



FIRE · SECURITY

VEHICLE SAFETY POLICY

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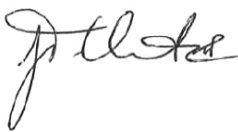
A Message From Our President

VSC Fire & Security (VSC) has established a comprehensive *Vehicle Safety Policy* which includes programs for company assigned fleet vehicles, reimbursed personal vehicles, as well as pool vehicles. The purpose of this Policy is to assist our employees in the safe use of those vehicles, and to guide you in managing our fleet.

Vehicle accidents are costly to our company, but more importantly, they may result in injury to you or others. It is the driver's responsibility to operate the vehicle in a safe manner and to drive defensively to prevent injuries and property damage. As such, the Company endorses all applicable Federal and state motor vehicle regulations relating to driver responsibility. The Company expects each driver to drive in a safe and courteous manner pursuant to the following safety rules. The attitude you take when behind the wheel is the single most important factor in driving safely.

Our *Vehicle Safety Policy* states the terms and conditions upon which VSC may provide an eligible employee a fleet vehicle to drive. These requirements must be followed, in order to retain the privilege to operate any fleet vehicle. You are trusted to exercise good judgment and assume full responsibility for your fleet vehicle.

It is your responsibility to fully understand these policies. If you have any questions regarding our *Vehicle Safety Policy*, please contact the VSC Fleet Manager or the VSC Director of Risk Management.



Tommy Clements
President and CEO

Fleet Vehicle Program

VSC may provide company vehicles to qualified employees. Employees who enjoy the privilege of using a company vehicle are expected to follow all company rules and policies related to vehicles.

Company provided fleet vehicles are to be used for transportation of employees, equipment, and materials on company business. They are to be used exclusively for business purposes. Employees that are given care and custody of these vehicles may be authorized to commute to their homes after working hours and to the jobsite the next day.

Use of Company Vehicles for Personal Use

Only authorized employees may operate a VSC vehicle for personal use. These employees shall adhere to all company safety rules even during personal use. The employee understands that he/she may be held personally responsible for damages resulting from abuse and accidents.

The IRS Commuting Rule will be applied. The Rule values the personal use of company vehicles at \$1.50 each way for transportation between your home and your main or regular place of work.

Vehicle Allowance Program

VSC, at its sole discretion, may offer a vehicle allowance to employees whose principal duties require significant business travel that can be successfully achieved using their personal vehicle. Eligibility will only be considered on a case-by-case basis, with the principal indicator being the requirements of the job role and a review of job duties. The actual allowance dollar amount will be determined by management after a thorough review and analysis. Approval is required by both the Division Manager and Chief Operating Officer (COO) or Chief Financial Officer (CFO).

Employees who receive a vehicle allowance, to drive their personal vehicle as a regular part of their assigned job responsibilities, must adhere to the following parameters:

- Maintain a valid driver's license.
 - Maintain insurance coverage on your vehicle through an insurance carrier that is licensed to conduct business in the state where your vehicle is titled.
 - Maintain liability insurance limits of **\$100,000 per person/\$300,000 per accident (Bodily Injury); and \$100,000 (Property Damage)**.
 - Maintain a copy of your current insurance policy Declaration Page (Dec Page) with VSC's Risk Management Department as proof of required insurance coverage(s).
 - Be responsible for payment of costs associated with any violations, insurance, accidents, and all other expenses associated with your vehicle.
 - Be the primary owner of the vehicle or have written, notarized permission to use the vehicle from its owner.
 - Maintain the vehicle in a safe condition and always operate the vehicle in accordance with federal, state, and local laws.
 - Ensure licensing, registration, and all other state documents are current and remain in the vehicle at all times.
 - Promptly report any vehicle accident to your insurance carrier, Office Manager and Risk Management.
 - Drivers eligible for a vehicle allowance are bound by the same guidelines, qualifications and disqualifications covered in the Policy that apply to a driver of a VSC fleet vehicle.
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Driver Qualifications

An employee driving any vehicle on VSC business must meet the following minimum requirements:

- A holder of a valid license for the class of vehicle in question.
- A holder of no more than one driver’s license.
- Age 18 or older.
- Otherwise qualified under federal and state regulations to drive the vehicle in question.
- Has been pre-approved by Risk Management.
- Note: Any employee whose driver’s license is revoked, restricted, or suspended, is not eligible to drive any vehicle for VSC business!

Motor Vehicle Record (MVR) Assessment and Process

A Motor Vehicle Record (MVR) is required to determine if you are eligible to drive a vehicle on behalf of VSC. All employees approved by Risk Management to drive for VSC business will be enrolled in a continuous MVR monitoring program, with notification of any change in your driving record or license status automatically reported to Risk Management. Further eligibility to drive a vehicle on behalf of VSC may be jeopardized should you not comply with VSC safety requirements.

Motor Vehicle Record (MVR) Point System and Driver Performance Risk Assessment

Your MVR is continuously reviewed by Risk Management. In viewing your prior three-year history, the following point system may be used by VSC to determine your driving privileges:

Points Total	Risk Category	Action
0 Points	Excellent	Quarterly (March, June, September, December) recognition issued to employees that qualify.
1-3 Points	Favorable	Online, event-based training module assigned to employee based on violation(s) listed on MVR. 30 days to complete the safety module.
4-9 Points	Fair	Online, event-based training module assigned to employee based on violation(s) listed on MVR. 30 days to complete the safety module.
10-18 Points	Conditional – Level 1	10-14 Points - To remain eligible, require successful completion of "On-line Defensive Driver Safety Training" within 30 days of most recent violation.
	Conditional – Level 2	15-18 Points - To remain eligible, require successful completion of "On-line Defensive Driver Safety Training" within 15 days of most recent violation.
19+ Points	High Risk – Level 1	19-24 Points - Lose driving privilege for 30 days. Successfully complete In-Person Classroom Defensive Driver Safety Training prior to reinstatement. *
	High Risk – Level 2	25-29 Points - Lose driving privilege for 60 days. Successfully complete In-Person Classroom Defensive Driver Safety Training prior to reinstatement. *
	High Risk – Level 3	30+ Points - Lose driving privilege for 3 years. Successfully complete In-Person Classroom Defensive Driver Safety Training prior to reinstatement. *

**Driver pays first \$75 of an 8-hour defensive driving seminar, in a classroom setting, acceptable to Risk Management.*

Employment Status Exceptions

You should be aware of implications to your driving eligibility when your employment status changes:

- Approved Leave of Absence: Throughout the approved period, fleet vehicles must physically remain at the assigned VSC division office.
- Retirement, Transfer to Non-Eligible Position, or Termination: You **will not** be eligible for your current Vehicle Program (fleet or allowance) commencing on the first actual day of your status change.

