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### **Forsage Inc Policy**

**Forsage Inc** has adopted safe work practices as a means to protect our contractors, equipment, cargo, and the motoring public while still being a successful company. We do offer a training program which includes awareness of the hazards, the use of appropriate equipment, safe work practices, evaluation of the driver's knowledge of these safe work practices, and counseling. It is the intention of Forsage Inc to prevent accidents and to promote and provide safe operators on the road. The following rules are designed to achieve this purpose.

- 1. No contractor shall operate a vehicle while under the influence or be in possession of any Schedule I drug, unless prescribed by a physician who has advised the contractor that the substance will not affect his/her ability to operate a motor vehicle.
- 2. All contractors must obey all federal, state, and local highway
- 3. No contractor shall knowingly falsify his/her logbook. Violation of this can result in immediate termination
- 4. No contractor shall knowingly falsify the annual motor vehicle violation and review record. Violation will result in immediate termination
- 5. In the event of an accident, all contractors shall follow the procedures outlined in the Accident Investigation Report
- 6. No contractors is permitted to carry unauthorized passengers or cargo
- 7. All contractors shall be knowledgeable of the Federal Motor Carrier Safety Regulations
- 8. Any contractor found driving a vehicle while under the influence of drugs or alcohol shall have his contract terminated immediately.
- 9. Any contractor who incurs three (3) or more preventable accidents in any 12-month period may have his contract terminated
- 10. All contractors shall operate the vehicle in a safe and courteous manner at all times.

#### Seat Belt Policy

We value the lives and safety of our contractors. Seatbelts are proven to greatly reduce the risk of dying or being seriously injured in a motor vehicle crash. Of course, seat belt usage is also a federal requirement for commercial drivers under FMCSR 392.16. Because of our commitment to driver safety and compliance with the law, our company has adopted the following policy regarding seat belt usage. All contractors, and their passengers are required to use a seatbelt when traveling in any vehicle while in the course of conducting company business. Failure to abide by this stated policy will be considered a violation of our company policy and will subject the person who is in violation to disciplinary action, which could include suspension and possible termination of contract.

### **Following Distance**

Driving in traffic poses many dangers. With so much going on around your truck, it can be difficult to concentrate on driving protectively. When you lose your concentration, a crash can occur. A greater following distance can mean the difference between life and death. Always maintain a safe distance between your vehicle and the vehicle ahead of you. The best method for determining a safe following distance is to follow the "Six-Second Rule" in normal highway driving conditions. This distance must be increased for "adverse weather conditions, poor road conditions, vehicle/cargo circumstances or if you are fatigued. When the vehicle ahead passes an object, such as a tar strip or shadow on the road; start counting 1001, 1002, 1003, 1004, 1005, 1006. If you cross the spot on the road before

1006, you are following too close. In rush-hour traffic, it is recommended by professional drivers to drive 3-5 mph slower than the flow of traffic. This practice allows other vehicles to pull away from you, increasing the following distance. It is impossible and certainly unsafe to keep other vehicles out of your lane. Driving a bit slower is the best technique to practice in your goal of protecting other motorists. Following other vehicles too close, called tailgating, endangers other motorists and is "not acceptable". Violations of this policy and becoming involved in preventable rearend crashes will result in disciplinary action against you, including termination. We expect our contractors to keep a safe following distance between other company vehicles and not run in close following convoys. Ensuring your brakes are in safe, working order is another proactive step you can take. If you are too tired to drive, we require you to pull off the road immediately and get some rest in a safe area. Please drive as if your family was in the vehicle ahead of you! It is your responsibility to "protect" other motorists on our highways.

#### **Speed Management**

Soaring fuel costs are causing everyone to think about fuel management. By managing your speed, you will be able to save more fuel and drive safer. Speeding is hard on equipment, can cause freight damage, and increases the damages and costs in a crash. Driving within the speed limits is not only the law but it can make your drive less stressful and set a good example for other drivers. Forsage Inc follows the FMCSA mandate of not allowing radar detectors in the commercial motor vehicles. Violation of this rule will result in fines and/or termination.

