wide and is in alphabetical order. In the event of two or more employees having the same date of hire, the employee hired first on that date will have seniority over the other employee hired.

Seniority is among the factors considered for layoff and recall decisions. It is the only factor used to determine the length of vacations. Please read the detailed description of these plans in a later section of this Handbook.

Seniority terminates when employment terminates for:

1. Voluntary quitting.
2. Discharge with cause.
3. Engaging in other employment without prior approval during a leave of absence.
4. Layoff for more than three months. When recall from a layoff of shorter duration, your most recent previous hire date is maintained.

3.3 SERVICES OF EMPLOYEES

All “Lost and Found” articles should be reported to your Manager and Line Haul/Dispatch. If you find something which does not belong to you or outside the loading dock doors or on the ground, turn it in to the Line Haul Manager or Dispatch.

CTI’s telephone lines are reserved for business calls ONLY. Please do not provide CTI’s telephone number to your creditors as a contact number. Personal cell phone use is allowed during working hours as long as you are using an approved hands free device. Texting is **ONLY** allowed when you are in the sleeper or off duty. Texting while driving WILL NOT be tolerated and will result in immediate termination.

CTI property issued to you, such as keys, tools, uniforms and safety equipment must be returned to CTI at the time of your dismissal or resignation, or whenever it is requested by your supervisor or a member of management. You are responsible to pay for any lost items. The value of any property issued and not returned may be deducted from your final paycheck. All employees who are assigned to a specific truck must have a manager present when removing personal belongings at the end of your relationship with Christopher Trucking Incorporated.

4.0 COMPLAINT PROCEDURE

Employees who have a job-related issue, question, concern or complaint should first discuss it with their immediate supervisor. If the issue cannot be resolved at this level, request a meeting with management to resolve the issue.

4.1 EMPLOYEE RELATIONS & GRIEVANCES

To achieve and maintain the best possible work environment for you at CTI, we want to develop a good working relationship between you and the Company. If you feel something has happened that is not right or you have a grievance, please call it to our attention.

Our goal is to develop a spirit of cooperation and mutual respect, and we believe this can be built on a clear understanding of everyone's needs and expectations. Please read this handbook with that in mind.

CTI is aware of this procedure and agrees with it. We urge every employee to follow through rather than be dissatisfied.

It is the policy of CTI, that an employee's religion, age, sex, national origin, race or color will not affect hiring, promotion, pay or benefits. Work assignments, rate of pay, layoff and recall will be based on skill and ability, physical fitness, satisfactory attendance, satisfactory conduct, productivity, quality of work and lastly, length of service.

4.2 CHANGE OF EMPLOYEE STATUS

Notify CTI immediately whenever there is a change in the following:

- Address
- Home telephone number
- Person to notify in case of emergency
- Name-through marriage or otherwise
- Marital status
- Number of dependents
- Military or Draft status
- Driving record or status of driver's license
- DOT Physical Card (must also notify Division of Motor Vehicle of change)
- Exemptions on your W-4 tax form

4.2 DEFINITIONS OF ANNIVERSARY DATE AND TIME-WORKED

ANNIVERSARY DATE

An employee's anniversary date is defined as his or her first day on the job with the company. The employee's anniversary date is one factor used to determine the following:

- Vacation Benefits
- Seniority
- Other Benefits

TIME WORKED

Time worked is defined as the time the employee is actually working and physically present on the premises. Sick leave and vacation time are not included in any calculations requiring consideration of "time worked."

COMPENSATION

Payday is Friday of each week. If the payday falls on a holiday, you will get your check the day before the holiday. Your check will show your gross earnings as gross pay and will include miles driven and vacation (if any) due for that week.

We must make certain deductions from your gross pay for federal income taxes and social security (FICA) taxes (Medicare/Medicaid). (You should be aware the Company makes a contribution to the social security fund equal to or greater than your own FICA deduction). At times we may also have to make deductions for non-returned keys, equipment or garnishments. Your check will be written for the difference between your gross earnings and these deductions.

SAFETY BONUS INCENTIVE

CTI believes that safe, accident-free driving and performance should be rewarded. The company will provide this in the form of safety bonus and general recognition. This bonus is designed to offer an incentive to our drivers to perform safely and at maximum efficiency.

Bonuses are earned on an annual basis, starting June 1, 2017. The driver must have been available for dispatch for the entire period beginning June 1st to qualify for the bonus. Qualified drivers will have the potential to earn \$500 per year as long as the driver has maintained the standards and requirements to be eligible for the bonus.