Fleet Vehicle Restrictions

Driver safety, financial optimization, and company image are crucial factors when considering modifications and operation of fleet vehicles. The following are *restricted* under all circumstances:

- Display of signage, license plate frames, or stickers not supplied to you by VSC.
- Towing of personal trailers, including boats and RV’s.

- Using a vehicle that is not properly sized and designed for its intended use.
- Operating a vehicle whose load is not secured and within the vehicle manufacturer and/or DOT legal weight limits.
- Possession or transport of firearms.
- Possession or transport of alcohol or illegal drugs.
- Operating any motor vehicle while taking medications that can affect the driver's ability to operate equipment or machinery.
- Smoking or the use of e-cigarettes and/or vaping devices.
- Making any modifications to the appearance or function of the interior or exterior of the vehicle without permission from Risk Management.
- Performing any maintenance and repairs that should be performed by a qualified and certified automotive technician.
- Tampering with, disabling, or removing any safety-related feature that is either factory or aftermarket installed by VSC.
- Installing any aftermarket devices without the approval of Risk Management.

Drivers of Commercial Motor Vehicles

A commercial motor vehicle is one that:

- (a) Has a gross vehicle weight rating (GVWR) of 10,001 pounds or more; or
- (b) Has a gross combination weight rating (GCWR) rating of 10,001 pounds or more inclusive of a towed unit; or
- (c) Is designed to transport 16 or more passengers, including the driver; or
- (d) Is of any size and is used in the transportation of *hazardous materials* as defined by the Federal Motor Carrier Safety Administration (FMCSA).

Any driver operating a commercial motor vehicle will comply with all FMCSA Regulations, including but not limited to:

- Retain a valid medical certification card and driver qualification file.
- Immediately notify your supervisor of all accidents, traffic violations, or if your driver's license has been revoked or suspended.
- Ensure load(s) is secure and does not exceed the manufacturers' specification & legal limits for the vehicle.
- Complete driver mileage logs for hour of service purposes when necessary.
- Notify Risk-Safety of any roadside inspections.

A **commercial driver's license (CDL)** is required for any employee that drives a vehicle that:

- (a) Has a gross vehicle weight rating (GVWR) of 26,001 pounds or more; or
- (b) Has a gross combination weight rating (GCWR) rating of 26,001 pounds or more inclusive of a towed unit; or
- (c) Is designed to transport 16 or more passengers, including the driver; or
- (d) Is of any size and is used in the transportation of *hazardous materials* as defined by the Federal Motor Carrier Safety Administration (FMCSA).

In addition to complying with all FMCSA Regulations, CDL holders must also:

- Provide VSC General Consent for Limited Queries of the FMCSA Drug and Alcohol Clearinghouse.
- Submit to random drug and alcohol screening determined by VSC's DOT regulated consortium.
- Submit new medical certification to state DMC within 14 days.

Personal Vehicle Use

Use of personal vehicles for company business is discouraged. Any occasional use requires Risk Management approval. In the event approval is provided, employees are subject to minimum requirements including the following:

- Has been pre-approved by Risk Management through an MVR assessment.
- Maintain insurance coverage on your vehicle through an insurance carrier that is licensed to conduct business in the state where your vehicle is titled.
- Ensure licensing, registration, and all other state documents are current and always remain in the vehicle when operating the vehicle for company business.

Those employees who use their personal vehicle for company business are subject to reimbursement for mileage pursuant to IRS regulations. Reimbursed mileage is defined as mileage driven over and above the employee's normal commuting mileage.

Safety

Program Overview

The goal of our vehicle safety program is to enable you to achieve and maintain an accident free, violation free, and claim free driving record – both on and off the job. To minimize the potential for injury to you and others, and to effectively manage VSC's liability risk, eligible drivers must comply with all provisions described in the *Vehicle Safety Policy* and perform their driving responsibilities in a safe and lawful manner.

When a driver is observed operating a vehicle in an unsafe manner, operating the vehicle aggressively, violating the rules of the road or provisions of this *Vehicle Safety Policy*, the company will investigate. The identified driver will be subject to disciplinary action, up to and including termination of employment.

Training

Employees that are assigned to company fleet vehicles, or those that intermittently drive company fleet vehicles, will be required to complete vehicle/driver safety training as assigned by the Fleet Manager. Training will be assigned at the Fleet Manager's discretion and must be completed within a provided timeframe to retain driving privileges. This includes but is not limited to training for employees before they are allowed to drive company vehicles, and refresher training for existing drivers on a frequency determined by Risk Management. Training courses assigned by the Fleet Manager may be online or in-person. Failure to complete assigned training will result in revocation of driving privileges.

Training may also be assigned for Auto Allowance employees at the Fleet Manager's discretion.

Authorized Drivers and Passengers

Fleet vehicles are to be driven only by employees pre-authorized by Risk Management or a mechanic during the course of repairing a vehicle.

Drivers of company vehicles must not pick up or transport unauthorized passengers. Unauthorized passengers include those individuals who are not company employees, not affiliated with the company or not contracted to conduct specific company business.

Children are not to be transported in company vehicles without prior written permission from Risk Management. If a child is transported, it is the responsibility of the employee driver to transport the child utilizing appropriate car seats, child restraints, shoulder harness, seat belts/lap belts in compliance

with all local, state, and federal laws, as well as all safety requirements identified in the car seat/child safety restraint system manufacturer's safety policy.