#### **U-Turns**

One of the most critical types of crashes is the run-under crash. The maneuver that is most commonly associated with a run-under accident is a U turn. This type of crash is 100% avoidable by not performing U-turns. Forsage Inc policy prohibits U-turns.

#### **Prohibitions**

In order to ensure that our goal of safe transportation is met, we strictly prohibit the following practices:

- 1. Driving when alertness is impaired by fatigue
- 2. Driving when in possession or under the influence of any narcotic, amphetamine or other dangerous drugs
- 3. Driving when under the influence of an intoxicating beverage within (8) hours of going on duty and being in possession of or consuming an intoxicating beverage while on duty
- 4. Contractors must not transport any person or permit any person to be transported in any controlled vehicle without written permission.
- 5. Contractor must not permit his/her assigned vehicle to be driven by any unauthorized person
- 6. No controlled vehicle is to be driven with the motive power disengaged from the drive wheels, no coasting down hills
- 7. No flame-producing heater used in loading and unloading is to be in operation while the vehicle is driving
- 8. No cell phone use while driving
- 9. No electrical additions or decorations to equipment will be allowed. All such additions will be removed in our shop at the driver's expense.
- 10. **ABSOLUTELY NO** alcohol, firearms, illegal weapons or controlled substances will be allowed or tolerated. While this is against FMCSA regulations, it is also against company's policy.
- 11. No pets are allowed in equipment running under **Motor Carrier's** authority without permission.

## Consequences

**Forsage Inc** will discipline contractors as required by this policy for the infractions incurred up to and including possible termination. Independent Contractor may be in breach of contractual obligations for infractions incurred within any of

the above policies. Breach of contract can result in termination of the contract, subject to the terms and conditions of the agreement.

## **Injury Prevention**

Truck drivers experienced the most work-related injuries and illnesses requiring recuperation away from work beyond the day of the incident. Therefore, to keep our contractors healthy and able to continue their livelihood, Forsage Inc has implemented the following injury prevention practices.

## Entering/Exiting the Vehicle

Proper techniques for getting into and out of the truck will keep you active. Something as simple as getting out of your truck can make a difference in your productivity – professionally and personally. You may not even think about entering and exiting the truck since you do it so often. Utilize proper 3-point stance when entering and exiting the tractors and trailers. Three-point contact allows the driver to maintain balance. Also ensure your steps are fastened properly, take weather conditions into account and be sure footwear tread is adequate.

- Exit same direction you
- Watch when stepping down for potholes, uneven surfaces, slippery surfaces
- No objects on steps such as bungee cords or carpet that might cause a trip

## **Footwear Policy**

**Forsage Inc** has implemented this policy to ensure all contractors use adequate footwear when working in areas where there is a danger of personal injury due to slips, trips, and falls; foot injuries due to falling or rolling objects, objects piercing the sole, or when a person's feet are exposed to electrical or chemical hazards. Adequate footwear is defined as footwear that provides protection from hazards in the foot protection area. Adequate footwear includes shoes or boots with slip resistant soles and steel toes and shanks where there is the possibility of an object piercing, rolling, or falling. Leather sole cowboy boots, athletic shoes, tennis shoes, or shoes of similar construction and material must not be worn on walking or working surfaces. Footwear must meet American National Standards Institute (ANSI) requirements. An example of an ANSI reference number stamped or on a label attached to protective footwear is PT 01 I/75 C/75. (PT is personal protection; 01 is the year; I is "impact"; and C is "Compression." Seventy-five (75) is a rating of force the footwear is designed to withstand. Safety "sneakers" are not permitted since this footwear does not provide overall foot protection afforded by work-related footwear. There are job activities and work environments where specific protective footwear meeting ANSI standards are not required; however, adequate footwear is required to protect individuals against:

- Slipping
- Dampness
- Heat
- Cold
- Uneven work surfaces that could twist the ankle.
- Harmful materials that could contact the skin of the foot, ankle, or lower

All contractors must wear adequate footwear and ensure it is in a condition that provides required protection. It is the responsibility of everybody to protect themselves and others from personal injury.

