

# **Welcome to Dillon Transportation, LLC!**

We acknowledge with great appreciation the many loyal, dedicated employees that have contributed to the success of our organization. We hope your stay with Dillon Transportation, LLC (“Dillon” or “Company”) will be long, safe, and prosperous.

This Handbook has been prepared to assist you in becoming acquainted with the established company policies and benefits at Dillon. This Handbook applies to all office and shop personnel. The policies set forth herein are not exclusive and the absence of a policy statement on a particular subject does not automatically authorize a specific activity. Any questions which may arise concerning interpretation or modification of the personnel policies should be presented to your immediate supervisor who will assist in answering any specific questions you may have, regarding any of the general personnel policies.

This Handbook shall serve as a guide for employees of Dillon. The policies contained herein are in summary form. Therefore, Dillon reserves the right to make the final decision on questions that may arise as to the intent of these policies. The company also reserves the right to alter or amend these policies at any time, with or without notice. However, in the event of policy or benefit changes, every effort will be made to give the employees prior notice of such a change. Nothing construed in the employee handbook should be construed as a guarantee of employment, promotion, advancement, or as conferring any specific enforceable rights to the employee. At all times, employment is at will.

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## **Employment-At-Will**

Employment with Dillon is voluntarily entered into, and the employee is free to unilaterally terminate the employment relationship at will at any time, with or without notice and for any reason or no reason at all, with or without cause. Similarly, the Company may terminate the employment relationship at will at any time, with or without notice and for any reason or no reason at all, with or without or cause, so long as there is no violation of applicable federal or state law.

Policies set forth in this Handbook are not intended to create a contract, nor are they to be construed to constitute contractual obligation of any kind or a contract of employment between the Company and any of its associates. No associate, supervisor, manager, or Company representative has any authority to enter into an agreement for employment for any specified period or to make an agreement for employment other than at-will. Only the owner of the Company has the authority to make any such agreement and then only in writing. The provisions of the Handbook have been developed at the discretion of management and may be amended or canceled at any time, at the Company's sole discretion.

A probationary period of 90 days is required of all new employees. Employees may be terminated without prior notice if in the sole opinion of the employer the employee's service and performance do not meet the required standard of work. Completion of the probationary period does not change an employee's status as an employee-at-will or in any way restrict Dillon's right to terminate such employee with or without prior notice and with or without cause.

Nothing contained in this notice, Employee Handbook, employment applications, Company memorandums, or other materials provided to employees in connection with their employment shall require the Company to have "just cause" to terminate an employee or otherwise restrict Dillon's right to terminate an employee at any time and for any reason. Statements of specific grounds for termination as may be set forth in this notice or elsewhere are not all-inclusive and are not intended to restrict the Company's right to terminate at-will. Nothing expressed or implied in the Employee Handbook, or any statement contained therein is to be construed as a contract of employment between employer and employee.

## **Equal Employment Opportunity**

It is Dillon Transportation's policy to make all employment decisions, including hiring, promoting, transferring, upgrading, laying off, demoting, or discharging, without regard to an individual's race, color, religion, sex, sexual orientation, transgender status, gender identity, national origin, age, genetic information, disability, veteran status, or other legally protected group/status. This commitment is based upon morals as much as upon legal requirements.

## **Military Leave**

The Company recognizes the commitment and responsibility of our employees to serve in the armed forces. Accordingly, the Company complies with all applicable laws concerning military leave. The Company complies with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), which protects applicants and employees who serve in the military from discrimination in the areas of hiring, job retention, and advancement. USERRA provides job and benefit protection for employees who serve in the military, and it provides certain reemployment rights to any employee who has been absent from work due to service in the United States uniformed services. The Company will grant a military leave of absence to employees who are required to miss work because of service in the United States uniformed services in accordance with USERRA. Employees must notify the Company upon receipt of a notice that he/she will require a military leave of absence unless providing such notice is precluded by military necessity, impossible, or unreasonable, and employees should provide the Company with a copy of his/her official orders. When an employee receives notice that he/she will need a military leave of absence, please contact the Human Resources Department for further information regarding employees' rights and responsibilities under USERRA.

## **Smoking Policy**

Under the state laws of Arizona and Tennessee, smoking is prohibited in all enclosed areas within places of employment and public spaces. Therefore, smoking is prohibited in all indoor areas on Company property. Dillon will not discriminate or retaliate against any individual for making a complaint regarding a violation of the statutes or for cooperating with an investigation regarding a violation of the statutes.

## **Safety Meetings**

Safety meetings will be held virtually 3 times a year. The meetings will be posted on the Team Members portal of the Dillon Transportation website. Upon viewing, contact the Safety Director to receive credit for attendance. The in-person safety meeting will be held in October on the last day of Driver Appreciation Week. All employees are encouraged to attend the safety meeting, and lunch will be served afterwards. If unable to attend the in-person Safety Meeting it will be posted virtually on the Team Members portal for viewing.

All office employees are required to attend each of these meetings. Shop employees will be notified if attendance is required. If for any reason there is a conflict in attending a safety meeting, authorization to not attend, must be granted by your direct Supervisor.

## **Payroll Procedures**

Once a person starts working with Dillon that employee will receive their first paycheck after their 2nd full week of work. Employees of the Company will then be paid on a weekly basis, on the pay period, of two weeks prior. You must turn in any expense reports, with attached receipts, within 30 days to avoid delays in payroll.

Payroll is distributed by direct deposit. A voided check stub from your bank is required to be placed into your personnel file and kept on file while you are employed by Dillon Transportation. A separate detailed pay stub will be provided to each employee.

It is the policy of the Company to make mandatory deductions from all employee paychecks in accordance with current and applicable federal and state laws. Mandatory deductions are defined as those required by law or court order and other legal payroll deductions. Voluntary deductions are defined as those requested by the employee. Requests for voluntary deductions must be in writing and must be signed and dated by the employee. The following deductions, as they may apply to each employee, are made from the employee's paycheck:

1. Federal income tax.
2. Social Security tax (FICA).
3. State income tax.
4. City tax; and state income tax
5. Garnishments

If an employee believes that he or she has been subjected to an inadvertent deduction, the following will apply:

1. The employee should report the alleged deduction to the Payroll Department.
2. Each complaint will be investigated, and a determination concerning the deduction will be made;  
and
3. If it is determined that the deduction was inappropriate, the employee will be reimbursed.

Dillon will make a good faith effort to comply with the provisions of the Fair Labor Standards Act.

## **Jury Duty**

We recognize that serving on a jury is a civic responsibility. In the event a full-time employee is summoned for jury duty, it is requested that the employee contact their supervisor promptly. The Supervisor will have the work of that employee temporarily covered by other employees.

A full-time employee serving on jury duty will receive regular compensation during their period of service. The full-time employee shall obtain a statement from the court substantiating the time served and amount received.

It is understood that any full-time employee who is dismissed from jury service early or is not required to serve on any particular day, will contact their supervisor and return to work.

## **Bereavement Leave**

When a death occurs in an employee's immediate family (spouse, parents, grandparents, children, grandchildren, brothers, sisters, mother-in-law, father-in-law, brothers-in-law, sister-in-law, daughter-in-law, son-in-law, adopted children and half and step members) all regular full-time employees may take up to three (3) days off with pay to attend the funeral or make funeral arrangements. Proof of death may be required.

The Company understands the deep impact that death can have on an individual or a family, therefore additional non-paid time off may be granted. The employee may make arrangements with his or her supervisor for an additional four (4) unpaid days off in the instance of the death of an immediate family member. Additional unpaid time off may be granted depending on the circumstances such as distance and the individual's responsibility for funeral arrangements.

## **Sick Days**

Sick days are provided for illness of the employee, their spouse, or children.

All full-time employees will be eligible, for paid sick days after three (3) months of employment. After three (3) months of employment, employees will be eligible for one sick day for every four months worked from date of hire, with a maximum of three (3) days in their first year of employment.

Every succeeding calendar year, employees will be eligible for three (3) sick days. Sick days may be accumulated and carried over from year to year to a maximum of ten (10) days. All other unused sick days by the end of the year are forfeited. Unused sick leave may not be purchased upon termination of employment.

## **Lateness or Absence**

In the event an employee finds it necessary to be late or absent for any reason, the employee is to call the Office/Shop and speak to their immediate Supervisor, as early as possible before the start of their shift.

If the employee determines during the day of absence that an additional day or days will be missed, their immediate supervisor should be notified, to coordinate work schedules. Lateness or absence beyond the control of the employee is understandable, however the same should not be abused by anyone. If the Company finds it necessary to assign an employee to work on a weekend day or a holiday, such day(s) will be considered as scheduled workdays. Lateness/absence in such situations will be counted toward disciplinary action.