The Driver must:

- Have no preventable accidents or vehicle damage.
- Have no preventable lost time injuries resulting in over seven (7) missed working days.
- Have no “out of service” violations
- Have no citations for moving violations
- Proper uniform at all times
- Have no non-emergency last minute call-ins
- Paperwork properly filled out at all times (i.e., timesheets, logs, etc.)
- No Log-In/Out incidents (Electronic Logs)

5.0 COMPANY WORK RULES AND REGULATIONS

General Guidelines

All employees are urged to become familiar with CTI’s rules and regulations. Every employee is expected to follow these rules and regulations faithfully while doing their job and conducting the company’s business.

ATTENDANCE

Every employee is expected to:

- (1) Work all of his or her scheduled runs,
- (2) Report to work on time,
- (3) Work to the end of the run and,
- (4) Work any extra runs assigned to the employee, provided employee does not exceed his/her 70 hour work week or 11 hour allowable driving time.

Unsatisfactory attendance, including reporting late or quitting early, or refusing to work assigned runs may be cause for disciplinary action, including discharge.

Your assigned workdays may include working on a Saturday, Sunday, Holiday or other time period. Extra run assignments are mandatory and you must have an excuse in order not to work assigned extras. Your absence from assigned extra runs must be arranged in advance if you cannot work due to available hours. If you do not provide a reasonable excuse, the absence during the extra run will be considered and unexcused absence.

If, for any reason, you cannot report to work on time or will be absent, you must telephone the Company and actually speak to your immediate supervisor/manager. You cannot leave a message. It is important that you speak with your supervisor/manager prior to the time your assigned shift starts. State why you will

be tardy or absent or how long you expect to remain tardy or absent.

Any employee who fails to call in on the day of an absence or otherwise notify the Company and does not have an excuse acceptable to the Company may be subject to discipline. However, exceptions to disciplinary action for absenteeism or failure to call in an unscheduled absence will be upheld in case of serious accidental injury, hospitalization, or illness, provided that the employee contacts CTI as soon as he or she is physically able to make the contact.

EXCESSIVE UNEXCUSED ABSENTEEISM

An employee is considered to have voluntarily quit if absent from work for three (3) consecutive working days without notification or without satisfactory reason for such absence or satisfactory reason for failing to give notification. Whether an absence is excused or unexcused is solely within management's discretion.

Unexcused absences will be monitored annually based upon the review cycle. Unexcused absences will be set back to "0" at the beginning of the calendar year. An excessive number of unexcused absences can result in the following disciplinary action:

- First unexcused absence within a calendar year will result in a verbal warning
- Second unexcused absence within a calendar year will result in a written warning
- Third unexcused absence within a calendar year will result in a written final warning and 3-day suspension without pay
- Fourth unexcused absence within a calendar year will result in termination.

THE "NO CALL--NO CONTACT--NO NOTICE" POLICY

Disciplinary Action for Employee Not Calling in Prior to an Absence

An employee must call in and must disclose the reason for the absence; failure to disclose the reason for the absence is insubordination and will result in immediate discharge. The employee must call in, at least two (2) hours any day the employee cannot attend work or if the employee will be late for work. If the employee does not call, contact or provide notice to his or her supervisor or manager on any day the employee cannot work, the employee will face disciplinary action as stated below: An employee's No call--No contact--No notice absences and tardiest will be monitored annually. The records for No call--No contact--No notice absences and tardiest will be set back to "0" at the beginning of each calendar year.

- One (1) No call—No contact—No notice absence within a performance year will result in a verbal warning.
- Two (2) times of No call—No contact—No notice absences within

- a performance year will result in written warning
- Three (3) times of No—No contact—No notice absences within a performance year will result in termination (each day is considered an occurrence).

NOTE: During the ninety (90) day probationary period, any occurrence(s) of No call--No contact--No notice absence will result in termination.

EXCESSIVE TARDINESS

An employee will be considered tardy if he or she arrives in dispatch any time after the scheduled dispatch time. The employee must be ready to work in uniform with all the employee's equipment and tools at the time he or she is dispatched. If a valid reason is given it will be marked and not counted against the individual.

- Tardiness will be monitored annually based upon the review cycle. Tardiness times are set back to "0" at the beginning of the calendar year
- Five (5) times tardy within a performance year will result in a Verbal warning
- Six (6) times tardy within a performance year will result in a Written warning
- Ten (8) times tardy within a performance year will result in termination

Note: During the ninety (90) day probationary period, any occurrence(s) of tardiness will result in termination.

An employee is expected to notify his or her supervisor/manager at the beginning of each work day of any illness or injury. An employee who does not call in the beginning of his or her shift will be subject to actions stated. Exceptions to this include a serious accidental injury, hospitalization, and when it is known in advance that the employee will be absent for a certain period of time.

