

**NOTICE OF CHANGES TO YOUR
INDEPENDENT CONTRACTOR OPERATING AGREEMENT**

Date of Notice: 6-13-2018

Effective July 1, 2018, Section 2 of Schedule 1 to Attachment B will be replaced with the following:

2. SAFETY

a. **Penalties for Violations** – these penalties will apply for each violation of the Federal Motor Carrier Safety Regulations whether the violation is detected by law enforcement, the VAN LINE or otherwise.

3.

VIOLATION	OFFENSE	PERIOD	PENALTY
Hours-of-Service (VAN LINE identified)			
11-HR, 14-HR, 70-HR & 30-Minute Rest Break	First	12 months	=< 11 VTOP points = basic intervention - no fine => 12 points = \$3 per VTOP point (max = \$50) less any citation paid & basic intervention
	Second	12 months	\$50 + \$3 per VTOP point (max = \$100) & basic intervention
	Third	12 months	\$250 fine and basic intervention
	Fourth	12 months	Final Intervention
(CSA - Roadside)			
BASICS: Hours-of-Service, Driver Fitness, Vehicle Maintenance, Unsafe Driving	First	12 months	=< 11 points = basic intervention - no fine => 12 CSA points = \$1 per point less any citation paid & basic intervention
	Second	12 months	\$50 + \$1 per CSA point (max = \$100) & basic intervention
	Third	12 months	\$250 fine and basic intervention
	Fourth	12 months	Final Intervention
Preventable Accident			
Type A (DOT recordable with citation)	First	12 months	Compliance Review Committee
	Second	24 months	Disqualification
Type B or C	First	12 months	Basic Intervention
	Second	12 months	Final Intervention
	Third	24 months	Disqualification
Possession, Major Offenses, Out-of-Service Orders			
Use/possession of Controlled Substance or Alcohol Major Offenses and serious traffic violations under 49CFR 383.51 "Jumping" an out-of-service order	First	While operating in van line service	Disqualification for up to 18 months
	Second		Permanent disqualification
Operating While Impaired			

DUI, DWI, OWI (Controlled substance or alcohol)	First	While operating in van line service	CMV or in conjunction with an accident = permanent disqualification Personal vehicle = disqualification for 36 months
	Second		Permanent disqualification
Past Due Documents			
Past due document (van operator or equipment)	First	12 months	Disqualified until updated, basic intervention & up to a \$500 fine
	Second	24 months	Disqualified until updated, basic intervention & up to a \$1,000 fine
	Third	36 months	Disqualified until updated, final intervention & up to a \$2,000 fine
Usage Unauthorized			
Unauthorized Usage (van operator or equipment)	First	12 months	Basic intervention & up to a \$1,000 fine
	Second	24 months	Basic intervention & up to a \$2,000 fine
	Third	36 months	Final intervention & up to a \$3,000 fine
Late/Missing Record of Duty Status			
Late logs (Paper, ELD or work statement)	Late Log	21 days paper/work statement, 4 days ELD	\$5 fine per late log
Missing logs (Paper, ELD or work statement)	14+ missing Logs	6 months	Suspension until all missing logs are received/certified
Late 7-Day Prior Record (Paper, ELD or work statement)	Late Record	21 days paper/work statement, 4 days ELD	\$1 fine per date (Effective January 1, 2019)
Missing 7-Day Prior	14+ missing Records	6 months	Suspension until all missing records are received/entered

*In addition to the penalties listed above, van operators who are determined to be unable and/or unwilling to comply with the federal safety rules or company policy may be disqualified from van line service at any time. The Progressive Discipline Program is in addition to any other fines, penalties or corrective actions that may be imposed on van operators under the Federal Motor Carrier Safety Regulations or on the associated hauling agent under van line policy, including any fines or penalties set forth in Bulletin HHGS-09-03 and MTI-1555 (Policy Violation Sanctions)

a. **Van Operators.** All fines, assessments and deductions imposed on drivers provided by CONTRACTOR will be charged to CONTRACTOR.

b. **Notices**

i. **Notification of Suspensions, Cancellations of License.** Any van operator who receives notice that the van operator's Commercial Motor Vehicle license has been suspended, revoked or cancelled must notify the VAN LINE Safety Department by the end of the day the day after the van operator receives that notice. Failure to do so may result in penalties up to and including disqualification of the van operator.

ii. **Notice of Out of Service at Roadside Inspections** – Any driver who is placed out-of-service at a roadside inspection must provide notice to the VAN LINE's Safety department according to the type of violation within the time limit set forth below:

- A. Unsafe Driving – notice must be provided to the VAN LINE's Safety department within 24 hours.
 - B. Hours of Service (including log violations) – notice must be provided immediately to the VAN LINE's Safety department and the VAN LINE's Safety department must be consulted before the driver returns to duty.
 - C. Driver Fitness (CDL violations and medical examination card violations) – notice must be provided to the VAN LINE's Safety department within 24 hours.
 - D. Controlled Substances and Alcohol - notice must be provided immediately to the VAN LINE's Safety Department and the VAN LINE's Safety department must be consulted before the driver returns to duty.
 - E. Vehicle Maintenance - notice must be provided to the VAN LINE's Safety department within 24 hours.
 - F. Hazardous Materials - notice must be provided to the VAN LINE's Safety department within 24 hours.
- c. **Motor Vehicle Reports.** Where permitted by law, VAN LINE'S Safety department will obtain monthly motor vehicle reports on CONTRACTOR.