**Excessive Absenteeism places an undue hardship on both your supervisor and your fellow employees. Each employee is expected to report to work regularly and on time.**

1. An excused absence is ordinarily considered to be one caused by illness or a death in the employee's immediate family. A doctor's statement may be required for any absence due to illness if an employee's record is poor.
2. If any employee is absent for justifiable reasons, permission from their supervisor should be received in advance.
3. If an employee is absent without permission in advance, that employee must call in and give notification to their supervisor as soon as possible.
4. If an employee is absent from work for two (2) consecutive workdays without proper notification, that employee will be regarded as having voluntarily resigned and his/her employment will be terminated unless there is a justifiable reason for failure to notify their immediate Supervisor.

**Excessive Absenteeism will be defined as: Two (2) or more absences without justifiable cause or reason. Excessive lateness and/or absenteeism will be considered grounds for termination.**

### **Attendance Records**

An attendance record will be maintained for each employee, recording any absences, vacation days, and/or sick days. Please report all time off requests to Supervisor who will inform payroll.

### **Paid Parental Leave Policy**

Dillon Transportation LLC will provide up to 8 weeks of paid parental leave to employees following the birth of an employee's child or the placement of a child with an employee in connection with adoption or foster care. The purpose of paid parental leave is to enable the employee to care for and bond with a newborn or a newly adopted or newly placed child. This policy will run concurrently with Family and Medical Leave Act (FMLA) leave, as applicable. This policy will be in effect for births, adoptions or placements of foster children occurring on or after January 1st, 2021. Eligible employees must have been employed with the company for at least 12 months, worked a minimum of 1250 hours in 12 months, be full or part time, and have given birth to a child, are the father of the newborn child for whom leave is sought, or are the primary caregiver of the newborn, including parents having a child through surrogacy, or adopted a child or been placed with a foster child (in either case, the child must be age 17 or younger). Please see Human Resources for more details on this policy.

### **Annual Bonus/Longevity Bonus:**

This benefit is designed as a bonus for continuing your employment with the Company. All full-time office & shop employees benefit from this bonus beginning at the end of their first year of employment.

This bonus is not based on the calendar year anniversary date, but by January 1st after the first year of employment. Office employees must be continuously and actively employed by Dillon Transportation through the payment date of each calendar year to participate in this bonus program. Longevity pay is paid out quarterly for each year.

#### **Schedule of Longevity Payments:**

- 2% of income - Jan. 1 after 1 year of service
- 4% of income - Jan. 1 after 2 years of service
- 6% of income - Jan. 1 after 3 years of service
- 8% of income - Jan. 1 after 4 years of service

- 10% of income - Jan. 1 after 5 years of service

After surpassing the 5-year plateau, your longevity bonus will remain at 10% each year thereafter,

### **Retirement Bonus**

Requirements for bonus:

Must be a minimum age of 62 years.

Must have worked for Dillon for a minimum of 10 years.

At full retirement, after meeting the requirements, the employee will receive 1% of their last year's base income (that is less any longevity bonus they receive) times the number of years they have been employed. The retirement bonus will be paid through payroll with payroll taxes withheld, and due to being considered taxable income.

### **College Scholarship**

Dillon Transportation, LLC offers a \$2,500 Scholarship Fund for any Child going to college, who's parent is a full-time employee of the Company. The \$2,500 is a gift & each child must meet the following requirements:

1. A 500-word essay submitted to Dillon Transportation explaining what they are going to school for & what they aspire to do with their college degree after graduation.
2. Provide an acceptance letter from the college that they will be attending.
3. A name & address at their college to send the \$2,500 check, so it is applied to their expense account.

Contact Human Resources to check eligibility and to begin the scholarship process.

### **Cell Phone Policy**

Anything that distracts you or hinders you from carrying out your duties safely, should not be used during working time. Personal use of cell phones should only be observed during breaks, lunch periods or during non-working time to enhance safe working conditions.

Nothing in this section is intended to prohibit employee activities during designated break/rest periods, nor to preclude or dissuade employees from engaging in legally protected activities protected by state or federal law, such as discussing wages, benefits, or terms and conditions of employment or other rights.

### **Holiday Schedule**

Dillon Transportation recognizes the following National Holidays:

- |                  |               |                   |
|------------------|---------------|-------------------|
| 1.) Memorial Day | 2.) July 4th  | 3.) Labor Day     |
| 4.) Thanksgiving | 5.) Christmas | 6.) New Years Day |

The Company's offices will either be closed on these holidays or will be running a light office and shop staff. Several weeks prior to each one of these days, your department manager will notify you of the specific holiday schedule.

Holiday pay is not considered overtime and will be paid as regular hours and it will not count as hours worked for the purpose of computing overtime. Pay will be for that day's normal scheduled hours.

### **Break and Lunch Schedule**

All Dillon Transportation office & shop employees are given a specific break and lunch schedule. This ensures that all personnel receive their breaks in a staggered manner, so there is always someone in the office/shop to answer driver and customer calls.

Please follow this schedule on a daily basis. For any reason, you are unable to follow the break and lunch schedule, please contact your department manager.

### **Time Off From Work & Personal Leave**

To guarantee our customers and drivers always have efficient transportation resources, we require that the proper request of three (3) weeks for time off be given to your immediate supervisor. Once approved, your time off request will be placed on the official time off calendar.

Personal time off (for more than 3 days) requires a minimum three (3) week notice, which needs to be approved through your supervisor. For medical and doctor's appointments, notice should be given as soon as possible. Personal leave will be counted under either vacation days, sick days, or without pay. A doctor's note will be required for any time off taken for appointments, please turn the doctor's note into Human Resources.

### **Vacation Time**

Dillon Transportation will provide vacation pay for its full-time employees. Vacations require a minimum of 3 weeks' notice.

- |                                      |                                      |
|--------------------------------------|--------------------------------------|
| * 1 year = 1 week of paid vacation   | * 4 years = 2 weeks of paid vacation |
| * 2 years = 2 weeks of paid vacation | * 5 years = 3 weeks of paid vacation |
| * 3 years = 2 weeks of paid vacation |                                      |

Vacation time eligibility is based on your hire date. Each year after five years with the company, you will continue to receive 3 weeks of paid vacation. Vacations are to be used by the last day of the employee's anniversary date. Any unused time will be forfeited for that year.

### **Health Insurance**

Dillon Transportation provides major medical, vision, and dental insurance to full-time employees. The Company has 1 Medical plan to choose from, plus Dental and Vision. There is also a Health Equity Option and Teladoc services available at no cost to Dillon employees.

Medical insurance is for full-time employees who have completed sixty (60) days of uninterrupted full-time employment. Insurance coverage begins the 1st day of the month following 60 days of employment.

Group medical insurance may be provided for all eligible dependents of regular employees in accordance with the terms and conditions established by the insurance carrier. The Company will not be responsible to place any employee on its plan if the employee fails to submit a properly completed insurance application. Dillon Transportation assumes no responsibility of its insurance carrier if it deems to decline coverage on an employee or dependent.



Any employee contribution to the group medical plan will be made through a weekly payroll deduction. Dillon Transportation reserves the right to adjust the employee's payroll deduction to offset increases in insurance premiums. See insurance documents included in your new hire paperwork packet, for specifics of plans, prices, etc.

### **COBRA Insurance**

Dillon Transportation employees will be offered the opportunity to continue temporary group health care coverage under their employer's plan if their coverage is ceased due to resignation, termination, layoff, or other change in employment status. This coverage will be offered through the Consolidated Omnibus Budget Reconciliation Act [COBRA]. Dillon Transportation's group health care provider will send the employee all COBRA pertinent information.

If an employee takes FMLA medical leave and has not returned to work after the 12-week allotted period, then that employee will be removed from Dillon's insurance plan and given the opportunity to continue temporary coverage with COBRA.

If an employee takes the FMLA medical leave and is over 30 days late on payment of their premium portion, the employee will be removed from Dillon's insurance plan and given the opportunity to continue temporary coverage with COBRA.

When the employee returns to work, the employee will be reinstated to Dillon's current health insurance plan.

### **Life Insurance**

Dillon Transportation offers Life Insurance to all full-time employees.

**Benefit:** \$20,000.00 AD & D      **Cost:** Paid for by Dillon Transportation.

There is an option to buy more Life Insurance for yourself, spouse or child. See Life Insurance documents included in your new hire paperwork packet, for specifics of plans, prices, etc.