Safety Education and Accident Prevention

The best accident is one that never happens! To avoid accidents, you are expected to follow these precautions:

- Keep your eyes on the road - Do Not Drive Distracted!
- **NEVER** Drink and Drive!
- DO NOT TAILGATE!
- Drivers of passenger vehicles shall maintain a minimum four-second interval between their vehicle and the vehicle immediately ahead.
- Drivers of trucks (pickups, vans, heavy trucks) shall maintain a minimum four-second interval between their vehicle and the vehicle immediately ahead. This distance should be increased when carrying a load.
- Following distances shall exceed the four-second interval when adverse conditions exist (i.e., rain, snow, ice, any type of roadway debris).
- Obey the posted Speed Limit!
- Clean windows of snow, ice or any other material(s) that can block your vision.
- Safety restraint systems (i.e., seat belts, child restraints, shoulder harness, lap belt) must always be properly worn by vehicle occupants in accordance with the vehicle manufacturers requirements.
- Use caution when entering intersections. When entering an intersection controlled by a stop light or stop sign, look both ways before proceeding.
- Signal your entry onto freeways and stay in the center or inside lane for ease of emergency maneuvering.
- Aggressive driving is a threat to everyone; professional and courteous driving is required at all times.
- Headlights must be used dusk to dawn, when windshield wipers are in use, and at any other times when low light conditions exist.
- Drive Defensively! Do not assume that the other driver will take a specific action – prepare for the unexpected.
- Roads are crowded – consider all vehicles as potential accidents.
- Always keep doors locked when you are in your vehicle.
- Do not get blocked in when stopped – leave a 10' cushion between you and the vehicle in front of you so that you can move quickly if needed.
- When parking, always try and locate a spot to pull through to park. Avoid scenarios where backing the vehicle is required.
- Circle the vehicle for safety - walk around the vehicle before driving to make sure that there are no hazards.
- Check the rearview and side mirrors on the vehicle and adjust them to eliminate or minimize blind spots.
- Park Defensively! Choose an easy-exit parking space that does not crowd nearby vehicles and is away from other obstacles.
- Use a spotter! If a reliable person is available to guide the driver when parking, use them.

Traffic Violations

Traffic violations incurred while operating a fleet vehicle, or a vehicle in the course of VSC business, are to be promptly reported to Risk Management. VSC will not provide reimbursement for traffic violations incurred by you. You are financially responsible for remedying these obligations. If you fail to remedy your traffic violations in a timely manner VSC may receive notification. In this event, VSC may pay your traffic violation and any subsequent penalties. If this occurs, the entire dollar amount will be automatically deducted from your paycheck.

Any employee who has a driver's license revoked or suspended shall immediately discontinue operation of any vehicle used in the pursuit of VSC business and notify Risk Management and your Division management. Failure to do so may result in disciplinary action, up to and including termination of your employment.

Alcohol or Drug Use

The inappropriate or illegal use of drugs, marijuana or alcohol adversely affects your ability to safely operate a vehicle. Such behavior jeopardizes your safety and health and constitutes a risk to the general public and VSC.

In addition to the provisions for a "Drug-Free Workplace" cited in VSC's Employee Handbook, as well as VSC's Drug Free Workplace Policy & Procedures, VSC strictly **prohibits** in conjunction with the possession or use of a fleet vehicle, or a vehicle while in the course of VSC business, the following: the manufacture, transportation, distribution, sale, or use of illegal drugs or marijuana; the manufacture, distribution or sale of medications, including medical marijuana; the manufacture, distribution, sale or use of alcoholic beverages; the transportation of open alcoholic beverage containers.

Any employee that receives a drug or alcohol conviction will *immediately* lose the privilege to operate a fleet vehicle or to participate in the vehicle allowance program. The employee is prohibited from driving *any* vehicle in the course and scope of VSC business.

If an employee tests positive for any illegal drug or marijuana, the privilege to operate a fleet vehicle or participate in the vehicle allowance program will be revoked automatically, pending further review by Human Resources and Risk Management. The employee is prohibited from driving *any* vehicle in the course and scope of VSC business, pending further review by Risk-Safety.

Employees who operate any vehicle during the course of VSC business will be subject to post-accident drug testing as well as other testing as stated in VSC's Drug Policy.

Note: Any violation of the Alcohol or Drug Use section of the Vehicle Safety Policy is subject to disciplinary action, up to and including termination of employment.

Phone & Electronic Device Use

VSC strictly **prohibits** the use of any mobile telephone or communication device for any purpose, while driving a vehicle on VSC business. This prohibition applies even where hands-free devices are legal and available.

If an employee needs to make an emergency call (911), the employee must park the vehicle in a safe location before making the call.

Company owned electronic devices may be monitored to ensure compliance with the policy.

Employees who violate the policy will be subject to disciplinary action, up to and including termination of employment.

Weapons

VSC prohibits the possession or use of dangerous weapons on all company property (unless state law differs), including fleet vehicles. Dangerous weapons include, but are not limited to, firearms, explosives, and other dangerous or hazardous devices or substances.

GPS/Telematics Devices

All VSC fleet vehicles are equipped with a global positioning system (GPS) device that monitors vehicle location. This device may also be used to collect data including vehicle utilization, trip history, and idling. Behavioral events may also be captured including speeding against the posted speed limit, excessive speeding, harsh acceleration, hard braking and seatbelt usage. This data is subject for use in monitoring driver performance.

VSC reserves the right to install other tracking and behavioral tools inside VSC company vehicles, including cameras/dash cams.

Tampering with and/or removing the GPS device or other VSC required tracking and behavioral tools is strictly prohibited. VSC may use the data collected for both disciplinary measures and employee recognition.

Accident Management

Definition of an Accident

An accident is defined as any event in which your fleet vehicle sustains mechanical or body damage, either while in motion, idle, or parked (engine turned off) caused by you, another person, animal, nature or debris. You may or may not be present within the vehicle. An accident is also defined as any event involving your fleet vehicle, or any vehicle you operate while in the course of VSC business, that results in property damage or physical harm to another person, place or thing.

At The Accident Scene

To ensure your physical safety and well-being, follow these steps if you are involved in an accident:

- Remain calm.
- Assess the situation. Are you injured? Is it safe to exit the vehicle?
- Obtain medical attention as necessary.
- Secure your fleet vehicle and its contents.
- Call the police.
- If a police report is completed, obtain the report number and name of the department that responded.
- When possible, take photos of the scene, vehicles, and any other property involved.
- If the accident involves another vehicle or person, document the following information:
 - Driver's name, address, telephone number
 - Name of vehicle owner
 - Name of insurance company
 - Vehicle license plate and registration number
 - Date, time, and location of accident
 - Weather conditions
 - Names of injured, if applicable
 - Name(s) and badge number(s) of investigating officer(s)
 - Name and address of any witness or occupants of other involved vehicle(s)
- Never express an opinion as to fault or liability, agree to any settlement on behalf of VSC, or sign any statements other than documents required by police authorities.

