

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

Date of Notice: 2/15/2021_____

Effective March 1, 2021, 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.

OVERALL SAFETY			
Recurrent Safety Infractions			
<ul style="list-style-type: none"> • Van operators accumulating more than 40 VTOP points in a rolling 12-month period will be contacted by UniGroup Safety, coached and educated on how to avoid further Infractions and placed on a six- month monitoring period. • A subsequent infraction during the monitoring period will result in evaluation by the Safety Compliance Manager to determine if the van operator is capable and willing to comply. If yes, additional training will be provided followed by a six-month monitoring period. • A subsequent infraction during the second monitoring period will result in a one-week suspension from van line service followed by an additional six-month probation period. • A subsequent infraction during the six months following the suspension will result in evaluation by the Compliance Review Committee, which may result in up to a one-year disqualification from van line service. 			
Corrective Action			
<p>The UniGroup Safety department will provide coaching and training direct to van operators who are issued or commit a safety fraction.</p> <ol style="list-style-type: none"> 1. First Critical Infraction = UniGroup Safety coaching and additional training deemed as necessary. 2. Second Critical Infraction within 12 months of first = Agent, van operator and VAN LINE Safety management intervention. 3. Third Critical Infraction within 12 months of second = Up to 30-day suspension from van line service and additional training. 4. Fourth Critical Infraction within 12 months of third = Minimum one-year disqualification. 			
INFRACTION	OFFENSE	PERIOD	ACTION PLAN
Preventable Accident			
Serious Accident	Any	While operating in VAN LINE service	Disqualification pending investigation If due to willful carelessness or gross negligence, immediate disqualification
Preventable DOT Recordable with Citation	First	12 months	Compliance Review Committee with up to a One-Week Suspension and Defensive Driving Course
	Second	24 months	Minimum One-Year Disqualification
Preventable DOT Recordable no Citation	First	12 months	UniGroup Safety Coaching Call and Defensive Driving Course
	Second	12 months	Compliance Review Committee and Suspension of up to 30-Days
	Third	24 months	Minimum One-Year Disqualification
Preventable Non-DOT Recordable	First	12 months	UniGroup Safety Coaching Call
	Second	24 months	Up to a One-Week Suspension and Defensive Driving Course
	Third	24 months	Disqualification for up to One-Year

Possession, Major Offenses, Out-of-Service Orders			
Possession of Controlled Substance or Alcohol	First	While operating in van line service	Disqualification for up to 18 months
Major Offenses and Serious Traffic Infractions under 49CFR 383.51			Permanent Disqualification
"Jumping" an Out-of-Service Order	Second		Permanent Disqualification
Operating While Impaired			
DUI, DWI, OWI, Refusal to Test (Controlled Substance or Alcohol)	First	While operating in van line service	Permanent Disqualification
	First	Personal Vehicle	Disqualification for 36 months
	Second		Permanent Disqualification
Usage – Past Due			
Past Due Document (Van Operator or Equipment), Required Report, Unassigned ELD Miles	First	12 months	Educate agent with coaching call
	Second	24 months	Up to a \$1,000 fine
	Third	36 months	Up to a \$2,000 fine
Usage - Unauthorized			
Unauthorized Usage (Van Operator or Equipment) , Improper use of classification of license	First	12 months	Educate agent with coaching call
	Second	24 months	Up to a \$2,000 fine
	Third	36 months	Up to a \$3,000 fine
Missing Record of Duty Status			
Missing Record of Duty Status (Paper, ELD or Work Statement)	14+ missing RODS	6 months	May be Suspended from van line service until all missing RODS are received/certified

*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)

b. **Distracted Driving.** Distracted driving is the diversion of attention from driving, as a result of the driver focusing on a non-driving object, activity, event, or person. This diversion reduces cognitive awareness, decision-making, or performance leading to increased risk of driver-error, near-crashes, or crashes.