CRANKING TRAILER DOLLIES

- Always ensure you have proper footing and traction in the area in which you will be
- Use both hands to ensure the handle is properly seated on the shaft
- Never spin the crank with your fingers; keep one hand on the handle crank
- As soon as you feel resistance, use both hands
- Stand to one side of the crank and use both hands

Approximately three to four revolutions in low gear should be sufficient. After the fifth wheel engages, air up your suspension to relieve some of the trailer weight before you attempt to crank up the dollies.

- If you run into a situation where you have to crank against extreme resistance, it is always better to push on the crank rather than pulling
- Proper maintenance and lubrication can reduce the potential for issues
- Don't be afraid to ask for assistance. Taking turns turning a resistant crank minimizes the possibility of strain type

## Fifth Wheel

#### PULLING 5TH WHEEL PIN

- Proper maintenance, adjustment, and lubrication of all 5th wheel parts are essential.
- Park on level ground before unhooking to minimize the chance of placing a bind on the 5th
- Establish a good stance
- It may be necessary to "rock" the unit to relieve pressure
- Utilize a "pin-puller."
- NEVER jerk on the handle to get it to If it is still "frozen," it may be necessary to "rock" the unit again.

## **Tandems**

#### SLIDING TANDEMS

- Establish a good stance with firm
- The locking pins mechanism must be properly
- If this ends up being a two-person job, make sure the wheels are chocked to minimize the risk to the person pulling the
- "Rocking" the unit to release pressure on the pins is usually
- NEVER jerk on the mechanism to release the

## **Trailers**

Special steps need to be taken for the type of cargo hauled. At Forsage Inc, with the nature of business being in the (dry van, flatbed) arena, we need to focus on some additional areas besides the basic van operation. Therefore, attention needs to be paid to the following.

#### Dry Van Trailers:

- Climbing onto the trailer
- Lifting and pulling
- Proper clothing, footwear, and eyewear protection
- Be in proper and secure position to open the doors

Opening and closing of cargo Pay special attention to shifted cargo and wind.

**Material handling is a significant safety concern.** During the movement of products and materials there are numerous opportunities for personal injury and property damage if proper procedures and caution are not used. All operators are to be retrained every 3 years by a qualified individual appointed by the company. Any unsafe behavior must be documented and corrected immediately. All equipment must be inspected on a daily basis and professionally maintained on a routine basis. Any unsafe equipment must be promptly removed from service until repaired.

## Injury Reporting Procedures

Report injuries immediately regardless of severity. Depending on the severity of the injury, we will first notify emergency help. **Forsage Inc** will need to determine the cause of any incident or accident to reduce future recurrence. Consequences for failure to report on time are as follows:

1st offense – Written warning and report and retraining and retest of understand of reporting procedures.;

2nd offense –Termination of employment.

# **Compliance Topics**

### **Driving Records**

At **Forsage Inc**, we use a stringent set of guidelines to select our contractors, including a complete review of previous driving records. We take safety and risk management very seriously and expect all contractors to comply with all of the Department of Transportation regulations, plus our own rigorous safety standards and background checks. Poor driving records may lead to probation and/or termination. No driver shall knowingly falsify the annual motor vehicle violation and review record. Violation will result in immediate termination.

#### **Driver Qualification**

**Forsage Inc** wants to ensure our contractors meet the FMCSRs and abide by the requirements in place. Our contractors guidelines exceed the requirements imposed on the industry by FMCSA.