- Do not discuss the limits of your insurance coverage.
- If you are contacted by other involved parties, their legal representative or insurance company, refer them to Risk Management. Politely discontinue any further dialogue with them.
- *Regardless of who was at fault or the amount of damages*, complete a post-accident drug test at a company approved facility **within 24 hours** of the date and time of the accident.

Reporting an Accident

When an accident occurs while driving a company vehicle, or any other vehicle in the course of VSC business, immediately contact your Office Manager. Failure to report an accident in a timely manner, and/or concealing pertinent facts may result in disciplinary action up to and including termination of employment. Please consult the *VSC Accident Reporting & Investigation Policy* for additional instruction on accident reporting and investigation protocols.

Post-Accident Review

VSC reviews all accidents to evaluate whether they were preventable. Based upon this information, you may be required to complete a remedial safety education program and/or a Driver Education program.

Discipline for Causing Preventable Accidents

In an effort to emphasize the importance that VSC places on the safe operation of its fleet vehicles the following outcome(s) will apply, at minimum, when an employee is responsible for a vehicle accident:

1 st Preventable Accident	=	Loss of Commuting* Driving Privileges for 1 week
2 nd Preventable Accident	=	Loss of Commuting* Driving Privileges for 30 days
3 rd Preventable Accident	=	Termination of Employment

**Employee will not be authorized to use vehicle for commuting purposes. The VSC vehicle must be picked up and returned to the VSC office daily during this period.*

Vehicle Acquisition and Replacement

New vehicles and associated equipment are selected by VSC in accordance with business needs. Vehicle selection will be made using a pre-approved selector when it is time to order.

Risk Management carefully plans each ordering cycle to minimize overall life cycle costs and maximize resale proceeds from used vehicles. Vehicles will be replaced in a cyclical fashion, with up to 2 order cycles per year.

The following guidelines are used in determining vehicle replacement. However, there are several other factors taken into consideration when determining vehicle replacement timing. Replacement dates can change throughout the model year according to market conditions.

- Cars – 100,000 miles or 48 months in service, whichever comes first
- SUV’s, Crossovers, and Minivans – 125,000 miles or 60 months in service, whichever comes first
- Light Duty Trucks and Cargo Vans – 150,000 miles or 60 months in service, whichever comes first
- Medium Duty/Heavy Duty Trucks – 250,000 miles or 72 months in service, whichever comes first

When vehicles meet replacement criteria, Division Managers will receive instructions on how to place orders for new vehicles.

As a best practice and to acquire vehicles at lowest cost, vehicles will be factory ordered and not purchased from dealerships. In the event a need arises that prohibits the ability to factory order, the Fleet Manager will work to secure a vehicle.

Upfitting

Upfitting of fleet vehicles will be coordinated by the Fleet Manager. This includes selection and ordering of auxiliary equipment that includes, but is not limited to, ladder racks, shelving, toolboxes, and more.

Purchases of equipment to be installed on the vehicle at the local level must be pre-approved by Risk Management.

Vehicle Disposition and Remarketing

VSC's Fleet Manager will oversee the disposition and remarketing process of vehicles no longer in service. The appropriate resale method will be selected to maximize resale value.

Vehicles must be free from any VSC equipment and personal belongings prior to the vehicle being picked up for resale.

The sale of company vehicles to employees, friends and/or VSC partners is not authorized.

Insurance, Title & Registration of Fleet Vehicles

Insurance Provided for Company Fleet Vehicles

VSC insures its fleet vehicles for legal operation on the roadway by providing coverage inclusive of liability, collision, and comprehensive for authorized drivers. If a driver other than you has an accident while driving your fleet vehicle, you and/or that driver may be **PERSONALLY** responsible for the resulting vehicle damage and bodily injury.

Proof of Insurance

Our insurance carrier will provide an insurance card which must be kept inside the fleet vehicle at all times. For replacement cards, please contact your Office Manager. Only the current insurance card should be carried in the vehicle.

Initial Title and Registration Process

Initial vehicle titling and licensing will occur when VSC acquires a new fleet vehicle. This process is carried out by Risk Management or the designated Fleet Management Company (FMC). When initial licensing is completed, the vehicle documents are sent to the corresponding Division.

All vehicle titles are held at corporate or may be also held by the FMC.

Registration Renewal Process

The registration of your fleet vehicle is renewed on a reoccurring frequency to ensure that it can be legally operated on the roadway.

This process is managed by VSC or the designated FMC. The renewal process will begin 60-90 days prior to expiration. Any requirements for renewal will be communicated to the driver and Office Manager. However, it is always the driver's responsibility to be aware of the expiration date of the license plates on your company vehicle. Please inform Risk Management if you have not been notified of your registrational renewal thirty (30) days prior to the expiration date.

Personal & Business Miles Reporting for Exempt Employees

Valuation, Tax Implications, Substantiation Requirements

Personal mileage is defined as any personal use of the company vehicle such as: commuting to and from work, vacations, personal errands, etc. Personal use of a company vehicle is included as taxable income on your W-2 according to guidelines of the Internal Revenue Service. Consequently, in addition to business mileage, personal mileage must be tracked and reported on the "VSC Fire & Security Monthly Mileage Log".

The reporting year for personal mileage runs from November 1 through October 31 each year. The taxable benefit of your fleet vehicle will be computed based upon Internal Revenue Service guidelines. The 12-month log must be received by VSC's Controller no later than November 15. In the event of your resignation or termination, you must return your mileage log immediately.

If you change fleet vehicles during the fiscal year, you must declare personal and business mileage for *each* vehicle.

Care & Maintenance of Fleet Vehicles

Preventative Maintenance Schedule

All VSC fleet vehicles shall be maintained to ensure safe operation and handling. You are responsible for the timely scheduling and completion of preventive maintenance on your assigned vehicle in accordance with original equipment manufacturer (OEM) recommendations.

All company vehicles are enrolled in a managed maintenance program through VSC's Fleet Management Company (FMC). Use of this program is required for all maintenance performed on the vehicle.

Every vehicle is supplied a maintenance card that includes the maintenance interval schedule for services, authorization, and billing process. You are responsible for carrying this document within the vehicle at all times and providing to the service provider before any maintenance is performed on the vehicle.