### **Long-Term Disability Insurance**

Dillon Transportation offers Long-Term Disability to all full-time employees.

**Cost:** Paid for by Dillon Transportation.

### **Short-Term Disability Insurance**

Dillon Transportation offers short-term disability insurance to all full-time employees, but it is at the expense of the employee.

See Short Term Disability Insurance documents included in your new hire paperwork packet, for specifics of plans, prices, etc.

### **Worker's Compensation Insurance**

An employee who suffers an occupational injury in the performance of his/her duty may be eligible to receive workers' compensation benefits. Our Company pays all costs of providing this insurance protection.

Personal injuries suffered on the job must be reported to your department manager & Safety Director

within 24 hours of its occurrence, or sooner.

Each and every worker's compensation claim will be carefully reviewed for legitimacy, and any employee filing a fraudulent claim will be subject to disciplinary action up to and including termination.

### **Voluntary Termination**

Every company must plan its future personnel needs if it is to operate efficiently. If you decide to leave our Company at any time, you must provide at least a two (2) weeks written notice. Failure to provide two (2) weeks written notice will result in employee forfeiting his/her/their unused PTO and eligible benefits.

### **Family and Medical Leave (FMLA)**

All full-time employees who have worked for the Company at least one 12 months, although it need not be consecutive and have worked at least one thousand two hundred and fifty (1,250) hours during the previous twelve (12) month period are eligible for leave under the Family and Medical Leave Act (FMLA). FMLA leave can be used in cases within twelve (12) months of where a child is born to the employee or placed with the employee for adoption or foster care beginning with the date of such birth or placement and for purposes of caring for the child. It may also be used in cases where the individual has a serious health condition (i.e., an illness, injury, impairment, or physical or mental condition which involves in-patient care or continuing treatment by a health care provider) and which renders the employee unable to perform the functions of her or his job. In addition, FMLA leave is possible where the employee must care for a spouse, child, or parent who suffers from a serious health condition.

The maximum period is up to twelve (12) weeks in any twelve (12) month period. To determine the twelve (12) month period in which the twelve (12) weeks of leave entitlement occurs for the family or medical leave purposes, the Company elects to use a "rolling" twelve (12) month period measured backward from the date an employee uses any FMLA leave.

The Company requires that employees who have been with Dillon Transportation for at least one (1) full year first utilize all available paid leave which will be counted against the twelve (12) week FMLA leave period, and which will not extend the FMLA Leave period. Where FMLA leave is foreseeable, we ask that the employee provide the company with at least thirty (30) days of written notice in advance of the leave.

**If the leave taken is medical, verification of the leave by the health care provider shall be required. The employee is responsible for paying the cost of the medical certification. The certification shall state:**

1. The date in which the health condition commenced.
2. The probable duration of the condition.
3. The appropriate medical facts within knowledge of the health care provider regarding their condition.
4. If the purpose of the Leave is to care for a family member with a serious health condition (i.e., spouse, child, parent), a statement that the employee is needed to care for the family member and an estimate of the amount of time that is needed for the employee to care for the family member
5. If the Leave is due to the serious health condition of the employee, a statement that the employee is unable to perform the essential functions of the employee's position.

Under some circumstances, employees may take FMLA leave on an intermittent or reduced scheduled basis. If the FMLA leave is for planned medical treatment, the employee must make a reasonable effort to schedule treatment so as not to unduly disrupt the Company's operations. If the FMLA leave is for the birth, adoption, or foster placement of a child, use of intermittent or reduced schedule leave requires the Company's approval.

If there is reason to doubt the validity of the health care provider's verification, the Company reserves the

right to have the employee examined by a physician of its choice. If the second opinion conflicts with that provided by the employee's provider, Dillon Transportation reserves the right to obtain a third opinion by a health care provider jointly designated and approved by the Company and the employee.

Additional certifications and notices may be required during your Leave and at the time you return to work. Failure to provide requested certifications within fifteen (15) days, if doing so is practical, may result in delay of further FMLA leave until they are provided. During FMLA leave of absence, the Company will continue to pay its portion of the health insurance premiums and the employee must continue to pay his/her share of the premiums or dependent coverage charges, if applicable. This amount shall include the employee's share of any increases which may occur while he or she is on Leave. If paid leave is substituted for unpaid FMLA, the Company will deduct the employee's share of the premium as a regular payroll deduction.

If the FMLA leave is unpaid, the employee must pay his/her share of the premium by submitting payments each month to 974 Tennessee Waltz Pkwy, Ashland City, TN 37015, made payable to Dillon Transportation. Loss of coverage will result if an employee's premium payment is more than 30 days late.

During the leave, the employee shall not accrue employment benefits, such as vacation pay, sick pay, bonus, etc. Employment benefits accrued (if any) by the employee up to the day on which the Leave of absence begins will not be lost and eligibility for any additional benefits shall be determined at the time of reinstatement in accordance with the benefit plan or policy of Dillon Transportation. Application for FMLA leave of absence must be submitted in writing to Human Resources.

Eligible employees will generally be reinstated at the expiration of the FMLA leave to the same or an equivalent pay and benefits. However if changes in our business occurred during an employee's leave and the employee would have been laid off or reassigned had the employee been on active status, the employee is not guaranteed reinstatement.

Leave because of a serious health condition may be taken intermittently (in separate blocks of time due to a single health condition) or on a reduced Leave schedule (reducing the usual number of hours you work per workweek or workday) if medically necessary. If leave is unpaid, the Company will reduce your salary based on the amount of time worked. In addition, while you are on an intermittent or reduced schedule Leave, Dillon Transportation temporarily may transfer you to an available alternative position which better accommodates your recurring Leave, and which has equivalent pay and benefits.

If you have been on leave because of your own medical condition, you must provide a fitness for duty certification before resuming work. The fitness for duty certification shall be completed by a health care provider and shall state that you are able to return to work and perform your duties. You must provide the certification to your supervisor on or before the date on which you are to return to work. Failure to provide the certification before or upon your return will preclude you from being able to work.

Employees on FMLA leave are required to notify their supervisor every three weeks as to their status and intention to return to work. If circumstances change during your Leave and you desire to return to work early, we will attempt to accommodate you, provided advance notice is given. After the allotted time on FMLA the employee must return to work or be subject to termination. If employment is terminated, the employee must qualify and be re-certified to regain employment.

### **Military FMLA Addendum**

Eligible employees are entitled to up to 12 weeks of unpaid leave because of "any qualifying exigency" arising out of the fact that the spouse, son, daughter, or parent of the employee is on active duty, or has been notified of an impending call to active-duty status, in support of a contingency operation. Certification will be required to take FMLA Leave for active duty. An eligible employee who is the spouse, son, daughter, parent, or next of kin of a covered service member who is recovering from a serious illness or injury sustained in the line of duty while on active duty is entitled to up to 26 weeks of unpaid leave in a single 12-month period to care for the service member. This military caregiver leave is available during "a single 12-month period" during which an eligible employee is entitled to a combined total of 26 weeks of all types of FMLA Leave.

## **Electronic Mail and Internet Policy**

This policy describes the Company's guidelines with respect to access to and disclosure of electronic mail messages sent or received by Dillon Transportation employees with the use of the company's email system, as well as the use of the company provided Internet access tools. Dillon Transportation respects the individual privacy of its employees. However, employee privacy does not extend to the employee's work-related conduct or to the use of company provided equipment or supplies. You should be aware that the following guidelines may affect your privacy in the workplace. Dillon Transportation is responsible for ensuring the security of its network and computer systems against unauthorized access and/or abuse. Dillon has installed electronic mail tools and an Internet gateway that provides employees with capabilities to browse the World Wide Web and/or communicate electronically. These electronic capabilities are to only be used for business purposes only.

Although each employee has an individual password to access the system, it belongs to Dillon Transportation and the contents of e-mail communications are accessible at all times by Dillon Transportation management for any business purpose. Since your personal messages can be accessed by management without prior notice, you should not use email to transmit any messages you would not want read by a third party. These systems may be subject to periodic unannounced inspections and should be treated like other shared filing systems. The password to log into the system, are to only be used to log-in during business hours at the physical Ashland City location. Any off-site logins are only authorized by your immediate supervisor.

Dillon's information systems, email, or Internet tools may not be used for any purpose that is illegal or otherwise in violation of any applicable federal, state, or local laws. This includes hardware, software, network, and data that is intended for exclusive company business. The misuse of these services will constitute grounds for disciplinary action, up to and including termination. Additionally, any information and, or data transmitted by, received from, or stored in these systems are the property of Dillon and may be monitored at any time. Reading, copying, modifying, and/or deleting other employee's e-mail messages is prohibited, unless authorized by appropriate management personnel.