Our applicants must meet the following guidelines:

- Be at least 23 years old,
- Able to read & speak the English language,
- By experience and training safely operate our type of equipment,
- Meets or exceeds the FMCSA physical requirements including being able to handle freight and equipment, trailers in all types of weather conditions,
- Has only one valid license,
- Has prepared & furnished us with a list of moving violations for the last three years,
- Is not disqualified to drive a commercial motor vehicle,
- Has successfully completed a road test with our safety manager
- Must meet insurance company

Upon hire, contractors must continue to meet the above requirements. Repeated moving violations may be cause for disqualification. Contractors are expected to keep his/her DOT physical and commercial driver's license current. Contractors are also expected to provide Forsage Inc with a listing of moving violations annually.

## Hours of Service

**Forsage Inc** feels that compliance with the FMCSR regarding hours of service is an absolute necessity. Our commitment will be to complete an absolute compliance order to ensure safe operation. A mandatory responsibility of the contractor and company is to operate within the parameters of the hours of service regulations not around them. The following policies apply in order to guarantee compliance:

#### REQUIREMENTS

- 1. Logs will be audited
- 2. Drivers must obey and understand the FMCSA logs rules
- 3. Logs/ELD's must be maintained *CORRECTLY!*
- 4. Each contractor will carry a copy of the paper logs and logs transfer info

**LOG PROCEDURES**. An orientation will be given to each driver to ensure the understanding of the proper procedures to comply with FMCSA regulations and to ensure the understanding of the consequences if these procedures are not followed.

- All logs and paperwork must be turned in together <u>at the end of each trip</u>. Quick submission allows Forsage Inc to bill customers sooner as well as audit logs and supporting documents sooner. The sooner logs are audited the sooner any deficiencies can be found and
- 2. All logs must be filled out completely. This includes recaps, all fuel stops, tickets, violations, lease cuts, PRO / bill of lading #'s, origin and destinations, etc...
- 3. All supporting documents must be handed in with paperwork and/or submitted electronically.
- 4. Everything must be signed: Mileage sheets, logs, delivery receipts and expense receipts.
- 5. All paperwork *MUST* match up. This means *ABSOLUTELY* no incomplete or false logs.

If the above procedures are not followed, the following consequences will be administered.

- 1. A violation letter will be presented to each driver at the end of the week with dates showing any discrepancies on the log. The driver must sign.
- 2. After the third violation, a written violation will be issued and the driver will then be suspended for 30 days. He will not be dispatched!
- 3. After 3 suspensions for log violations, the driver will be terminated.

#### **LOG AUDIT**

**Forsage Inc** follows the hours of service regulations mandated by the Federal Safety Administration. Specific company directives are listed as well. Further Forsage Inc Safety Director submits monthly reports to the Management on the fleet's hours of service record. **Forsage Inc** maintains written records including daily call-ins with location, time, available hours, and call back numbers. Forsage Inc will advise contractors during the daily call-ins if duty status will be ended en-route to comply with the regulations.

11-Hour Rule: A contractor shall not drive more than 11 cumulative hours following 10 consecutive hours off duty.

**14-Hour Rule:** A contractor shall not drive for any period after the end of the 14th hour after coming on duty following 10 consecutive hours off duty.

**70-Hour Rule:** A contractor shall not drive for any period after having been on duty 70 hours in any period of 8 consecutive

**Split Sleeper Berth:** A contractor who operates a property-carrying commercial motor vehicle equipped with a sleeper berth, may split the 10-hour break into 2 periods as long as one of the two periods is at least 8 consecutive hours in the berth. The other period, at least 2 hours, can be all off-duty time; all berth time, or a combination of the two. Drivers splitting sleeper berth time need to recalculate the 11-hour drive rule and 14-hour all time rule based on the 8-hour berth break and the other rest period to determine the available hours under each rule. You must also remember that if you split the sleeper berth in 2 periods (an 8-hour and a 2-hour) the time before and after the split cannot exceed 11 hours driving or 14 hours on duty.

Speed Limit: All contractors running under Forsage Inc operating authority shall not exceed the posted speed limits.

The company may cross reference logs with software programs along with monitoring engine data for ensuring proper speed limits are followed.

Daily Mileage: Mileage must be reported each day on each log.