A Medical Release Statement is to be submitted to the employee's supervisor/manager for review before the employee returns to work in the following situations:

1. Five or more consecutive work days of absence due to illness or injury
2. In all cases of work-related injury when the employee has been unable to work after the time of the injury, or
2. When returning from a leave of absence for serious illness, injury or disability

5.1 HOLIDAYS

CTI provides **SIX** (6) holidays per year and the company is officially closed. **NOTE:** Employees may be required to work on these days. The holidays are listed below:

January 1	New Year's Day
May	Memorial Day
July 4	Independence Day
September	Labor Day
November	Thanksgiving Day
December 25	Christmas Day

5.2 VACATION LEAVE

Vacation benefits are based on the employee's anniversary date. The schedule is as follows:

2 years	1 week
3 or more	2 weeks

ANNIVERSARY DATE

The employee's anniversary date is defined as his or her first day on the job with CTI. In order to be eligible to take vacation, the employee must be in active pay status. An employee may not save vacation time as "time off" or "bank vacation" from year to year. If you do not take your vacation time off during the calendar year in which it was accrued, you will be paid the amount of the accrued vacation at the end of the calendar year and your vacation time will be set to zero (0) until the next accrual on your anniversary date.

Part-time employees are not entitled to paid vacation. Vacation benefits do not accrue during any portion of a leave of absence.

The employee's supervisor/manager is responsible for scheduling vacations. The employee should provide at least two (2) weeks advanced notice of a scheduled vacation. In case of conflict over chosen dates, the employee with greater seniority will be given preference. Once the vacation is approved, the employee cannot lose the approved time.

5.3 LEAVE OF ABSENCE

An employee may request a leave of absence for:

1. Jury and Witness Duty - Regular, Full-time Employees

If you are a regular, full-time employee and are called to serve on jury duty, you will be excused from work; however, you will not be paid for missed days.

2. Military Service Leave - Active Duty

Federal legislation provides that members of the United States Armed Forces, on completing their military service, are to be restored to the position they would have attained if they had continued working, to their former position or to a position of like seniority, status and pay. Persons so restored may be discharged from such position without cause within one year of being restored if their military leave was more than 180 days or within six (6) months if their leave was 30-181 days.

Veteran must notify the company of their intent to return to work within:

14 days for leaves of one to six months or

90 days for leaves of more than six months

On return from service you salary will be established to give you the same status you would have enjoyed had you been working for the company during your leave

3. Leave for Military Training

If you are a reservist in any branch of the armed forces or a National Guard member, you will be granted time off for military training (normally 14 days plus travel time) in addition to your vacation. Please advise your manager of your training schedule as far in advance as possible.

It is our policy to cooperate with the National Defense Program. If you are called to participate in military training program or special emergency service with your reserve or National Guard unit, you will be excused from work to attend.

4. Bereavement Leave

Employees will be given time off for bereavement leave based on individual circumstances and this will be taken unpaid.

5. Long-term Illness, Accident and other Disabilities

Any illness, accident or other disability not connected with employment which requires staying away from work for more than three (3) consecutive working days must be substantiated by a doctor's statement. Employees who are paid regular weekly salaries and who are unable to work because of personal illness, temporary disability or accident will not continue to receive their weekly pay checks during their leave of absence. The duration of this leave will be based on the employee's physician's written statement regarding the employee's ability to work in the known work environment. Updates on the doctor's opinion regarding the employee's need for continuing leave shall be supplied to CTI on a monthly basis up to the time the employee is to return to work. However, if the employee requires leave beyond six weeks (6), the employee will be placed on a leave of absence. In the alternative, if medical disability does not require leave, then the employee may continue working during any temporary period of disability so long as the employee's physician provides a monthly a statement that the employee is physically capable of working in the known work environment.

5.4 SOLICITATIONS AND DISTRIBUTIONS

Solicitation by an employee for any cause or organization is prohibited during his or her working time and during the working time of the employee solicited. Distribution of literature on Company time and at any time in working areas of the operation is also prohibited. Non-employees are **NEVER** permitted to solicit or distribute literature anywhere on company property.

Employees may solicit non-working employees at break time or during the lunch period, but may in no way interfere with work or production.

5.5 CORRECTIVE ACTION

Unacceptable behavior that does not lead to immediate dismissal may be dealt with in any of the following manners:

- Oral Review
- Written Warning
- Termination

5.6 CRISIS SUSPENSION

An employee who commits any serious violation of CTI's policies at a minimum will be suspended without pay pending an investigation of the situation. Following the investigation and depending upon the outcome, the employee may be terminated without previous disciplinary action having been taken.

5.7 EMPLOYMENT TERMINATION/RESIGNATION

After the application of disciplinary steps a determination by management that an employee's performance does not improve or the employee is found to be in violation again of CTI's practices, rules or standards of conduct following a Decision-Making Leave, employment will be terminated with CTI.