Dillon's E-mail/Internet systems should not be used to create or disseminate any discriminatory or otherwise inappropriate or unprofessional communications. Among those considered inappropriate or unprofessional are any communications concerning sex, that contain sexual implications, racial slurs, gender-specific comments, or any other comment that inappropriately or unprofessionally address someone's age, race, religious beliefs, national origin, or disability.

Nothing in this section is intended to preclude or dissuade employees from engaging in legally protected activities protected by state or federal law, such as discussing wages, benefits, or terms and conditions of employment and other rights.

## **Innovative AS400 Security**

All Dillon employees are responsible for their assigned DT login number and password, to access Dillon Transportation's Innovative AS400 system. The Company is able to monitor login and log-out times for each employee. Each employee must log out of their DT session at the end of their shift and reset their Innovative DT password on a regular basis. **Do not give your DT login password to any other employee, except your immediate supervisor if requested.** The misuse of the Innovate AS400 System will constitute grounds for disciplinary action, up to and including termination. Employees should notify their supervisor immediately if they see any suspicious or illegal activity of any kind. Nothing in this section is intended to preclude or dissuade employees from engaging in legally protected activities by state or federal law, such as discussing

## O, S, & D Policy

### **Protocol to follow on any Overages (O), Shortages (S), & Damages (D).**

1. The driver must report any O, S, & D when it occurs and is not to leave the shipper and/or consignee whichever applies until he/she has authorization from our dispatch department on what to do with the product. The broker or customer will answer that question.  
In order to process the O, S, & D, we will need from the driver a description of the O, S, & D, along with the product number, case count and or total number of pieces. Customer Service will then call the broker or customer to report the O, S, & D and will advise dispatch once they have been informed on how to proceed forward with the damage.  
Customer Service will submit the incident onto our Dillon Website under Safety and stay in contact with our Safety department throughout the process to provide contact information, conversations had, etc.
2. The driver must have the bills of lading (BOL) signed by the shipper and or receiver whichever applies what product on the trailer had incurred the overage, shortage, or damage and if refused, why?
3. If the seal was intact upon arrival to the consignee, the driver must make sure the BOL's are signed by the receiver seal was intact.
4. If damage has occurred, have the driver take photos of the damaged goods, the trailer inside and outside and where the damage occurred. Forward the pictures to [safetyfirst@dillontransportation.com](mailto:safetyfirst@dillontransportation.com)
5. If the damage requires a claim, the driver must return the damaged goods to either our Ashland City or Kingman terminal or verify with our Safety Department where to store the damaged product at.
6. Once the damaged goods arrive at the designated location, our Safety Department will proceed forward with all claims or potential claims. Do not tamper with or remove any damaged goods until you've been given an all clear by the Safety Director to do so.

## COMCHECKS

During normal business hours 0700 AM—1800 PM CST, COMCHECKS are issued by our maintenance department. Afterhours, weekends, &/or holidays, dispatch will need to follow the procedures outlined below.

1. Speak with our Driver about the Breakdown.
2. Call & Schedule a vendor for the repair (make sure you get a name of who you speak to & a phone number and note both on the website breakdown form.)
3. Post the Breakdown on the Dillon Website. Fill it out in full.
4. Upon completion of the repair, you **MUST** speak with your Driver to ensure the repair has been completed upon satisfaction.
5. Have the vendor fax the invoice to 615-792-9470. Once the invoice arrives from the vendor, you may issue the COMCHECK (but only after you've spoken with your driver to verify the repair was done). If the vendor doesn't have access to fax the invoice, ask them to take a photo of the invoice &/or scan it & email the invoice to [operations@dillontransportation.com](mailto:operations@dillontransportation.com).
6. No Invoice = No Check.
7. Complete the update form for the breakdown on the Dillon Website.
8. Fill out the dispatch COMCHECK log & give the invoice to our Maintenance Dept.

**No Verification from the Driver on the Repair & No Invoice = NO COMCHECK!!**

## **Shop Policy**

Maintenance & Shop personnel are the only authorized employees permitted within the work zones of the shops. When going to the break room above the maintenance department in Ashland City, TN do not pass through the shop to get to your destination but enter through the stairway.

## **DOT Physical Examinations & Abilities Test Requirements**

The Company will pay for a DOT physical for any shop employee with a Class A CDL. They must be performed at a facility designated & approved by Dillon Transportation.

Dillon Transportation will require each shop employee (with a CDL or Not) to pass a Physical Abilities Test when hired &/or returning to active work status from extended time off.

### **The physical & mental requirements of a Dillon Shop Employee are as follows:**

- Raising & Lowering a Tractor Hood
- Entering & Exiting a Tractor
- Entering & Exiting a Trailer
- Cranking Down & Up Landing Legs
- Properly Lift & Carry Brake Drums up to 125 lbs.
- Properly Lift & Carry Battery up to 75 lbs.
- Properly Mount & Dismount 275 mm Tire up to 150 lbs.
- Properly Mount & Dismount 445mm Tire up to 220 lbs.
- Squatting
- Safely Maneuver Around Pit Area
- Avoid Low Hanging Parts While Working in Pit
- Sweeping Shop

## **Disciplinary Action– Violation of Company Rules of Conduct**

It is company policy to use disciplinary action to correct problems of employee conduct. The purpose of discipline is to prevent a recurrence of violations of company policies, procedures, rules, and regulations. The usual disciplinary procedure starts with the verbal warning, followed by a written warning, suspension, and then termination. However, for certain conduct or violations of the policies, procedures, rules, and regulations, employees could be discharged immediately. The company reserves the right to discharge a person immediately for non-listed offenses or when, in the opinion of management, circumstances warrant the discharge. Nothing in this section is intended to preclude or dissuade employees from engaging in legally protected activities protected by state or federal law, such as discussing wages, benefits, or terms and conditions of employment and other rights.

The following constitutes conduct, which could result in discipline up to, and including immediate discharge. It is not an all-inclusive list.

### **The following are examples of some prohibited conduct:**

1. Theft, misuse, misappropriation or destruction of company records, property, or equipment, and/or dishonesty, or any attempt thereof.
2. Fighting, inflicting, or threatening bodily harm to customers, suppliers, or other employees. This includes reckless conduct directed to anyone. Horseplay is prohibited.
3. Falsification of company records, including time sheets, employment, and benefit applications.
4. Insubordination because of deliberate disobedience of instructions from a supervisor related to work performance. This includes, but is not limited to, refusal to follow instructions, orders, or directives, or to otherwise perform assigned work, but shall not include any actions taken for a

- lawful purpose.
5. Indecent conduct, including but not limited to, vulgarity, excessive use of profane language in furtherance of an otherwise unlawful purpose and indecent exposure.
  6. Destruction of or damage to Company property.
  7. Each employee is expected to work in a cooperative manner with management/supervision, coworkers, customers, and vendors.
  8. Waste of materials or mishandling of supplies or equipment.
  9. Violation of the Company's Substance Abuse Policy.
  10. Unauthorized possession of firearms, explosives, or other dangerous or lethal weapons on company properties.
  11. Violation of any Company rule, police, practice, or directive, including, but not limited to those referenced in the Handbook.
  12. Violation of any state or federal regulations or laws.
  13. Violation of any safety rule, policy, practice, or procedure.
  14. Use of abusive or threatening language for an unlawful purpose.
  15. Excessive lateness or absenteeism.
  16. Absence for two (2) consecutive workdays without notification will be considered a voluntary resignation.
  17. Failure to report an absence.
  18. Creating hazardous or unsafe conditions.
  19. Poor work performance, poor work productivity, poor workmanship, or poor behavior, including inefficient or negligent performance of assigned duties, loafing on the job, sleeping on the job, negligent or intentional restriction of output or concealment of errors/mistakes related to work performance.
  20. Passing of confidential price or customer information to a competitor or anyone outside the company without permission.

Nothing in this section is intended to preclude or dissuade employees from engaging in legally protected activities protected by state or federal law, such as discussing wages, benefits, or terms and conditions of employment and other rights.

## **Harassment**

Dillon Transportation is committed to maintaining a work environment that is free of discrimination. In keeping with this commitment, we will not tolerate harassment of any Dillon Transportation employee by anyone, including any supervisor, co-worker, vendor, or customer of Dillon Transportation during working hours.

Harassment is defined as being any annoying, persistent acts or actions that singles out an employee to that employee's objection or detriment, because of sex, color, race, ancestry, religion, national origin, age, disability, veteran status, citizenship status, or other legally protected group status.

Harassment may include any of the following:

- Verbal abuse or ridicule. This includes, but is not limited to epithets, derogatory comments, slurs or unwanted advances, invitations, or comments based upon protected status.
- Interference with an employee's work. This includes physical contact such as assault, blocking normal movement, or interference with work directed at an individual because of his/her sex or other protected status.
- Displaying or distributing offensive materials based upon protected status. This includes, but is not limited to derogatory posters, cartoons, drawings, or gestures.

- Discriminating against any employee in work assignments or job-related training because of his/her protected status.
- Intimate unwelcome physical contact.
- Making protected status innuendos.
- Demanding favors (sexual or otherwise), explicitly or implicitly, as a condition of employment, promotion, transfer or any other term or condition of employment.
- Retaliation for having reported harassment.

The Company will not tolerate harassing conduct that affects tangible job benefits, that interferes unreasonably with an individual's work performance, or that creates an intimidating, hostile, or offensive working environment.

It is every employee's responsibility that his or her conduct does not include or imply harassment in any form. If you feel you have experienced or witnessed harassment, you should inform Human Resources of the situation. If you feel uncomfortable talking to Human Resources, you can disclose the harassment to your supervisor. If the harassment involves the supervisor, then harassment should be reported to Angela Dillon, the owner of the Company. A written statement by the complainant setting forth all pertinent facts may be required.

The Company cannot deal effectively with harassment, until it is informed. Employees are assured that there will be no retaliation against anyone who submits a truthful complaint or participates in an investigation regarding a complaint.

Dillon Transportation's policy is to investigate all such complaints thoroughly and promptly. To the fullest extent practicable, the Company will keep complaints and the terms of its resolution confidential.

Dillon Transportation will review its findings with the complaining party at the conclusion of the investigation. If the investigation confirms that harassment has occurred, Dillon Transportation will take appropriate corrective action, up to and including immediate termination of employment. If the validity of the complaint cannot be determined, immediate and appropriate action will be taken to assure that all parties are reacquainted with this anti-harassment policy to avoid harassment in the future.

Nothing in this section is intended to preclude or dissuade employees from engaging in legally protected activities protected by state or federal law, such as discussing wages, benefits, or terms and conditions of employment and other rights.

### **Office Dress Code & Personal Appearance Policy**

It is the Company's policy to present a conservative and professional image to the clients we serve. Because every employee may at one time or another come in contact with our clients, it is important for all office staff members to be dressed appropriately at the office every day. If an employee dresses inappropriately, he or she will be counseled by a supervisor. If the clothing or personal appearance is unduly distracting or violates company policy, the employee may be sent home without pay, to change clothes. Repeated disregard for the dress policy may result in disciplinary action up to and including discharge.

Reasonable accommodation will be made for employee's religious beliefs consistent with business necessary to present a conservative, professional appearance, to the public.



## **Business Casual Attire Guidelines**

### **Slacks, Pants, Jeans, & Shorts**

#### **Appropriate:**

- Jeans (must be clean, free of rips, tears, fraying, and may not be excessively tight or revealing.)
- Slacks that are cotton, synthetic, and/or wool are acceptable. (Must be clean, free of rips, tears, fraying, and may not be excessively tight or revealing.)
- Shorts are allowed. The length must be longer than a 4" inseam. Cut-offs or spandex shorts are not permitted.

#### **Inappropriate:**

- Sweat pants & exercise wear are inappropriate for the office work place.
- Low rise or hip hugger pants or jeans are inappropriate for the office work place.
- Slacks, pants, jeans, and shorts that are wrinkled, stained, or dirty are inappropriate for office.

### **Shoes and Footwear**

#### **Appropriate**

- Athletic shoes, loafers, clogs, boots, flats, dress heels, flip flops, and sandals are acceptable.

#### **Inappropriate**

- Dirty or torn footwear is inappropriate for the work place.

### **Skirts and Dresses**

#### **Appropriate**

- Casual dresses and skirts that are split at or below the knee are acceptable.

#### **Inappropriate**

- Short, transparent, tight skirts and dresses that ride halfway up the thigh are inappropriate for work.
- Mini-skirts, spaghetti-strap and sleeveless dresses are inappropriate for the office.
- Low cut dresses are not appropriate in the work place.
- Dresses and skirts that are wrinkled, stained, or dirty are inappropriate for work.

### **Shirts, Tops, and Blouses**

#### **Appropriate**

- Casual shirts, dress shirts, sweaters, polo shirts, oxford shirts, company logo wear, short sleeve blouses, and turtle necks are acceptable.

#### **Inappropriate**

- Low cut shirts, tops, and blouses are not appropriate in the work place.
- Strapless tops, spaghetti-strap tops, halter tops, transparent tops, and undershirts or shirts that are meant to be worn as undergarments, are inappropriate for the office.

- Shirts, tops, and blouses that are too tight, wrinkled, stained, or dirty are inappropriate for the office.
- Shirts, tops, and blouses that have potentially offensive words, terms, logos, pictures, cartoons, or slogans, are inappropriate for the work place.

### **Shop Dress Code**

All Shop personnel will be provided a uniform. Until your uniform arrives, please adhere to the office dress code. Closed toe shoes are required, and steel toe boots are preferred.

### **Office/Shop Employee of the Month**

Employee of the month award will be given to an employee who is nominated by their fellow employees and supervisors based on their outstanding contributions to the company including their work ethic, kindness, and team spirit when working with others. The employee will receive a \$200 gift card, their name on the plaque, and a certificate outlining their achievements.

### **Donnie Dillon Humanitarian Award**

The award is given by Angela Dillon in memory of her late husband and founder of Dillon Transportation, Donnie Dillon, due to his compassionate and generous heart for others. Throughout his lifetime he prioritized passing along his blessing to others to brighten their lives. The recipients of the Donnie Dillon Humanitarian Award exemplified these characteristics of kindness, compassion, and generosity for others.

## **DILLON TRANSPORTATION SUBSTANCE ABUSE POLICY**

Dillon Transportation (“Dillon” or “Company”) has a longstanding commitment to providing a safe, quality-oriented and productive work environment consistent with the standards of the community in which we operate. Alcohol and drug abuse pose a threat to the health and safety of the Company’s employees, customers, patients, and to the security of our equipment and facilities. For these reasons, the Company is committed to the elimination of unlawful drug and/or alcohol use and/or abuse in the workplace.

This policy outlines the practice and procedure designed to correct instances of identified alcohol and/or drug use in the workplace. This policy continues to apply to all employees of the Company.

Employees are expected to report to work in a physical and emotional condition that will allow them to perform their assigned tasks in a competent and safe manner. The use, presence in the body, or reporting to work under the influence of alcohol, illegal drugs, and other dangerous substances by an employee limits the ability of the employee to exercise good judgment, react properly in unexpected situations, perform tasks safely and efficiently, and endangers not only that employee but other employees, customers, patients, the Company, and the general public. The Company has implemented this Substance Abuse Policy (“Policy”) to eliminate these problems and to meet the objectives of this Policy.

Under this Policy, the Company possesses the right to conduct searches of employees’ property and person while on Company premises and to conduct reasonable suspicion, post-accident, and return to duty, and follow-up drug and/or alcohol testing.

### **Definitions**

The term “Company premises” is defined as any Company property, offices, facilities, land, buildings, structures, fixtures, installations, automobiles, trucks and all other vehicles and equipment, whether owned, leased, or used by the Company, or Company employees for Company business. Company premises also includes all areas of customer properties which are under the Company’s control, or where Company employees are working, or any other work locations or modes of transportation to and from those locations while in the course and scope of Company employment or on Company business.

The term “illegal drug” is defined as drugs, or the synthetic or generic equivalent of drugs, which are illegal under federal, state, or local laws, including but not limited to, marijuana,<sup>1</sup> opiates, cocaine, PCP, amphetamines (which includes methamphetamines), Ecstasy

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<sup>1</sup> For states permitting the use of marijuana for medicinal and/or recreational purposes, the laws for each state shall apply. A state specific addendum will be made available to employees working within a particular state.

(MDMA), and any other substance which causes drug-like effects, but which may not necessarily be illegal under applicable laws. It includes: 1) any illegal drugs for which the federal or state governments declare that employers may test; 2) any legal drug, which is being used in a manner or for a purpose other than as prescribed or labeled, i.e., it specifically includes the abuse of prescription and over-the-counter medication; 3) the possession of legal drugs which have not been legally obtained, e.g., theft or borrowing from others; and 4) the use of substances that cause drug-like effects, but which may not necessarily be illegal under applicable laws, for a purpose other than their intended purpose, e.g., it specifically includes the inhalation of intoxicating substances such as nitrous oxide, glue, cleaning products, etc.