Repair decisions and authorizations will be managed by the FMC, Division Manager or Fleet Manager. Assigned drivers are not permitted to independently authorize any maintenance or repair.

For non-exempt employees, vehicle maintenance must be done on company time. Non-exempt employees are never authorized to have maintenance performed "off the clock" or on personal time. If a non-exempt employee is instructed to have maintenance performed off company time, immediately report the situation to VSC's Fleet Manager.

Unscheduled Maintenance or Repairs

Unscheduled maintenance includes all mechanical repairs, including warranty work and towing. To optimize VSC fleet management expenses and driver satisfaction, you should abide by the following parameters:

- **Repair Authorization:** Any vehicle repairs must have the approval of the FMC or Division designee.
- **Glass Damage:** For your safety, glass damage should be remedied immediately by arranging for its repair. Based upon the extent of damage, your glass will be either repaired or replaced. This process is carried out by contacting the FMC.
- **Warranty Coverage:** Your fleet vehicle carries a warranty which provides for repair or replacement of defective parts by an authorized dealer. As a driver, you are responsible to obtain no charge warranty repairs whenever possible. Read your vehicle Owner's Manual carefully to familiarize yourself with your vehicle's warranty coverage.

- **Manufacturer Recall:** When you are notified of a manufacturer recall, you are responsible for taking your fleet vehicle to an authorized dealer for completion of the recall work. This should be handled through the FMC.

Emergency Roadside Assistance

For emergency roadside assistance, contact the FMC using the information listed on the maintenance document for the vehicle. This includes services such as towing, winch-out, jump start, flat tire, lockout, etc.

Rental Vehicle Eligibility & Parameters

Rental vehicles are to be used when your fleet vehicle is unavailable for use either due to maintenance work, repair work, or accident. Before considering a rental vehicle, your Division office will assist you in locating a pool vehicle for your temporary use. Or, if available, utilize a dealer or shop “loaner vehicle” while your fleet vehicle is being repaired.

Rental vehicles can also be arranged by contacting the FMC.

All expectations and requirements stated within this policy apply to you when operating any temporary replacement vehicle, including the need to report personal and business mileage.

If you must rent a vehicle, follow these requirements:

- The rental vehicle should be of the same vehicle class as your current fleet vehicle.
- Decline all optional insurance coverage offered by vehicle rental companies at additional cost.
- Only VSC employees pre-authorized to drive by Risk Management and named on the rental agreement, are permitted to operate a rental vehicle.
- You will utilize your VSC provided fuel card to purchase fuel for a ‘loaner’ or rental vehicle.
- Once you have received possession of your fleet vehicle, return your rental vehicle promptly.
- A rental vehicle will not be permitted during oil changes, tire service, or glass repair.
- Repairs should be scheduled early in the week to avoid the use of a rental vehicle over the weekend.
- If you participate in the company vehicle allowance program, VSC will not cover the cost for a temporary replacement vehicle.

Housekeeping & Cleanliness

For your safety and those around you, you are required to ensure that all materials, tools, equipment, or debris located within the vehicle, cargo area, or truck bed is properly secured. Keep the dashboard, seats and floor of the vehicle clear of all materials to avoid interference with your ability to safely operate the vehicle. Daily, remove trash and debris from the interior of the vehicle. Keep open truck beds clear of any loose materials, trash or debris that can become airborne or fall from the vehicle posing a risk to another motorist or person.

You are responsible for always keeping the exterior and interior of your vehicle clean and presentable, ensuring the company brand and image is portrayed in a positive light. Vehicles that have missing or partial decals should be reported immediately to the Fleet Manager for review and action.

At a minimum, VSC requires that both the interior and exterior of vehicles are inspected monthly, and any housekeeping items are addressed. Failure to keep an organized professional vehicle may result in disciplinary action, up to and including loss of driving privileges or termination of your employment.

Vehicle housekeeping and upkeep should be done while on company time. Being asked to perform this task “off the clock” or on personal time is not permitted and should be reported to the Fleet Manager.

Car Washes

In helping to promote the VSC brand and company image, car wash services are authorized but must be discussed with your manager. Non-exempt employees are not permitted to wash or have a company vehicle washed on personal time.

Load Securement

Vehicles equipped with pipe and/or ladder racks must have proper load securement materials including, but not limited to, ratchet straps, tie downs, cords, chains, etc. Loads should be secure using anchor points and must not exceed the rating of the securement device being used. When transporting materials, drivers are not authorized to exceed the GVWR of the vehicle, or the weight rating of the pipe and/or ladder rack being utilized.

Fuel Management

Fuel Card Utilization

All company vehicles are issued a Vehicle Identification Number (VIN) specific fuel card that is tied directly to the vehicle. This card must be used for fuel purchases made for the fleet vehicle. The card is accepted by most major fuel stations. You should not use the fuel card for fuel purchases incurred as the result of personal mileage unless pre-approved by your Division manager.

The vehicle fuel card is secured using a Personal Identification Number (PIN), which is issued to the driver. The fuel card must always stay with the vehicle. Your individual PIN can be used when using the fuel card tied to an individual company vehicle.

The PIN grants you access to the fuel pump and provides an electronic signature for monitoring transactions. To optimize VSC's fleet management expenses and driver satisfaction, you should abide by the following parameters:

- **Fuel Card Security:** Your PIN should never be shared with anyone.
- **Daily Fuel Card Use:** The card can only be used three (3) times per day, with a maximum \$150.00 limit per use.
- **Entry of Odometer Readings:**
 - **Fleet Vehicle:** It is expected that you will accurately enter the odometer reading of your fleet vehicle each time you purchase fuel. Your odometer reading plays a critical role in several fleet management processes.
 - **Rental Vehicle:** You should utilize your fuel card to purchase fuel for your rental vehicle, as this will allow VSC to fully capture your fuel expenditures. Please enter "999999" for the odometer reading.
- **Fuel Card Replacement:** If your fuel card becomes lost or stolen, contact your Office Manager immediately.

Fuel Type

Unless specifically required by your vehicle model, all fleet vehicles require regular unleaded fuels for safe and efficient operation. Purchasing mid-grade fuel, premium grade fuel, or non-fuel items (maintenance, food, beverages, etc.) with your fuel card is prohibited. Other fuel types (diesel, propane, etc.) for direct company use are permitted when required by the vehicle manufacturer and approved by your manager.