Prohibited Activities – Van operators will not engage in any activity that takes their driving focus away while driving but is not limited to the following:

- Operating a hand-held cell-phone device
- Operating a computer / laptop, text messaging device, or Global Positioning System (GPS) tools and devices
- Reading (a book or newspaper, etc.)
- Personal grooming
- Any activity taking the focus off driving is prohibited

Enforcement

Violations of distracted driving will be considered a serious matter and may be subject to disciplinary action up to suspension

c. **Van Operators.** All fines, assessments and deductions imposed on van operators provided by CONTRACTOR will be charged to CONTRACTOR.

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d. **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. **Notification of Violation of Law Involving a CMV.** Any van operator who (a) is convicted of violating, in any type of motor vehicle, a State or local law relating to motor vehicle traffic control (other than a parking violation) or (b) has been charged with a felony or misdemeanor relating to an offense involving (i) leaving the scene of an accident involving a CMV, (ii) driving a CMV while under the influence of a controlled substance, or (iii) use of a CMV in the commission of a felony, or (iv) a DUI, DWI or OWI, must notify the van lines within 30 days after the date of conviction or forfeiture of bond

iii. **Notification of a Serious Accident.** Any van operator who is involved in an accident must immediately notify VAN LINE'S Safety Department and provide a written report within 24 hours.

iv. **Notice of Out of Service at Roadside Inspections** – Any van operator 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 van operator 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.

v. **Notification of Malfunctioning ELD.** Any van operator's whose ELD is malfunctioning must contact the VAN LINE'S Safety department within 24 hours.

e. **Appeals.** Appeals of any penalties will be handled by the Safety Review Committee. The Committee is made up of director level management from a cross-section of the company. An agent or van operator may appeal a fine, suspension or disqualification under the Safety CARES Program or van line Safety policies. No one UniGroup associate or member of management is authorized to waive or modify any penalty. Any request for appeal must be made in writing and must be sent to the Safety department and be made by 15 days of the following month. Safety management will determine if the van operator may remain active in van line service pending the appeal process. Appeals may be presented to the Committee in person, over the phone or in writing.

f. **VTOP Point Reduction Program.**

The Safety CARES program will provide van operators the opportunity to reduce their VTOP points by 25% by completing designated training/educational materials available on the UniGroup Learning Hub at no cost to the van operator or agent.

Violation Category	Designated Course	Course Duration
Hours-of-Service	Review Only – Hours of Service Training Module 1: Basics	20 Minutes
	Review Only – Hours of Service Training Module 2: Limits	20 Minutes
	Review Only – Hours of Service Training Module 4: Exceptions	15 Minutes
CSA – Vehicle Maintenance	Review Only – Vehicle Inspections: Tractor Trailers	40 Minutes
CSA – Driver Fitness	Review Only – CSA: Know the BASICs	40 Minutes
CSA – Unsafe Driving	Defensive Driving for CMV Drivers	70 Minutes
Preventable Accident	Distracted! Driving	30 Minutes

The Education program points reduction is only available on first critical violation in each BASIC and offered within 10 days of violation date. If course is not completed within 10 days, point reduction will not be granted, and UniGroup Safety reserves the right to suspend a van operator until course is completed.

Moving to Zero – Critical Infractions
<ul style="list-style-type: none">• Inattentive/Distracted Driving• Careless/Reckless/Negligent Driving• Improper Use of Personal Conveyance• Failure to Yield Right of Way Conviction• Improper Turn• Failure to Keep in Proper Lane/Improper Lane Change• Failure to Use/Improper Signal• Improper Pass• Roadside Inspection with Out-of-Service Infraction(s) and 40, or more, CSA points• Egregious HOS Infraction (Required rest break < 9 hours or duration of Infraction following rest break => 3 hours)• Speeding 15+ MPH• Following Too Close• Failure to Obey Traffic Control Device• Operating Without an ELD When One is Required

To qualify for the Education program points reduction a van operator must complete the designated course from start to finish and must pass the knowledge check at the end of the course with an 80% or better score.

To receive the points reduction the course completion certificate must be sent to SafetyEdu@unigroup.com. Include van operator name and ID number in the email subject.

g. **Motor Vehicle Reports.** Where permitted by law, VAN LINE'S Safety department will obtain monthly motor vehicle reports on CONTRACTOR.