The term "legal drug" is defined as any prescribed medications and over-the-counter drugs which have been legally obtained and are being used solely for the purpose for which they were manufactured, labeled, or prescribed.

The term "possession" as used in this Policy: 1) relating to drugs, includes traces of drugs or their metabolites found in the body as a result of a "positive" drug test;<sup>2</sup> and 2) relating to alcohol or intoxicating beverages, includes traces of alcohol or its metabolites found in the body, or blood alcohol concentration ("BAC") or breath alcohol concentration ("BRAC") at 0.04% or above.<sup>3</sup>

The term "drug paraphernalia" is defined as any unauthorized material or equipment or item used or designed for use in testing, packaging, storing, injecting, ingesting, inhaling, or otherwise introducing an illegal drug, as defined in this Policy, into the human body.

The term "EBT" is defined as an evidential breath-testing device for alcohol, approved by the National Highway Traffic Safety Administration.

The term "medical review officer" (MRO) is defined as a licensed physician responsible for receiving and reviewing laboratory results generated by an employer's drug testing program and evaluating explanations for certain drug test results.

The term "screening test" is defined as the initial instant testing conducted at the workplace by the on-site collector or at a designated collection facility.

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<sup>2</sup> A positive test result for medical marijuana means a result that comports with federal Department of Transportation standards or state DUI/DWI laws, whichever is lower.

<sup>3</sup> The definitions for "alcohol concentration" are found in 49 C.F.R. §382.107.

## **Policy Application**

This Policy applies to all regular full-time, part-time, temporary, or probationary Company employees. Compliance with the Policy is required as a condition of continued employment with the Company.

To the extent that any provision of this Policy contradicts or is in violation of any federal, state, or local law or regulation, that provision is considered modified to the extent necessary to comply with the applicable federal, state, or local law. If a court or agency with appropriate jurisdiction determines that any provision of this Policy is invalid, that determination will not void or invalidate the remaining provisions of the Policy, and the Company retains sole discretion regarding interpretation of the rest of the Policy.

## **Policy Statements**

### **Illegal Drugs.**

The following acts or conduct constitute violations of this Policy:

1. The use or possession of illegal drugs on Company premises or while working for the Company;
2. The sale, distribution, purchase, manufacture, purchase, or transfer of illegal drugs at any time or place, or attempt to perform any of these acts; or
3. The possession of illegal drug paraphernalia by employees on Company premises or during Company working hours.

### **Alcoholic or Intoxicating Beverages.**

The unauthorized use or possession of alcohol or intoxicating beverages on Company premises or during work hours is a violation of this Policy. Additionally, a BAC or BRAC at 0.04% or above during working time is a violation of this Policy.

### **Legal Drugs.**

Any employee who is in a position that may affect safety, i.e., a safety sensitive position, and is using any prescription or over-the-counter drug or medication which is likely to affect the employee's ability to safely perform job-related functions (such as driving a vehicle, standing, lifting, etc.), resulting in a direct threat to the employee or others, is to provide the Company's Human Resource Officer with a written statement from the employee's licensed health care provider that the employee is using prescribed medication but that such use will not limit or impair the employee's abilities to safely perform his or her essential job functions. For the purposes of this Policy, a "direct threat" is a significant risk of substantial harm to the health or safety of the individual or others that cannot be eliminated or reduced by reasonable accommodation. The Human

Resource Officer, with the assistance of the employee's supervisor(s) or management, as needed, reserves the right to contact an appropriate health care provider, to evaluate the situation and make a recommendation regarding the employee's ability to continue working without posing a direct threat. Employees in safety sensitive positions must also submit a Medication Notification Form to the Human Resource Officer if they are taking any prescription or over-the-counter drugs or medications that may affect the employee's ability to safely perform job-related functions, resulting in a direct threat, as noted above. The Company will not ask for information about the type of medications being taken by employees, and a copy of the Medication Notification Form is available from the Human Resource Officer.

Any employee who exhibits behaviors while taking a medication, determined by the Company to limit the employee's ability to safely perform the employee's job functions; to induce inappropriate conduct or criminal behavior by the employee; to limit the employee's productivity; to endanger other people or property; or to negatively impact the Company's public image, health, or safety, may be required to remain off work until the employee's behavior is corrected, the employee's use of the medication is discontinued, or another medication is substituted that will not result in these negative effects. The Company at all times reserves the right to have a licensed physician examine an employee under these circumstances.

### **Adulterating or Tampering with a Specimen.**

Adulterating or tampering with a specimen, or attempting to do so, is a violation of this Policy and may constitute a violation of state law. These circumstances will normally be classified as a refusal to provide a specimen, and the Company will take appropriate action under this Policy. The Company may also notify appropriate law enforcement officials of possible violations of state law.

## **Policy Enforcement**

### **Searches and Inspections.**

The Company possesses the right at all times, while employees are entering, departing, or are on Company premises to conduct unannounced searches and inspections of all Company facilities and properties, and everything on those facilities and properties. All employee personal property on Company premises may be searched.

Although the Company will normally attempt to notify an employee before conducting a search of an employee's personal effects, searches may be initiated without prior notice and conducted at times and locations as deemed appropriate by the Company.

An employee's refusal to consent to a search when requested by the Company constitutes a violation of this Policy.

## **Substance Abuse Testing**

Under this Policy, the Company will implement reasonable suspicion, post-accident, and return to duty or follow-up, or both, testing.

The Company reserves the right, as a condition of continued employment, to request employees to submit to tests, including, but not necessarily limited to, urine tests, breath tests, saliva tests, blood tests, or other tests or examinations to determine the use of any illegal drugs, alcohol, or the abuse or misuse of any legal drugs prohibited by this Policy, or to determine the employee's fitness for duty ("Test" or "Tests"). The Company may limit the Tests to selected groups of employees, e.g., employees who operate vehicles or those who may have access to controlled substances. These Tests, which may be unannounced, may be utilized under the following circumstances:

Post Offer / Pre-employment Testing. A Test is required of applicants or candidates as a condition of employment.

**Post-Accident.** If an employee suffers an on-the-job injury or if an accident or incident occurs in which safety rules and procedures were violated, equipment or property was damaged (including but not limited to automobiles, trucks, and other equipment), careless acts were performed, work disruption occurred, or where the cause was due to an employee or other person's failure to use prescribed personal protective equipment while working on Company premises or the premises of a customer, the Company may request all the employees potentially involved to submit to a Test.

**Random.** All employees shall be subject to a random Test. A computer program or other bias-free method of employee selection will be used to ensure random selection.

**Reasonable Suspicion.** The Company may request an employee or employees to submit to a Test when a supervisor has reasonable suspicion that the employee(s) may be using or under the influence of illegal drugs or alcohol or abusing or misusing legal drugs, or where a supervisor is concerned, and can articulate facts demonstrating that concern, about the employee's safety, the safety of other employees, the safety of the general public, or the risk of damage to property, due to an employee's mental or physical condition or behavior, or for other reasons permitted by law such as negligence while performing duties affecting performance.

Furthermore, the Company may request an employee or employees to submit to a Test when the Company has a reason to believe that specific individuals, or all or portions of groups, shifts, or those at an entire location or work area, are: 1) suspected of being under the influence of, using, or possessing illegal drugs or alcohol, or possessing drug paraphernalia; 2) suspected of abusing or misusing legal drugs; 3) when any of these designated items are found in an area controlled or used exclusively by a designated employee or employees; or 4) in possession of legal drugs which have not been legally obtained.

**Return-to-Duty and Follow-Up.** When an employee returns to work from a disabling injury, extended absence, or illness, or upon completion of a substance abuse treatment or counseling program, the Company may request the employee to submit to a return-to-duty Test as a condition of reinstatement. The Company may continue to request follow-up Tests, including unannounced Tests, as permitted by applicable law, after reinstatement.

**Additional Testing.** Any Tests conducted in addition to an initial screening test that results in an unacceptable specimen sample or collection, as provided for in this policy, will be performed at the sole cost of the employee.

**Consent to Testing.** Each employee must sign a consent form as part of the testing procedure, which is attached to this Policy. Any employee who refuses to sign a consent form or submit to a Test as requested under the terms of this Policy will be subject to discharge and denial of employment opportunities.

## **SPECIMEN COLLECTION, TESTING PROCEDURES, AND RESULTS**

**Specimen Collection and Testing Procedure.** Urinalysis is the method normally employed for testing for the presence of drugs, but the Company reserves the right to utilize other methods. The Company may require observed collection of a specimen if the professional collection specialist believes that the individual providing a specimen may attempt to substitute, tamper with, or adulterate a specimen, or provide a dilute specimen.

If the results of the screening test are positive, a confirmation test will be performed to corroborate the results of the screening test. The results of the confirmation test are controlling.

The laboratory will retain, for a period of one (1) year, a portion of all specimens that test positive. Any employee who tests positive may have a test performed, at the employee's expense, upon the retained portion of the specimen. The Company and/or its agent or designee retains the right, at all times, to direct control of the specimen, including transportation to and from the approved retesting laboratory. Consideration will be given to the results of the retest; however, those results are not binding upon the Company.

Breath or saliva testing will be the methods normally employed for testing for the presence of alcohol, but the Company reserves the right to utilize other methods, including those permitted under state and federal law. A saliva or breath specimen will first be obtained from the employee, and a test will be performed. If the results are positive, a blood specimen will be obtained, and an EBT or other test will be utilized for a confirmation test. The results of the confirmation test are controlling.

### **Test Results**

**Medical Review Officer.** The Company utilizes the services of an MRO to review Test results. The MRO makes all determinations regarding Test results or results of tests provided by applicants or employees.



**Dilute Specimens.** A dilute specimen is one with creatinine or specific gravity values that are lower than expected for human urine. A dilute specimen is not a valid specimen and will not be accepted for testing. If an applicant or employee provides a diluted specimen, the Company will require the employee to provide a specimen that is not diluted within six (6) hours of the initial specimen collection or the end of the employee's shift, whichever is shorter. Upon failure or refusal to provide a non-dilute specimen, the Company will classify the dilute specimen as a positive test result and apply appropriate disciplinary action, up to and including termination of employment. If an employee is asked to provide a second specimen and provides a second dilute specimen, the second dilute specimen will be considered a "positive" result pursuant to this Policy.

**Adulterated or Tampered With Specimens.** If an employee provides a specimen which the Company believes has been adulterated or tampered with, the Company will classify the situation as a refusal to provide a valid specimen. The Company will request a second specimen within six (6) hours of the initial specimen collection or the end of the employee's shift, whichever is shorter. If an employee is asked to provide a second specimen and provides a second adulterated or otherwise tampered with specimen, the second specimen will be considered a "positive" result pursuant to this Policy.

**Drugs.** A positive test result occurs when the initial screening and the confirmation test indicates the presence of the drug(s) for which the test was conducted. A positive test result alone may constitute a violation of this Policy.<sup>4</sup>

A negative test result occurs when either the initial screening or the confirmation test indicates the absence of the drug(s) for which the test was conducted.

**Alcohol.** A positive test result occurs when both the initial test and the confirmation test indicate the presence of alcohol equal to or greater than 0.04%. A positive test result is a violation of this policy.

A negative test result occurs when either the initial test or the confirmation test indicates the presence of alcohol at less than 0.04%.

**Admissions of Policy Violations.** An employee's admission to conduct or behavior which constitutes a violation of this Policy is considered the same as a violation. Therefore, it may result in disciplinary action up to and including immediate termination. Said decision regarding what actions may be taken is within the sole discretion of the Company.

### **Potential Actions for Violations of this Policy**

#### **Refusal to Submit to Search, Inspection, or Substance Abuse Testing.**

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<sup>4</sup> Refer to note 1, above.

Any employee who refuses to submit to a search, inspection, or a Test as described in this Policy will be discharged.

**Random or Pre-employment Testing.**

Any applicant or employee who tests positive for illegal drugs may be discharged (employee) or not considered for further employment with the Company (applicant).<sup>5</sup>

**Sale, Manufacture, Distribution, Transfer, or Purchase (or Any Attempt to Perform Those Acts), of Illegal Drugs, While on or off Company Premises.**

Any employee discovered selling, manufacturing, distributing, transferring, dispensing, or purchasing illegal drugs, or attempting to perform any of these acts, whether on or off Company premises, will be discharged.

**Conviction of Illegal Drug Offense Other than Those Pursuant to the Federal Drug-Free Workplace Act.**

Any employee convicted under federal, state, or local law of any offense relating to illegal drugs may be discharged if the conviction affects the employee's attendance or job performance, damages the Company's reputation, or leads to the reluctance or refusal of co-workers to work with the employee.

**Substitution, Dilution, Adulteration of, or Tampering With, Specimens, or Attempt to do the Same.**

As stated above, any employee who has, or has attempted to, degrade, dilute, switch, alter, or tamper with, in any manner, a specimen to be submitted for drug or alcohol testing may be discharged. If an employee provides such a specimen, the Company will require the employee to provide a second specimen under conditions that will ensure the integrity of the specimen, which may include observed collection procedures, and within six (6) hours of the initial specimen collection or the end of the employee's shift, whichever is shorter. The Company will terminate the employment of any employee who provides two (2) consecutive degraded, diluted, altered, or otherwise tampered-with specimens.

**WARNING: In some states, adulterating or substituting a specimen sample, or attempting to do so, is considered a crime!**

**Observed Use or Possession of Illegal Drugs (Including Medical Marijuana) While On or Off the Job, and Observed Use, Consumption, or Possession of Alcohol While On the Job.**

These circumstances will result in immediate suspension without pay, and the employee may be subjected to further investigation to determine the nature and extent of the

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<sup>5</sup> Refer to note 1, above.

employee's involvement with the illegal drug(s) and/or alcohol. If the investigation reveals that the employee violated this Policy, the employee will be discharged. If the investigation reveals otherwise, the employee will be returned to work and paid for the time off.

**Suspected Use, Consumption, or Possession of Illegal Drugs (Including Medical Marijuana<sup>6</sup>) or Alcohol While on the Job, Reasonable Suspicion, or Post-Accident (If Circumstances Warrant Post-Accident Testing).**

These circumstances will result in immediate suspension without pay, and the employee will be subjected to Tests (see the Post-Accident testing procedure above) and further investigation to determine the nature and extent of the employee's involvement with the illegal drug or alcohol. If the investigation reveals that the employee violated this Policy, the employee will be discharged. If the investigation reveals otherwise, the employee will be returned to work and paid for the time off.

**Return-to-Duty and Follow-Up.**

Any employee who tests positive for illegal drugs on a return-to-duty Test, following a disabling injury, an extended absence or illness, or completion of a substance abuse treatment or counseling program will be discharged.

**Use of or Unusual Behavior Attributable to Legal Drugs of Which the Company Has Not Been Notified.**

These circumstances will result in immediate suspension without pay. The employee may then be subjected to Tests or a medical examination, or both. Assuming a positive confirmation Test result or information suggesting that the employee's use of the legal drug prevents the employee from safely performing the functions of the employee's position, or creates the likelihood of harm to the employee or others, or damage to property, the employee will either be required to remain off work until the situation is corrected, or if that action is not feasible, then the employee will be subject to alternative action, up to and including termination of employment.

**Effect of a Positive Test Result on an Employee's Unemployment Claim.**

A positive test result for illegal drugs or alcohol could result in an employee being denied, or receiving reduced, unemployment benefits under state law.

**EMPLOYEE VOLUNTARY PARTICIPATION IN A  
SUBSTANCE ABUSE REHABILITATION PROGRAM**

This portion of the Policy is intended to provide employees with the Company's view towards voluntary participation in a substance abuse rehabilitation program ("Program"). The Company supports employees who recognize their own substance abuse problems and encourages those employees to seek professional help to resolve those problems.

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<sup>6</sup> Refer to note 1, above.

Employees may contact a member of Human Resources with any questions regarding a Program or rehabilitation program. However, every employee is responsible for seeking help before drug and alcohol problems lead to disciplinary action.

An employee's voluntary participation in a Program will not be used as a basis for disciplinary action and will not be used against the employee in any disciplinary proceeding if an employee seeks voluntary participation in a Program prior to being tested by the Company. However, the employee may be required to execute a Last Chance Agreement and establish that the employee is not a current drug user before being returned to work. Any employee who participates in an approved Program shall be required, as a condition of employment, to execute a consent form allowing the Company access to the employee's progress and successful completion of the Program. Leaving an approved Program prior to successful completion and release to return to work is a violation of this Policy and will result in termination of employment. Likewise, failure to successfully complete a Program will result in termination of employment. Upon reinstatement, the employee will be subject to routine, random, periodic, intermittent and/or unannounced Tests following the employee's return to work. Any subsequent violation of this Policy thereafter shall result in termination without the right to reemployment.