Toll Management

Use of Toll Roads

VSC employees are authorized to utilize toll roads while driving during the course and scope of conducting VSC business. Toll invoices and/or toll violations received as part of conducting VSC business will be paid and charged back to the appropriate VSC Division. Any business-related tolls paid by the employee are eligible for reimbursement with provided documentation and receipt (i.e., toll booth, personal transponder account).

Any toll charge or toll violation invoice received that is found to have occurred during commuting and/or personal use will be the responsibility of the employee to pay or reimburse VSC.

Transponder Program for VSC Company Vehicles

VSC offers a toll transponder program for VSC company vehicles that regularly travel on toll roads. Enrollment can be requested by contacting the Fleet Manager. The type of transponder issued is dependent upon the local tolling authority and may include either a window cling or a transponder that is affixed to the vehicle. Transponders shall be used for official VSC business only.

Toll authorities record and compare the transponder identification number with the VSC vehicle license plate number. Therefore, transponders may only be used with the specific VSC vehicle registered and linked to the transponder. Tampering, removing, borrowing, or placing transponders in a different vehicle is prohibited and is grounds for disciplinary action.

It is the responsibility of the driver to ensure the transponder is properly affixed to the VSC vehicle. Lost, damaged or inoperable devices must be reported to the Fleet Manager.

Employees will be liable for the reimbursement of any toll charges used for personal, family, or household purposes. This includes commuting to and from work. Regular reporting will be provided to managers that detail all toll transactions at a per vehicle level.

Fleet Vehicle Video-Based Safety Program Policy and Procedures

PURPOSE AND SCOPE

VSC Fire & Security, Inc. (VSC) has established a Video Based Safety Program (Telematics) for fleet vehicles. Program Objectives:

- Protecting VSC employees and property.
- Enhancing the employee driving experience by positively affecting driver safety.
- Providing an additional means of driver training.
- Preventing traffic accidents, violations, and offenses.
- Reducing auto claims and claim-related expenses.
- Developing defenses against false allegations of fault leveled against the VSC driver.

PRINCIPLES

The following principles apply to the Video Based Safety Program (Telematics):

- A. Telematics devices (*i.e.*, *Dash Cams*) will be installed in all VSC fleet vehicles.
- B. Devices will be professionally installed and attached to the windshield. They will be aligned to accurately detect the driver and objects ahead of the vehicle.
- C. The vehicle's engine must be turned on for the camera to begin recording and detect unsafe driving behavior. The camera will continue recording until the vehicle's engine is turned off.
- D. No images and information will be stored except where a relevant incident (event) has occurred as noted in Appendix A.
- E. It is possible to review video on-demand if deemed necessary to determine fault in the case of a complaint, citation or incident that did not get saved as an event.
- F. Drivers **cannot** be remotely viewed in real time.
- G. It is not VSC's intention to use this technology for monitoring the work of employees or to infringe upon employees' rights to privacy.
- H. In-cab audio is not recorded and not available.
- I. Drivers are responsible for their actions as well as the actions or violations of any passengers in the vehicle.
- J. Violations can occur at any time while operating a company vehicle, even after hours or while not on the clock. Drivers and passengers in company vehicles must adhere to, and always abide by, all local and federal laws while operating company vehicles.

HARDWARE

A dual facing (road and driver) telematics device will be installed just below the rearview mirror of the fleet vehicle. A road facing camera will provide a 140-degree view of a driver's field of vision. The camera is powered by artificial intelligence (AI) to detect behavioral triggers and alerts.

A driver facing device will provide a 130-degree view of the vehicle cab. The camera will have a built-in infrared and day/night sensor. This camera will be powered by artificial intelligence (AI) to detect driver facing triggers as noted in Appendix A.

ACCESS TO RECORDINGS

Access to retained images, video footage and other information will be restricted within VSC and will only be accessible to parties that have a vested interest in reviewing the data. This includes, but is not limited to VSC's Risk Team, HR Team and Division Managers.

Any other interested party must obtain authority from the Fleet Manager to access and view recorded footage. Any persons whose images are recorded also have a right to view those images, and to be provided with a copy of those images. Employees making such a request must submit their request in writing to VSC's Fleet Manager.

RETENTION PERIOD

Video events that are captured will be uploaded to a cloud-based environment and are available for 90 days. Videos can be downloaded and saved from the cloud before the 90-day expiration period.

Each camera has a 256GB SD card installed that will retain footage for up to 60 hours and then overwrite itself. This footage can be retrieved and downloaded on demand.

RECORDED VIDEO FOOTAGE

Video telematics devices will capture pictures of employees and potentially non-employees. Videos may be classified as evidence in the course of investigations.

- Video evidence may be used by VSC as part of an employee investigation where, in the reasonable belief of management, there may have been misconduct or unsafe practices. Where footage is used in disciplinary proceedings, the employee may be permitted to see and respond to the images, and to obtain a copy. When requested by law enforcement or other legal entities who issue a subpoena the video will be provided.
- In defense of claims against VSC, or in pursuit of VSC vehicle damage recovery from responsible parties, video will be provided to VSC's fleet management company or insurance company.
- Where an incident involves a third party, the relevant insurers will be informed of the details. Although the third party may be made aware that there is video evidence, a copy of the recorded material can only be obtained through issuance of a subpoena.

VIDEO EVENT BEHAVIOR TRIGGERS AND ALERTS

Video recordings are uploaded and stored to a cloud-based environment when an unsafe driving behavior is detected by the video telematics device. This is commonly referred to as an "event". These events are then made available to management for review and action if necessary. Reference Appendix A.

When a video "event" is recorded, artificial intelligence (AI) analyzes the video, detects what is happening in and around the vehicle, and classifies the event based on the severity of the incident. A video is classified depending on how urgently it should be reviewed. Videos will be classified as either Critical, Major, Moderate, or Minor, with Critical being the most severe.

- **Critical** – The driver might have lost control of the vehicle and left the road, mounted a curb, spun the vehicle, or collided with a person, object, or another vehicle.
- **Major** – The vehicle might have been involved in a dangerous situation. The driver might have swerved or braked suddenly to avoid a collision with a person, object, or another vehicle.
- **Moderate** – The driving manner was inappropriate to the situation and there was an elevated risk of an accident. The driver might have braked or accelerated more harshly than usual, even if there are no people, objects, or other vehicles nearby.
- **Minor** – The event that triggered the recording was just above the threshold to register as a harsh driving event. The analysis suggests that an incident was unlikely.