6.0 DRUG AND ALCOHOL

CTI is committed to the protection of the health, safety, and well-being of its employees and all people who come in contact with its workplace(s) property, and/or use of its products and services.

Recognizing that drug and alcohol abuse pose a direct and significant threat to this goal and the goal of a productive, safe and efficient working environment in which all employees have an opportunity to reach their full potential, CTI is committed to assuring a drug-free working environment for all of its employees.

DRUG AND ALCOHOL PROHIBITIONS

CTI strictly prohibits the illicit use, possession, sale, conveyance, distribution or manufacture of illegal drugs, intoxicants or controlled substances in any amount or in any manner.

CTI, also strictly prohibits the abuse of alcohol and prescription drugs.

GENERAL RESPONSIBILITY AND APPLICABILITY

Substance abuse prevention is everyone's responsibility. CTI expects all of its employees to recognize and accept this responsibility, and to do their part in assuring that, working together, we can achieve and maintain a drug-free working environment for all CTI employees.

This policy applies equally to all CTI personnel, no matter what position or employment status, including all management employees, contract employees, and

part-time employees, without exception.

DRUG AND ALCOHOL TESTING

CTI and/or FedEx Ground assert its legal right and prerogative to test any employee for substance abuse at any time. Employees may be asked to submit to a medical examination and/or to submit to urine, blood, saliva, breath, and/or hair testing for alcohol, marijuana, amphetamines (non-proscribed), cocaine (and all derivatives), phencyclidine.

Employee's acceptance of medical examination and testing, when requested by CTI and/or FedEx Ground is a mandatory condition for employment. Refusal to submit to such medical examinations and tests constitutes as a violation of company policy and is grounds for termination. Specifically, refusal of a drug or alcohol test will be considered by CTI and/or FedEx Ground to be equivalent to a confirmed "positive" test.

NEW HIRES

All new hires --- and re-hires of regular, full-time or part-time employees are required to submit to a pre-employment drug test. Failure to pass this drug test shall result in denial of employment.

CURRENT EMPLOYEES

All current employees are required to submit to a random drug testing program set forth in this employee handbook.

Please note: If you are referred to the testing facility pursuant to the policies set forth in this section, you may be tested for blood alcohol levels, marijuana, amphetamines, cocaine, phencyclidine (PCP), or opiates. If a test is returned as positive, you will be notified by Christopher Trucking Incorporated in a confidential manner. You are entitled to know the results of any alcohol or drug test performed on you.

DRUG/ALCOHOL /SUSTANCE ABUSE

The use, possession, sale, or transfer of illegal substance, drugs or alcoholic beverages on company property, in company vehicles, or while engaged in company activities is strictly forbidden. Being under the influence of any illegal substances, drugs and/or alcohol while engaged in company activities, while on company property or while in company vehicles is prohibited.

Policy violations will result in disciplinary action up to and including immediate termination. If the company has any reason to suspect a violation of this policy, the

company may subject employees to drug and/or alcohol tests. A positive test reading may result in disciplinary action up and including immediate termination.

The company reserves the right to take any and all actions deemed to be in its best interest in a given case.

EMPLOYEE REHABILITATION

Any employee who feels that he or she has an addiction or dependence on alcohol or drugs is encouraged to seek assistance. Requests for assistance will be confidential. Rehabilitation itself is the employee's responsibility.

The company will grant thirty (30) days without pay, rehabilitation leave. During the rehabilitation leave, the employee must maintain weekly contact with CTI and provide certification that he or she is continuously enrolled in a treatment program.

Rehabilitation leave is not available to those who violate rules prohibiting the use or sale of prohibited substances while on duty or on company premises. Any employee who leaves a treatment program prior to proper discharge will be immediately terminated.

Upon successful completion of treatment, an employee may return to active status without reduction in pay or seniority.

EMPLOYEE NOTIFICATION OF CRIMINAL CONVICTIONS

Any employee convicted of a violation of a criminal drug statute that is workplace-related must notify CTI in writing within five (5) calendar days of the conviction.

SEARCHES

If CTI has any reason to believe that an employee is in violation of any aspect of this policy, he or she may be asked by the Company to submit to a search immediately or inspection at any time while on Company premises, on Company property or in a Company vehicle. This includes search of an employee's person and/or the requirement that the employee make his or her lunch box, briefcase, purse, pockets, wallet, personal belongings, work station, company vehicle or any other property he or she uses, or has access to, available for inspection.