Participation in a voluntary Program will not be a defense to the imposition of disciplinary action under this Policy where facts proving a violation of this Policy are obtained outside participation in a Program. For example, once the Company requests an employee to submit to a Test, the employee cannot refuse and expect the Company to then allow the employee to participate in a Program because the employee will be considered as discharged immediately upon refusal. Accordingly, the purposes and practices of this Policy and participation in a Program are not in conflict. The key is to seek professional assistance when it is needed and before this Policy is violated.

No employee's job will be jeopardized, nor will an employee be subject to disciplinary action for voluntarily requesting help due to substance abuse problems. However, any employee participating in a Program will be expected to maintain satisfactory job performance and job attendance (to the extent that the Program recommends return to work).

The employee is solely responsible for the costs of a Program.

To the extent practicable, the Company will keep an employee's participation in a Program confidential. When it becomes necessary for an employee to participate in a Program, absences will be handled in accordance with the Company's policies and procedures. The length of time that an employee will be allowed to participate in a Program depends upon applicable laws and the Company's applicable policies.

### **Confidentiality**

All searches, inspections and collection of specimens will be performed with concern for each employee's personal privacy, dignity, and confidentiality. The results of any Tests

performed under this Policy will be kept confidential and disseminated on a “business need-to-know” basis, or as legally required. Any employee who inappropriately discloses confidential medical information may be subject to discipline, up to and including termination of employment.

The discovery of illegal drugs, legal drugs being abused, misused, or stolen, alcohol, drug-related paraphernalia, stolen property, or other prohibited items may result in the law enforcement authorities being notified, along with the employment consequences set forth in this Policy.

### **Administration**

Any employee’s violation of any Company policy or procedure during the Company’s enforcement or attempted enforcement of this Policy may also be considered a violation of this Policy and may result in disciplinary action up to and including discharge.

The Company will broadly interpret this Policy in a manner to achieve the Policy Objectives contained in this Policy. This Policy may be amended as necessary to meet the requirements of federal, state, or local law. The Company reserves the right to modify or amend this Policy with or without advance notice to employees.

### **ADDENDUM – ARIZONA**

This section contains policies that only apply within Arizona. In some cases, there may be significant overlap between the Company’s general policies and those specifically required by Arizona. If there are any differences, the policy specific to Arizona will be controlling.

*Under the section entitled “Definitions,” located on page 19, the following language should be added to footnote 2:*

Medical marijuana usage under the Arizona Medical Marijuana Act (AMMA) is subject to Arizona’s drug testing statutes, which restrict employees in safety sensitive positions from performing those duties if a positive test result occurs. For positions that are safety sensitive as defined by the AMMA, a positive test result constitutes a violation of this Policy, and appropriate action will be taken in accordance with this Policy. Likewise, if the Company has a good faith belief, that an employee is impaired by marijuana or ingested marijuana in the workplace or elsewhere during working hours—even if taken in accordance with the AMMA—that employee will be required to submit to a drug test for marijuana. For positions that are not safety sensitive, a good faith belief accompanying a positive test result provides a reasonable basis to constitute a violation of this Policy, and appropriate action will be taken in accordance with this Policy.

*Under the section entitled “Definitions,” located on pages 19-20, the following language should be added:*

The term “good faith” means reasonable reliance on fact, or that which is held out to be factual, without the intent to deceive or be deceived and without reckless or malicious disregard for the truth. Good faith does not include a belief formed with gross negligence. A good faith belief may be based on any of the following:

- Observed conduct, behavior or appearance;
- Information reported by a person believed to be reliable, including a report by a person who witnessed the use or possession of drugs or drug paraphernalia at work;
- Written, electronic or verbal statements;
- Lawful video surveillance;
- Records of government agencies, law enforcement agencies or courts;
- Results of a test for the use of alcohol or drugs; or
- Other information reasonably believed to be reliable or accurate.

The term “impairment” means symptoms that a prospective employee or employee while working may be under the influence of drugs or alcohol that may decrease or lessen the employee’s performance of the duties or tasks of the employee’s job position, including the following:

- Symptoms of the employee's speech, walking, standing, physical dexterity, agility, coordination, actions, movement, demeanor, appearance, clothing, odor, irrational or unusual behavior;
- Negligence or carelessness in operating equipment, machinery or production or manufacturing processes;
- Disregard for the safety of the employee or others;
- Involvement in an accident that results in serious damage to equipment, machinery or property, disruption of a production or manufacturing process;
- Any injury to the employee or others; or
- Other symptoms causing a reasonable suspicion of the use of drugs or alcohol.

The term “safety sensitive position” means any job designated by an employer as a safety-sensitive position or any job that includes tasks or duties that the employer in good faith believes could affect the safety or health of the employee performing the task or others, including any of the following:

- Operating a motor vehicle, other vehicle, equipment, machinery or power tools;
- Repairing, maintaining or monitoring the performance or operation of any equipment, machinery or manufacturing process, the malfunction or disruption of which could result in injury or property damage;
- Performing duties in the residential or commercial premises of a customer, supplier or vendor;
- Preparing or handling food or medicine; or
- Working in any occupation regulated pursuant to Title 32.3 of the Arizona Revised Statutes.

*Under the section entitled “Test Results,” located on page 24, the following language should be added:*

**Employee’s Right to Obtain Written Test Results.** An employee may, upon request, obtain the written results of any Test.

#### **ADDENDUM – TENNESSEE**

This section contains policies that only apply within Tennessee. In some cases, there may be significant overlap between the Company’s general policies and those specifically required by Tennessee. If there are any differences, the policy specific to Tennessee will be controlling.

**PRE-EMPLOYMENT TESTING CONSENT AND RELEASE FORM**

I acknowledge that I have received a copy of this Substance Abuse Testing Policy.

I hereby consent to submit to urinalysis and/or other Tests as defined in this Policy.

I agree that the collection clinic as designated by the Company may collect these specimens for these Tests, and may test them, or forward them on to a testing laboratory designated by the Company for analysis.

I further agree to and hereby authorize the release of the results of said Tests to the Company. I understand that it is the current use of illegal drugs, as defined in the Policy, that will prohibit me from being employed by the Company.

I further agree to hold harmless the Company and its agents (including the designated collection clinic) from any liability arising in whole or part out of the collection of specimens, testing and use of the information from said testing in connection with the Company's consideration of my employment application.

I further agree that a reproduced copy of this Pre-Employment Testing Consent and Release Form shall have the same force and effect as the original.

I have carefully read the foregoing information and fully understand its contents. I acknowledge that my signing of this consent and release form is voluntary on my part.

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Applicant Name (Typed or Printed)

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Applicant Signature

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Date



**SUBSTANCE ABUSE POLICY**  
**ACKNOWLEDGEMENT OF RECEIPT AND CONSENT FORM**

I, \_\_\_\_\_, acknowledge and agree that I have received and reviewed the foregoing Substance Abuse Policy (“Policy”). I acknowledge and agree that I have had an opportunity to ask questions about the Policy, and any questions that I had have been answered. I understand that compliance with the Policy is a condition of continued employment. I recognize that the Company may change the Policy at any time without advance notice or employee consent.

I understand that I am being asked by the Company to submit to medical and chemical testing procedures necessary to detect the presence of drugs and/or alcohol in my body. I also recognize that the use or abuse of alcohol, drugs, or a combination of the two, by my co-workers or me can create an unsafe working environment for all employees. I freely consent to the medical procedures and chemical testing necessary to test for the presence of drugs or alcohol, and to the release of the test results to those Company officials who make employment decisions for the Company.

In consideration of my personal desire for a safe work environment, I voluntarily give my consent for the Company to search my personal effects, vehicle, and other personal property or storage places, according to the Policy. I also understand that if I refuse to undergo a search, I may be subject to termination.

I understand that the Policy represents an overview of the Company’s policy towards substance abuse and does not create an express or implied contract.

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Employee Name (Typed or Printed)

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Employee Signature Date

**ACKNOWLEDGMENT**

In consideration of my employment, I agree to conform to the rules and policies of Dillon Transportation, LLC. I understand that my employment and compensation can be terminated with or without cause, and with or without notice, at any time, at the option of either Dillon Transportation or myself.

I hereby acknowledge that I have been given the opportunity to review and state that I understand the contents of this Handbook. I further acknowledge that I have been given the opportunity to ask questions concerning its contents. I state that I will be cooperative in complying with the policies set forth herein. I understand that revisions may be made to the Handbook at any time. Further, I agree that the Handbook is not a contract of any kind, implied or expressed, including one for employment, but is for my information only.

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_