**Shipping Information:** Contractors must show either: Manifest number, Shipper and commodity, or other information such as deadhead or empty.

**Daily Inspection:** Both pre-trip and post-trip inspections are required.

# **Vehicle Maintenance**

Equipment operating on America's roadways must be in safe operating condition to protect the motoring public. Forsage Inc recognizes the value of having a well-maintained fleet of trucks.

#### MAINTENANCE

Our fleet maintenance program includes:

- Oil changes to be performed every time a vehicle comes into the shop before leaving on additional trips
- Mechanical Maintenance Check every 30-90 days or upon return to shop
- Monthly Maintenance Logs on each vehicle and equipment in use for and with Forsage Inc

Operating under the **Forsage Inc** authority has a few additional requirements on the maintenance front:

\*Roadside inspection reports are to be submitted immediately upon trip return. Any out-of-service situations are to be called into the Driver Manager immediately.

\*Driver Vehicle Inspection Reports (DVIRs) are required to be completed accurately for trips run. Documentation must be available for any noted elements that make the vehicle unsafe to operate. Any out-of-service violations or warnings found in a roadside inspection shall be included on the DVIR. Proof of the repair will be attached to the company's report as evidence of the fix for the mandated retention period.

\*All inspection defects are to be reported upon return to the shop.

Remember the definitions of on-duty time when submitting logs and maintenance records. It is the contractor's responsibility to see that all DOT required safety equipment is in the unit.

### **Passenger Program**

We understand the importance of a passenger policy to our contractors. Therefore, we have implemented the following guidelines. It is the preference of our insurance carrier that **Forsage Inc** has a strict no passenger policy in place. However, we recognize the importance of this program and allow passengers on a limited basis. Federal Motor Carrier Safety Regulations mandate no unauthorized persons to be transported. Therefore, if passengers are to be authorized there must be a written passenger policy in place that is closely monitored by management, is incentive based, and has the minimum following criteria:

- 1. Passengers should be considered a privilege that contractors can earn after having a disqualification-free period of 90 days including no suspensions or write-ups.
- 2. The privilege must be tied to safety. contractor should be under contract by **Forsage Inc** and free of preventable accidents for six (6) months
- 3. Passengers are limited to spouses, dependent children over the age of 12 or an immediate family
- 4. The time of year during which passengers can be taken as well as the type of trip will be
- 5. The number of passenger trips should be limited per driver no more than 1 per 1
- 6. Eligibility will be based on Forsage Inc safety program that monitors performance
- 7. Passenger Authorization and Release of Liability should be executed by the passenger taking the trip (or guardian).
- 8. A passenger accident insurance program with acceptable limits must be procured in advance, prior to leaving on the road

- 9. **Forsage Inc** will take strict disciplinary action against the driver who has taken an unauthorized passenger including termination.
- 10. Passengers are restricted from driving
- 11. No passenger will be allowed on customer dock and/or assist in the loading or unloading
- 12. No expectant women will be permitted to be a passenger at any time.
- 13. Approvals or authorization must be in writing from **Forsage Inc**. A copy must be kept by the Safety Director and a copy carried in the vehicle at all times. A third (3rd) copy is to be sent to the insurance company.

## **Company Practices**

Contractors **MUST CALL IN DAILY** before 10:00 a.m. and before 5:00 p.m. If lines are busy, **KEEP TRYING**.

It is the Contractors responsibility to make sure all necessary permits are in the unit's permit book. Lost or missing permits should be reported *IMMEDIATELY*. If you are dispatched to a destination for which you have no permit, notify the office in sufficient time for us to order you temporarily.

Contractors will be responsible for Insurance deductibles of any claims resulting from their negligence or misconduct. **Forsage Inc** will not be responsible <u>IN ANY MANNER</u> if a contractor does not follow dispatch directions. If a shipper or consignee requests a favor or an extra pick up or delivery, DO NOT agree until dispatch OK's the move.