Entry onto Company premises constitutes consent to search and inspect:

- An employee's refusal to consent to a search or inspection when requested
- A pattern of abnormal or erratic behavior
- Arrest or conviction for a drug-related offense, or identification of an employee as the focus of a criminal investigation into illegal drug

- possession, use, or trafficking
- Evidence that the employee has tampered with a previous drug test
- Reports from reliable and credible sources
- After any accident or occurrence that results in an injury on the job as defined by Occupational Safety and Health Administration and Department of Transportation
- After any vehicular accident when it appears that the employee might reasonable have avoided the accident or minimized the consequences but did not do so, or
- At hiring time, when all new hires will be required to pass a pre-employment drug-screening test as a condition of employment.

ALCOHOL AND DRUG TESTING

CTI conducts testing to promote safety for all employees, contractors, subcontractors and others on or near its work sites.

TESTING

Drug and alcohol tests will be administered under the following conditions:

- When an employee shows signs of impairment on the job,
- Physical symptoms of intoxication, such as slurred speech, glassy eyes, or breath that smells of alcohol and,
- Random

EMPLOYEES WHO REFUSE TESTING

Employees who refuse to submit to drug and alcohol testing will be treated as an employee who has tested positive in a drug test and will be terminated.

EMPLOYEES WHO TEST POSITIVE

First-time offenders with a positive test or screen will be terminated. CTI along with any and all contracted vendors have a zero drug tolerance policy.

CTI is determined to eliminate the use of illegal/controlled substances, drugs and alcohol at its work sites. The Company's purpose is to improve job safety on all projects. This program is designed solely for the benefit of our employees and to provide reasonable safety on the job and protection from offending individuals. This program, also, meets our responsibility to the public whom we serve.

6.1 SAFETY AND HEALTH

CTI will continue to utilize its best efforts to provide a clean, safe and healthy place to

work. Each of you is expected to do your part, too, in making this a safe and healthy place to work. These general safety rules have been developed and are intended for the protection of employees and the conservation of company equipment and property. All employees of this company must follow these safe practice rules and report all unsafe conditions or practices to management.

Please review the following section on safety. Please read and understand these rules. If you have any questions regarding these rules, please speak to your manager.

SAFETY DEVICES

Employees must make sure that all guards and other protective devices are in place and must wear protective equipment and clothing. The following safety equipment must be worn as specified below:

FOOTWEAR - Because of the danger of foot injury steel toed shoes or boots are recommended and must be worn by employees at all times on the work site. If an employee reports to work without the proper shoes or boots, that employee will be sent home for the day without pay. (***Absolutely NO Open toed shoes***)

GENERAL SAFETY RULES

FATIGUE - No one will be permitted to work while his or her ability or alertness is impaired by fatigue or illness.

SAFETY PLANNING - Work should be planned to prevent injuries when working with equipment and handling heavy materials. Back, hand and finger injuries are the most frequent and often the most persistent and painful type of workplace injuries. They are also the easiest to prevent by paying attention to your environment and lifting heavy objects properly.

HORSEPLAY PROHIBITED - "Horseplay," pushing, shoving or any willful act that may startle or distract an employee is dangerous and will not be tolerated.

AISLES AND WALKWAYS - While pedestrians have the right of way in aisles and walkways, you should still use caution when walking or approaching aisle and walkway intersections. **ALL** trucks are required to come to a full stop at intersections where stop signs are hung.

AUTHORIZED PERSONNEL - Only authorized personnel are permitted to operate and ride in the truck. Children, spouses and any one not qualified is not allowed and prohibited from riding in the truck whether truck has a load or is empty. Anyone found to have an unauthorized, non-qualified person in the truck will be subject to disciplinary action and possible termination.

ALCOHOL AND CONTROLLED SUBSTANCES - Any employee reporting to work while appearing to be under the influence of alcohol or controlled substances will be interviewed and if determined to be under the influence

and unable to perform his or her job safely, will be suspended without pay for the remainder of the week and other steps may be taken.

HOUSEKEEPING - Each employee receives his/her truck in the cleanest condition and is expected to keep his/ her truck clean, free of trash, aired out of smoke and under **no** circumstance leave items filled with human fecal matter.

REPORTING ACCIDENTS AND INJURIES - Employees should never attempt to treat an injury themselves. All injuries are to be reported to management immediately. Any and all infractions or accidents to the truck are to be reported to management immediately and at no time should you attempt to hide the infraction or make the repair yourself.

These general safety rules have been developed for the safety of all employees and may be revised and updated from time to time. Disciplinary action, up to and including termination, will be applied for all infractions of any of these rules.

Accidents are covered by Worker's Compensation Insurance. To receive the benefit to which you may be due, be sure to provide proper documentation of the accident.

In addition to becoming familiar with our safety rules, you must also be familiar with the Occupational Safety and Health Administration (OSHA) laws on workplace safety. Those standards, in general, try to avoid or eliminate hazards, which have been proven by research and experience to be harmful to safety and health. Remember, though, those standards are minimum standards.

With or without the laws concerning safety, your contribution to a good safety program requires that you:

1. Recognize safety is part of your job requirement
2. Exercise care and judgment in work habits
3. Use proper lifting procedures
4. Use safety equipment when the task requires it
5. Only operate machinery you are qualified to operate
6. Tell fellow workers about any unusual hazards as they occur
7. Put your safety and that of your fellow workers ahead of other considerations

6.2 HIV/AIDS

We believe it is our legal and humanitarian right to provide equal employment opportunity to chronically ill and other handicapped individuals who are capable of performing their job duties properly and safely. If there is any question of an individual's being able to work without doing harm to him or herself, co-workers, or our customers, it is our policy to obtain a doctor's assurance of the individual's fitness

for duty before allowing the individual to begin or return to work.

With the respect to HIV and AIDS, medical experts studying the disease have done a great deal of research to determine whether there is any chance that the disease can spread by working in the same room with a person who is HIV positive or has AIDS, eating food that the person has prepared, or through any other form of casual contact. The medical experts agree that the disease is not spread this way. Working with people who have been exposed to the AIDS virus and are HIV positive or have AIDS will not cause co-workers to develop the disease.

With these firm assurances of the Safety of our employees and customers, we intend to follow a policy of continuing to employ individuals who are HIV positive or have AIDS as long as their doctors pronounce them fit for work.

6.3 SMOKING

A mutually comfortable environment for our employees depends upon the thoughtfulness and cooperation of both smokers and non-smokers. The Company has a responsibility to provide and maintain a healthful and clean working environment.

It is important to note that the Company is not required, nor is it realistic, to provide a "smoke-free" environment. Therefore, the Company does not attempt to ban smoking entirely. Rather, CTI hopes to promote an awareness of the concerns of non-smokers among those who do smoke, asking that they be responsive to the needs of those who find close proximity to smoke objectionable. Although we believe that the spirit of thoughtfulness and cooperation which is characteristic at the Company and is normally adequate to resolve any disputes which might arise under this policy, it is part of the philosophy that where disputes cannot be resolved, the rights of the non-smoker shall be given precedence.

The following guidelines strive to meet the needs and desires of both smokers and non-smokers.

Employee's responsibility - As in many other aspects of work, employees should be sensitive to and extend common courtesy to their fellow employees such as:

Employees who smoke should respect all designated no-smoking areas.
Smoking is **NOT** allowed in the bunks (sleeping area) of the truck at any time.

These guidelines will in no way supersede local or state law, or any existing and future regulations established for fire, health or safety reasons.

6.4 SEXUAL HARASSMENT

CTI is committed to providing a work environment where women and men can work together comfortably and productively, free from sexual harassment. Such behavior is illegal under both state and federal law --- and will not be tolerated here.

This policy applies to all phases of employment - including recruiting, testing, hiring, upgrading, promotion or demotion, transfer, layoff, termination, rates of pay, benefits and selection for training, travel or company social events.

PROHIBITED BEHAVIOR

Prohibited sexual harassment includes unsolicited and unwelcome contact that has sexual overtones. This includes:

- Written contact, such as sexually suggestive or obscene letters, notes, invitations,
- Verbal contact, such as sexually suggestive or obscene comments, threats, slurs, epithets, jokes about gender-specific traits, sexual propositions,
- Physical contact, such as intentional touching, pinching, brushing against another person's body, impeding or blocking movement, assault, coercing sexual intercourse and
- Visual contact, such as leering or staring at another person's body, gesturing, displaying sexually suggestive objects or pictures, cartoons, posters or magazines.

Sexual harassment also includes continuing to express sexual or social interest after being informed directly that the interest is unwelcome - and using sexual behavior to control, influence or affect the career, salary or work environment of another employee.

It is impermissible to suggest, threaten or imply that failure to accept a request for a date or sexual intimacy will affect any employee's job prospects. For example, it is forbidden either to imply or actually withhold support for an appointment, promotion, or change of assignment, or suggest that a poor performance report will be given because an employee has declined a personal proposition.

Also, offering benefits, such as promotions, favorable performance evaluation, favorable assigned duties or shifts, recommendations or reclassifications in exchange for sexual favors is forbidden.

HARASSMENT BY NON-EMPLOYEES

In addition, the Company will take all reasonable steps to prevent or eliminate sexual harassment by non-employees including customers, clients and suppliers, who are likely to have workplace contact with our employees.

MONITORING

CTI shall take all reasonable steps to see that this policy prohibiting sexual harassment is followed by all employees, supervisors and others who have contact with our employees.