IN-CAB AUDIBLE ALERTS

Telematics devices can also notify drivers with in-cab audio alerts. These prompts are designed to immediately encourage safe driving practices. When active, in-cab alerts cannot be turned off or edited by the driver.

The Fleet Manager is responsible for customizing the audio notification that drivers will hear in the cab and determining which unsafe driving behaviors trigger both an event and in-cab alert.

FALSELY TRIGGERED VIDEOS

Videos can be falsely triggered, usually when the camera lens is obstructed or in the wrong position. Additionally, the artificial intelligence (AI) calibration can be disrupted if the driver is regularly touching their face, wearing glasses, a hat, or mask.

The accuracy of video classifications can be improved by checking that the vehicle's camera is working properly and by providing feedback on each video event.

At the end of each video, feedback is requested on the accuracy of the video classification and analysis. This feedback data is used to update and improve the artificial intelligence (AI) algorithm.

All users with access to video will have the ability to provide feedback on recorded events.

VIDEOS AND COLLISIONS

In the event of an accident, cameras may stop recording at the point of collision. This happens when the vehicle's power is cut as a safety response, or the impact is severe enough to damage the device. If this happens, a video event will not be triggered.

Low force impacts, such as side swipes, are less likely to be detected. If the collision does not generate an event, the video will be retrieved using the device's on-board SD card.

For every accident, whether at-fault or not-at fault, video will be used to try and identify the contributing factor(s) that may have led to the collision. This will be included as part of the overall analysis of the accident while also reviewing pictures, accident reports, police reports, witness statements and more.

COACHING

Coaching is the preferred approach to improving employee driving performance. Coaching is based on the following principles:

- Asking and providing guidance rather than telling.
- Provoking thought rather than giving directions.
- Holding a person accountable for his or her actions.

Coaching helps drivers become more aware of driving decisions, draw objective conclusions about their performance, take ownership of the outcome, and commit to making positive long-term changes.

Coaching is a powerful tool that guides drivers to critically think about driving situations. It helps demonstrate concern for the driver's safety and allows the driver to reach their own conclusion that there is more they can do to be a safer driver. Coaching reinforces correct behaviors which results in safety-based driving decisions being made when the driver is unsupervised.

Supervisors will use video events, GPS data, scorecards and other data collected to have conversations with employees about driving behaviors. It is highly recommended that drivers view these videos during the coaching sessions.

Anytime a driver is coached or disciplined, this must be documented and sent to Human Resources. Keeping detailed records of training and coaching can serve to help protect VSC in the event of an incident.

Safe driving behaviors are to be shared with the employee and celebrated. Rewarding and recognizing safe driving behaviors reinforces the desired behaviors which leads to a reduction in accidents and those related expenses.

To assist in coaching, a series of decision trees have been developed and will be used by managers to carry out the coaching process. A Driver Performance Coaching Form will also be used to serve as the official documentation of the coaching session.

DISCIPLINARY ACTION

Corrective actions can range from verbal or written warnings to stronger penalties, including but not limited to suspension, revocation of driving privileges, and termination of employment. Disciplinary action will be taken against any employee who is involved in any of the following actions:

- Destroying, dismantling, or unplugging the Telematics device.
- Deliberately blocking the view of the camera inside the cab or outside the cab of the vehicle.
- Exhibiting unsafe behavior that endangers the lives of themselves, other workers, and the public.

INCENTIVES AND REWARDS

Recognizing drivers when they are performing well is an important part of this safety program. Positive reinforcement also helps drivers already doing well to grow and thrive in their position.

All drivers will be graded and scored using key performance indicators (KPI's). A reoccurring driver scorecard will be made available to Supervisors. These scores, when compiled and compared, can be used to work with, reward, or improve driver performance. Supervisors will use the data to provide rewards weekly, monthly, or annually. Rewards and recognition may include but are not limited to the following:

- Cash Bonuses
- Monthly awards or recognition using certificates, gift cards, or recognition during meetings.
- Career advancement to train employees and coach drivers who need improvement.

Gamification, or the creation of a program that uses elements of game playing, is one way to create a driver incentive program that encourages employee participation. Driver scorecards provide weekly scores and rankings. These rankings can be published for everyone to see with top drivers being rewarded. This also encourages drivers with lower rankings to seek out opportunities to improve.

APPENDIX A
VIDEO EVENT BEHAVIOR TRIGGERS AND ALERTS

<u>Driver Facing Triggers</u>	
Tiredness	When the driver becomes sleepy. The driver yawns and/or closes their eyes for at least 2 seconds. The vehicle must be traveling over 25 mph. In-Cab Alert Available.
Distraction	When the driver is not focusing on the road. The driver looks away from the road for at least 2 seconds. The vehicle must be traveling over 25 mph. In-Cab Alert Available.
Phone Call Detection	When a driver handles a cell phone to make or receive a call while driving. The driver holds the shape of a phone to their face for at least 5 seconds while driving. The vehicle must be traveling over 25 mph. In-Cab Alert Available.
Seatbelt	When a driver is not wearing their seatbelt.

<u>Road Facing Triggers</u>	
Speeding	The vehicle travels faster than the posted speed limit and tags a video with Posted speed exceeded. Videos show the vehicle’s speed and the road's speed limit.
Tailgating	The vehicle is dangerously close to the vehicle in front. The driver does not have enough time to stop if the vehicle in front slows down. The vehicle in front may have entered the driver’s lane suddenly, or the driver got too close due to unsafe driving. The vehicle must be traveling over 37 mph. In-Cab Alert Available.
Pedestrian Ahead	The vehicle is close to a pedestrian or cyclist. The vehicle must be traveling 6-18 mph. In-Cab Alert Available.
Stop Sign	The vehicle fails to come to a complete stop at a stop sign or runs through a red light. Vehicle makes a “rolling stop”.

<u>Harsh Driving Events and Thresholds</u>	
Hard Acceleration	The vehicle speeds up suddenly (by more than 5 mph per second). The g-force is above 0.220g for at least 1 second.
Harsh Cornering	The vehicle makes a harsh turn at speed. The g-force is above 0.4g for at least 2 seconds.
Hard Braking	The vehicle slows down suddenly (speed decreased by more than 6 mph per second). The g-force is above 0.265g for at least 1 second.
Sudden Force	The vehicle jolts suddenly (caused by impact with a person, animal, or object for example). The g-force is above 0.7g for 0.1 second.

Video Telematics Risky Driving Behaviors

🚫 Critical Unsafe Driving Behaviors 🚫	Other Risky Driving Behaviors to Assess
Non-hands-free cell phone use - making/taking handset calls	Driver either falls asleep or comes dangerously close to falling asleep behind the wheel
Texting and/or manipulating a cellular phone or electronic device*	
Not wearing a seatbelt as required by state law	Following Distance – Tailgating Driver following too close behind vehicle ahead
Purposely disconnecting, shutting off, obstructing the lens of, or redirecting a camera	Too Fast for Conditions Driving too fast for roadway or environment
Driving >90mph at any given time	Speeding >10mph over Posted Speed Limit
<p style="text-align: center;">Texting and/or Manipulating a Cellular Phone</p> <p>*Sending or reading text messages while driving a VSC vehicle is strictly prohibited. Additionally, checking email, checking social networks, using the internet and using smartphone apps is also prohibited.</p> <p>*GPS navigation devices may be used while driving as long as they are set up in a manner that does not obscure your view. Always select your destination on a GPS navigation device before beginning a trip and do not attempt to enter a new destination into the device while driving.</p>	Speeding in a school or work zone
	Near collision with object, pedestrian, or another vehicle
	Distracted Driving (non-phone related)
	Red Light or Stop Sign Violations
	Exhibiting Road Rage or Highly Aggressive Driving
	Preventable harsh braking, acceleration or cornering

Video Telematics Manager Decision Tree for Improving Driver Behavior



- Documented driver coaching is the minimum response.
- Management reserves the right to take additional action if coaching is not working or the nature of the behavior merits a stronger response.

Note: VSC reserves the right to assign training for any of the listed activities.
 All warnings and driver coaching sessions must be documented and reported to HR.

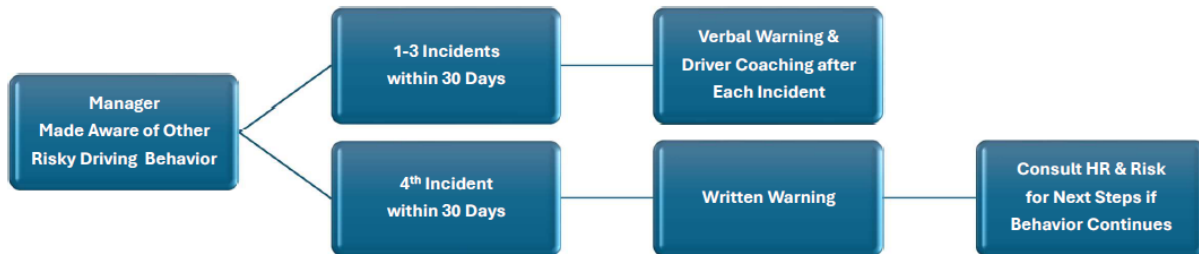
Video Telematics Manager Decision Tree for Improving Driver Behavior

“Other” Risky Driving Behaviors

- Refer to chart for examples

Behavior Event Awareness Methods

- Checking Videos in Database
- Reporting, Alerts & Scorecards
- Referred from Risk/Safety
- Post-Accident Response



- Documented driver coaching is the minimum response.
- Management reserves the right to take additional action if coaching is not working or the nature of the behavior merits a stronger response.

Note: VSC reserves the right to assign training for any of the listed activities.
All warnings and driver coaching sessions must be documented and reported to HR.

VSC Fire & Security Vehicle Safety Policy Employee Acknowledgement

I acknowledge that I have received a copy of VSC Fire & Security’s *Vehicle Safety Policy*, which provides guidelines on the policies, procedures, and benefits affecting my use of a VSC fleet vehicle, or a vehicle I use for company business as part of the Vehicle Allowance Program. This policy also includes information on the Fleet Vehicle Video-Based Safety for those who drive a VSC owned vehicle. I commit to read and follow the information contained in the handbook and will seek verification or clarification of its terms or guidance, if necessary. I understand that it is my responsibility to operate the vehicle in a safe manner and to drive defensively to prevent injuries and property damage.

I understand that as part of my responsibilities, a video telematics device is installed in all assigned VSC fleet vehicles. The primary objectives of this device include safeguarding the well-being of VSC employees and assets, as well as cultivating a culture of safe driving practices.

Furthermore, I acknowledge that VSC has the right to modify, append, revoke, suspend, or terminate any aspect of its policies and procedures at its discretion and without prior notification. Such alterations shall be applicable to both current and prospective employees. In alignment with the key tenets outlined in the policy regarding the operation of VSC fleet vehicles equipped with video telematics devices, I affirm the following:

- **The purpose of the video telematics device is not to surveil work performance or infringe upon personal privacy rights.**
- **Real-time remote monitoring of my activities is not a feature of this system.**
- **Audio recordings within the vehicle cabin are neither captured nor accessible.**
- **Safe driving violations may be recorded at any time, including outside of regular working hours.**
- **Access to recorded images and video footage is restricted within VSC and limited to relevant stakeholders.**
- **I retain the right to access and obtain copies of any recorded images featuring me.**
- **In-cab audio alerts may be utilized to enhance driving behaviors.**
- **Data and footage collected may be utilized for coaching, disciplinary measures, or employee commendation.**
- **Recorded images may be utilized for accident investigations, claims defense, and legal proceedings.**
- **Tampering with, damaging, or obstructing the camera's view inside or outside the vehicle may result in disciplinary action, including termination of employment.**
- **By affixing my signature below, I affirm that I have thoroughly reviewed and comprehend the contents of the VSC Fire & Security Fleet Vehicle Video-Based Safety Policy and agree to comply with its directives.**

I am aware that VSC Fire & Security reserves the right to change, add, eliminate, suspend, or discontinue any of its policies and procedures any time, without prior notice. Any such action shall apply to existing as well as to future employees.

EMPLOYEE NAME – PRINT

EMPLOYEE SIGNATURE

DATE