ALL TRAFFIC ACCIDENTS, VIOLATIONS, AND INJURIES ARE TO BE **REPORTED IMMEDIATELY!** Failure to report could result in immediate dismissal. All inspection defects are to be reported immediately when descovered. Any improper behavior to a shipper or consignee will not be tolerated. If you encounter a problem when picking up or delivering a load, call Dispatch immediately and let them handle it.

Contractors are to report to **Forsage Inc** IMMEDIATELY, but not later than the end of the next business day, any revocation, suspension, or canceling of the driver's license. Further, any citations are to be reported to **Forsage Inc** within 30 days of conviction whether the infractions are in a personal vehicle or commercial motor vehicle. Any driver receiving three (3) moving violations within a 12-month period will be terminated upon receipt of the third violation.

## **Equipment Abandonment**

If you quit or abandon your tractor and/or trailer in a location other than home terminal, the amount incurred for retrieval of the tractor and/or trailer by **Forsage Inc** will be deducted from your final wage or Independent Contractor settlement. Expenses may include: towing, impoundment fee, mileage back to home terminal at the current rate, airline tickets to abandonment location of tractor/trailer, and attorney fees.

## **Recommended Truck Driver Security Steps**

The trucking industry is a potential threat for terrorists and cargo thieves. Here are suggestions for truck drivers to avoid being victimized while on the road.

Have proper photo identification and shipping Be prepared to be stopped often by law enforcement officials.

- Maintain regular communications with your dispatcher
- Report any suspicious activities to the local police
- Vary your route
- Park in areas where other truckers are parked
- Do not stop on dark roadways or in deserted areas while waiting
- Use reputable truck stops along your route.
- When possible, go directly to your delivery point without making any stops
- Don't take your load home or park in an unsecured area
- Be aware of vehicles that are following your truck and of strangers asking you about the load
- Be suspicious of individuals having you stop as a result of an alleged traffic accident. If unsure, whether an
  accident has occurred, drive to a police station or to a well-lit busy location before stopping
- Always lock your tractor doors and make sure all trailer and containers doors are secured with a heavy-duty lock
- Keep your tractor windows rolled up

- Don't talk about your load on social media
- Do not pick up
- Remain aware of your surroundings at all times
- Stay alert!

## Crash Reporting

Proper crash reporting is imperative to the process. Late reported claims are not acceptable to the insurance carrier. ALL TRAFFIC ACCIDENTS AND VIOLATIONS ARE TO BE REPORTED

<u>IMMEDIATELY!</u> Failure to report will result in immediate termination of contract. All damage will need to be repaired. Any vehicle damage will need to be documented on the contractor's vehicle inspection report.

Remember to take photos of the crash scene. Photographs are an important part of the story as it shows the scene as it was. Follow the instruction of the safety department regarding a post accident drug and alcohol test.

### **Claims Handling**

Insurance costs are one of the three highest costs within a trucking company. Contractors will be responsible for insurance deductibles for any claims resulting from their negligence or misconduct. Any damage to company equipment or cargo damage claims are to be reported to dispatch **IMMEDIATELY**. If the damage is due to contractor negligence or failure to follow dispatch orders, costs will be deducted from contractor's wages. If a consignee notes damage on a bill of lading, the contractor is not to move the truck until dispatch is notified.

Liability Claims: \$2500.00 Deductible charge.

Physical Damage Claims: \$2500.00 Deductible charge.

Cargo Claims: \$2500.00 Deductible charge.

If a claim is due to "Direct" driver negligence, such as a missed/late delivery appointment, crane appointment, etc. the contractor could be held responsible for the entire amount of the claim or back charges to **Forsage Inc.** Any damage to tarps, straps, load locks and other company equipment due to contractor's negligence while loading or unloading, or due to incorrect or improper tarping, will be deducted from the contractor's wages. Any damage to **Forsage Inc** trailers due to contractor's negligence or improper driving habits will be deducted from contractor's wages. The damage referred to includes tires dragged, curb rubs, damage to rims & tires from driving over curbs, damage to side rails, etc. We believe all contractors are skilled enough to avoid this kind of damage.