DISCIPLINE

Any employee found to have violated this policy shall be subject to appropriate disciplinary action, including warnings, reprimand, suspension or discharge, according to the finding of the complaint investigation.

If the investigation reveals that sexual harassment has occurred, the harasser may also be held legally liable for his or her actions under state and federal anti-discrimination laws or in separate legal actions.

RETALIATION

Any employee bringing a sexual harassment complaint or assisting in investigation such a complaint will not be adversely affected in terms and conditions of employment, or discriminated against or discharged because of the complaint. Complaints of such retaliation will be promptly investigated and disciplined.

COMPLAINT PROCEDURE AND INVESTIGATION

All complaints of sexual harassment and retaliation for reporting or participating in an investigation shall be directed to a supervisor or manager of your choice in writing or by requesting an individual interview. All complaints shall be handled as confidentially as possible. The supervisor will promptly investigate and resolve complaints involving violations of this policy and recommend to management the appropriate sanctions to be imposed against violators.

7.0 DISCIPLINE

It is important that everyone treat others with respect and consideration. Under normal circumstances, supervisors/managers are expected to follow these procedures. There may be particular situations in which the seriousness of the offense or circumstances justifies the omission of one or more steps in the procedure.

Likewise, there may be times when the company may decide to repeat a disciplinary step. In the effect disciplinary action is warranted, the following action(s) according to offenses will be taken:

<u>Type of Offense</u>	<u>Progressive Disciplinary Action</u>		
	<u>1st Offense</u>	<u>2nd Offense</u>	<u>3rd Offense</u>
1. Failure to observe parking and traffic regulations on company property	Verbal Warning	Written Warning	Termination
2. Abuse or neglect of Company vehicles	Verbal Warning	Written Warning	Termination
3. Making any preparation whatsoever for swapping assigned runs without Management approval	Verbal Warning	Written Warning	Termination
4. Failure to follow Company job instructions, verbal or written	Verbal Warning	Written Warning	Termination
5. Violating a safety rule or practice including failure to comply w/OSHA and the DOT	Verbal Warning	Written Warning	Termination
6. Making false, vicious or malicious statements about any employee, the Company or its vendors	Written Warning	Termination	
7. Carelessness affecting personal safety of self or others	Written Warning	Termination	
8. Insubordination	Termination		
9. Provoking or instigating a fight during working hours or on Company property with physical contact	Termination immediate		
10. Threatening, intimidating, coercing or interfering with fellow employees, racial or ethnic slurs	Termination Immediate		
11. Misusing, destroying or damaging any Company property or any employee's Property (i.e., cameras, electronic logs, etc.)	Written Warning	Termination	
12. Reporting to work under the influence of alcohol or drugs or positive random drug and alcohol test	Termination Immediate		
13. Drinking any alcoholic beverage on the	Termination		

company property or on Company time	Immediate		
14. Falsifying company records	Termination Immediate		
15. Tampering with a log book knowingly tampering with someone else's logbook	Termination Immediate		
16. Possessing any weapons, firearms, knives or explosives on company property or in a Company Vehicle.	Termination Immediate		
17. Failure to electronically log in/out	Verbal Warning	Written Warning	Suspension 2 days
18. Removal of article from company Property without authorization	Termination Immediate		
19. Theft of any sort on Company property while on or off duty	Termination Immediate		
20. Engaging in sabotage or espionage	Termination Immediate		

Further disciplinary action will be taken in conjunction with the Line haul US Operating Agreement with FedEx Ground (FXG).

CURRENT DRIVER DISQUALIFICATION CRITERIA

Parties agree that a driver providing services under the Agreement will be disqualified from driving for the periods set forth from the date FXG is first informed about or learns of the disqualifying offense.

LIFE TIME DISQUALIFICATION

1. Refusal to submit to or failure to pass a drug or alcohol screening requested by law enforcement official in connection with the operation of any vehicle;
2. Operating any vehicle that contains drugs, alcoholic beverages, or a controlled substance contrary to law;
3. Failure to submit or pass a DOT alcohol or controlled substances screening as required;
4. Operating any vehicle while under the influence of alcohol or a controlled substance;
5. Use of any vehicle in the commission of a felony;

6. Fleeing or attempting to flee from a law enforcement official;
7. Knowingly failing to stop or remain at the scene of an accident in connection with the operation of any vehicle;
8. Causing a preventable accident in a CMV resulting in a fatality, or for causing a fatality through the negligent operation of any vehicle, including but not limited to the crimes of motor vehicle manslaughter, homicide by motor vehicle and negligent homicide;
9. Causing a preventable accident in a CMV resulting in bodily injury and/or property damage greater than \$50,000, with the amount of bodily injury and/or property damage to be determined by the initial insurance reserve set after the date of the accident;
10. Falsifying any DOT-related safety document required by the Agreement;

36 MONTH TERMINATION

1. Knowingly operating a CMV while the driver's license or permit to operate the CMV was revoked, suspended, canceled or expired, or for operating a CMV without a valid DOT physical certification issued by a licensed medical examiner as defined in 49 CFR 390.5 and as required by the Agreement;
2. Causing three or more preventable accidents in a CMV in any 12 consecutive months;
3. Being involved in a preventable roll-over accident in a CMV (Note: Parties agree that the term "roll-over accident" is defined as an accident where a power unit or any unit of the vehicle combination turns over on its side or roof);
4. Six or more violations of the hours of service regulations in a 12 month period as applied under the terms of the Agreement;
5. Carrying unauthorized/unqualified passengers in a CMV;
6. Failure to report from the accident scene as soon as possible any accident or incident involving a CMV, whether or not causing property damage or harm to another person and regardless of who appears to be at-fault;

12 MONTH SUSPENSION

1. Violating a law enforcement official's out of service order, and life for a

second violation of a law enforcement official's out of service order;

6 MONTH SUSPENSION

1. Violating any law or regulation prohibiting the driving of a CMV while texting or e-mailing, while using a hand-held telephone, scanner or other hand-held electronic communication device, or while manually interacting with any electronic device;

60 DAY SUSPENSION

1. Reckless or aggressive operation of any vehicle, whether or not causing property damage or harm to another person. (Note: parties agree that two or more instances of exceeding the posted speed limit by 15 M.P.H. or more in a 36-month period, or one or more instance(s) of operating any vehicle at 80 M.P.H. or more, both constitute the dangerous and careless operation of any vehicle. The parties further agree that the evidence of such violations may include citations by law enforcement officials and vendor observation reports);
2. Committing two moving violations, in separate incidents, in any vehicle in a 36-month period, unless one of the moving violations occurs in a non-CMV and neither violation results in the revocation, cancellation or suspension of the driver's license or permit, or 120 days for a third or subsequent moving violation, in separate incidents, in any vehicle in a 36-month period. (Note: Parties agree that a seatbelt violation constitutes a moving violation);

30 DAY SUSPENSION

1. Committing one serious moving violation in a CMV in a 36- month period. (Note: Parties agree that the term "serious moving violation" includes citations for or convictions of the following: failure to stop, failure to yield, rolling stop, running a stop sign/traffic signal, avoiding a traffic control device (e.g. cutting through a parking lot), and a moving violation in a construction area);

Any driver, who is disqualified/suspended, will have to be re-qualified according to FedEx Ground policies and standards. In agreement with the Addendum, the term "preventable accident" is defined as an event involving a CMV that results in personal injury or property damage and expenses exceed \$500 (excluding any property damage to the Contractor's vehicle) and which could have been averted, but for an act, or failure to act by the driver. An "accident" includes but is not limited to a yard accident, i.e., an accident that occurs on FedEx Ground's property.

7.1 TERMINATION

Terminations are to be treated in a confidential, professional manner by all concerned. The Company cannot guarantee permanent employment or employment for a specific term, nor will the Company adhere to or enforce any promises of permanent or specific-term employment made to an employee by another person. Terminated employees will receive all earned pay, less any monies owed by the employee for company equipment or other matters, at the time of discharge. Employment with this company is normally terminated through one of the following actions:

1. Resignation or voluntary termination by the employee
2. Dismissal or involuntary termination by the company pursuant to the procedures set forth in this policy handbook such as:
 - ❖ He or she cannot or will not do satisfactory work after proper instruction and trial,
 - ❖ His or her behavior adversely affects the work of others,
 - ❖ His or her attendance record is unsatisfactory or;
 - ❖ He or she violates rules and regulations so that he or she subjects himself or herself to discharge as a disciplinary action as described in the section entitled "Discipline" and other sections of this handbook.
3. Layoff or termination due to a reduction in the workforce or elimination of positions.

An employee desiring to terminate employment, regardless of job classification, is expected to give as much notice as possible. Notice given two weeks or 10 working days before departure usually will give management sufficient time to find a replacement. If an employee resigns to join a competitor or refuses to reveal the future employer and the reasons for resignation, the company may require the employee to leave immediately rather than after the notice period. This request should not be construed as a reflection on an employee's integrity but merely as an action in the best interests of business practice.

When a reduction in force is necessary or one or more positions are eliminated, the company may exercise its own discretion in identifying which employees will be laid off. Where applicable, the company will notify employees of pending layoffs in accordance with all legal requirements.

Revised 4/17