#### Post - Accident Requirements

**Forsage Inc** policy and the Federal Motor Carrier Safety Regulations (382.303) require drivers of commercial motor vehicles to submit to DOT drug and alcohol tests as soon as practicable following any accident in which the contractor operating under the motor carrier's authority:

- 1. Was performing safety-sensitive functions with respect to the vehicle and the accident involved the loss of human life; or
- 2. Received a citation with a tow (due to disabling a damage), or a citation with any violation

An "accident" is defined as an occurrence involving a commercial motor vehicle operating on a public road which results in:

- A fatality; or
- Bodily injury to a person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or
- One or more motor vehicles incurring disabling damage as a result of the accident, requiring the vehicle to be transported away from the scene by a tow truck or other

Contractors are strictly prohibited from using alcohol for eight hours following an accident or until the post-accident testing requirements are carried out, whichever occurs first. Failure or refusal to follow these instructions, including

the use of alcohol prior to the required post-accident alcohol test, will be considered a refusal to submit to a test, which is a material breach of the operating agreement and will result in immediate termination of the agreement.

#### **CRASH CONSEQUENCES**

Crashes are inevitable in this industry. However, driving defensively and within limits can help crashes from happening or reduce the severity. When **Forsage Inc** contractors are involved in crashes the following corrective action will be followed.

\*Contractors having 2 or more major, preventable crashes will be Terminated.

### \*Training

Forsage inc has certain required training for our contractors. This training includes but is not limited to:

- Company Safety Policy
- Cargo Securement
- Hours of Service
- Defensive Driving
- Hazardous Materials

# Forsage Inc Controlled Substance Policy

We will establish safeguards against drug and alcohol abuse to ensure a safe and healthy working environment. Substance abuse imposes a burden on those caught up in the abuse, but also on their co-workers. It may lead to poorer job performance and accidents/risks. To mitigate these risks, we have developed this substance abuse policy to prohibit the use, possession or sale of drugs on company premises and strictly regulate the consumption of alcohol. All job applicants, contractors should abide by the provisions of this policy. Illegal drugs, inhalants and prescription as well as over-the-counter drugs fall into the "substances" category. We will also place restrictions on alcohol consumption.

While working, you must not:

Possess, use or be under the influence of alcohol, inhalants or drugs.

Sell, buy, transfer or distribute drugs or drug paraphernalia.

Use prescription drugs (e.g. medical marijuana) while working or being on company premises.

Disciplinary Consequences

We may invoke disciplinary action up to termination, when you:

- Test positive for hard drugs (e.g. cocaine.)
- Sell, or attempt to sell, any form of substance.
- Use any kind of drug on company premises.
- Refuse to take a company mandated drug test.

Managers will decide on the appropriate disciplinary action depending on the circumstances.

#### **Termination Procedures**

#### Step One: Verbal Warning

- committing a minor violation- receives a verbal warning from their manager and is told that if this
  problem continues within a specific time period, harsher punishment will follow. The manager needs
  to provide clear expectations
- o A follow-up date may be set

## • Step Two: Written Warning

- violates the same rule within the specified time period and now receives a written warning from their manager. This warning goes on the permanent record. Is informed that failure to correct this behavior will result in more serious measurements
- A follow-up date/meeting for this stage

## • Step Three: Suspension

- still fails to respond to warnings and again violates the rule. Suspension from employment without pay for a specific amount of time. Final warning is issued, and termination is the next level of discipline.
- This step may be skipped at any time depending on severity of written warning.
- o In certain circumstances an individual may receive pay during their suspension.

## • Step Four: Discharge

violates the same rule and is terminated

Contractors who wish to resign from their position are asked to give the company a minimum of 2 weeks' notice. The notice should appear in writing.

By signing below you acknowledge that you have received the Forsage Inc policy:	
Date:	Name: