

APPLICATION CHECKLIST
Motor Common Carrier or Motor Contract Carrier
Of Household Goods in Use

Use this checklist to make sure you have enclosed all required items or your application will not be processed. You cannot operate in Pennsylvania until you receive a Certificate of Public Convenience from the Commission.

- The original Application with original signatures (unless e-Filed with the Commission's online e-Filing system at www.puc.pa.gov)
 - Applicant's Verified Statement.
 - A certified check, money order, or check from your attorney for \$350 made payable to "Commonwealth of Pennsylvania;"
 - Application is being made as an individual or sole proprietor.
 - IF application is being filed by a Partnership, provide a list of the names and addresses of ALL partners.
 - IF application is being filed by a Limited Partnership, provide a list of names and addresses of ALL partners, and your PA Corporation Bureau Entity ID Number.
 - IF application is being filed by a Limited Liability Partnership, provide a list of names and addresses of ALL partners, and your PA Corporation Bureau Entity ID Number.
 - IF application is being filed by a Limited Liability Company, provide a list of the names and addresses of ALL members and the Title of each member, and your PA Corporation Bureau Entity ID Number.
-
- IF application is being filed by a Corporation for Profit, provide a list of ALL corporate officers and titles, the name of each shareholder, distribution of shares, and your PA Corporation Bureau Entity ID Number.
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- IF application is being filed by a Corporation Non-Profit, provide a list of ALL corporate officers and titles and those serving on the Board of Directors, and your PA Corporation Bureau Entity ID Number.

ALL Parties to proceedings pending before the Commission must open and use an e-filing account through the Commission's website, OR you may submit your filing by overnight delivery. If a filing contains confidential or proprietary material, the filing is required to be submitted by overnight delivery.

If not e-Filed, mail your application and attachments to: SECRETARY PA PUBLIC UTILITY COMMISSION, 400 NORTH STREET, 2ND FLOOR, HARRISBURG, PA 17120

Corporate entities (corporations, LPs, LLPs, and LLCs) and fictitious trade names must be registered with the PA Department of State. Companies incorporated in other states must register as a foreign business corporation. Individuals acting as sole proprietors and partnerships do not have to register.

If you are not registered with the PA Department of State, you can apply at its website at www.dos.state.pa.us/corps on how to do business in Pennsylvania as:

PA Corporations (Profit and Non-Profit) – apply for Articles of Incorporation

Foreign Corporations – apply for a Certificate of Authority

PA Limited Partnerships (LPs), Limited Liability Partnerships (LLPs), and Limited Liability Companies (LLCs) – apply for an Application of Registration

Fictitious Name Registration – File ONLY IF Trade Name will be different than the business name you register with the PA Department of State.

General Information for Preparing and Filing the Application for Motor Common/ Contract Carrier of Household Goods in Use.

1. This application is required to request a Certificate of Public Convenience (for Common Carriers) or Permit (for Contract Carriers) to operate as a commercial carrier of household goods in use.
2. Upon approval of the application, you will be notified that prior to providing service in Pennsylvania you must submit evidence of insurance to the Public Utility Commission. Your permanent evidence of insurance will be a Form E for bodily injury and property damage insurance. This form is mailed to the Commission directly from the home office of your insurance carrier. The name and address on your Form E must exactly match the name and address you have provided on your application. Your insurance company must subscribe to the NIC Insurance Filing website at www.nicinsurancefilings.com. You will request the insurance company (not the agent) to file the required insurance forms electronically through NIC. Mailed insurance forms are no longer acceptable. The minimum limits of insurance are as follows:

Bodily Injury - The liability of the insurance company on each motor vehicle operated in common or contract carrier service shall be in amounts not less than \$300,000 per accident for a vehicle with a manufacturer's gross vehicle weight rating of 10,000 pounds or less, in the case of a single vehicle, or a ~~manufacturer's gross combination weight rating of 10,000 pounds or less, in the case of an articulated vehicle.~~ The liability of the insurance company on each motor vehicle operated in common or contract carrier service shall be in amounts ~~not less than \$750,000 per accident for a vehicle with a manufacturer's gross~~ vehicle weight rating over 10,000 pounds, in the case of a single vehicle, or a manufacturer's gross combination weight rating over 10,000 pounds, in the case of an articulated vehicle. Insurance coverage of motor carriers of household goods shall meet the requirements of 75 PA C.S. §1711 (relating to required benefits).

Cargo - \$5,000 for loss or damage to cargo being transported.

Secretary
Pennsylvania Public Utility Commission
400 North Street, Second Floor
Harrisburg, PA 17120
717.787.3834
www.puc.pa.gov

Application for Motor Common Carrier or Motor Contract Carrier of Household Goods in Use.

THIS APPLICATION IS REQUIRED TO REQUEST A CERTIFICATE OF PUBLIC CONVENIENCE (FOR COMMON CARRIERS) OR PERMIT (FOR CONTRACT CARRIERS) TO OPERATE AS A COMMERCIAL CARRIER OF HOUSEHOLD GOODS IN USE.

1. **Legal Name of Applicant** (Individual, Partnership or Corporation)

Ace World Wide Moving And Storage Company

- If you are an individual who has not formed any type of corporate entity, you should enter your name **as it will appear on your insurance documents**.
- If you are filing for a partnership, but **not a limited liability partnership**, the names of all partners must be entered on this line. Those names should be entered **as they will appear on your insurance documents**. This includes husbands and wives filing jointly.
- If you are filing for a corporate entity (corporation, limited liability company, or limited liability partnership); **even if you are the sole shareholder member**, you must enter the name **exactly as it appears on the registration papers from the Corporation Bureau of the Pennsylvania Department of State**.

2. **Trade Name** (Attach a copy of fictitious name registration if applicable)

This is any name which you will be operating under which differs from the **LEGAL NAME OF APPLICANT**. A **TRADE NAME** is considered a **FICTITIOUS NAME** if the identity of the applicant cannot be readily determined. *EXAMPLE: John Doe is the applicant and wants to use the name "Johnboy Trucking" as his trade name. People cannot readily determine that John Doe is the actual operator; therefore, the name is fictitious and must be registered as such. Trade names such as "John Doe Trucking" or "J. Doe Trucking" are not considered fictitious and would not have to be registered.*

3. **Do you currently hold PUC Authority?** **NO** **Previous Authority?** **NO**

If **YES**, at PUC No. A- _____

4. **Are you a business entity registered with the PA Dept. of State?** **NO**

If **NO**, you must register (see checklist on how to register)

If **YES**, provide your **PA Corporation Bureau Entity ID Number** 0013985954
(See checklist and indicate type of business entity registered)

5. **If either a Corporation or Limited Liability Company, please list members (LLC) or shareholders and officers (Corporation).**

Jason Steiner	CEO
Dean Steiner	VP
Brian Johnson	CFO
_____	_____

6. **Mailing Address**

6001 S Ace Industrial Drive
Street Address

Cudahy, WI 53110 Milwaukee County
City, State and Zip Code County

414-764-1000 safety@aceworldwide.com
Telephone Number E-Mail Address

This is the e-mail address to which the Commission will send all official documents issued by the Commission until further notice.

7. **Physical Address** (if different from Mailing Address. Do not use a PO Box.)

1941 Paradise Trail
Street Address

East Stroudsburg, PA 18301 Monroe County
City, State and Zip Code County

570-213-8353 safety@aceworldwide.com
Telephone Number E-Mail Address

The address entered here should reflect the actual location of the business. This is the address the Commission needs in order to dispatch Enforcement Officers to inspect equipment. If left blank, it will be assumed that the **PHYSICAL ADDRESS** is the same as the **MAILING ADDRESS**

8. **Attorney** (if applicable)

Attorney's Name & Telephone Number for this Filing

Attorney's Address E-mail Address

An attorney's name should only be entered if an attorney is filing the application for a client and the application is being sent under the attorney's cover letter.

9. **Does applicant have a USDOT Number?**

No Yes, at No. _____

10. **Describe the service area proposed by this application.**

(Use the space below or attach additional sheet if space provided is not sufficient).

State of PA

Examples:

- *To transport household goods in use between points in Pennsylvania.*
- *To transport household goods in use from points in Centre County to points in Pennsylvania, and vice versa.*

11. **Certification:**

Applicant certifies that it is not now engaged in unauthorized intrastate transportation for compensation between points in Pennsylvania and will not engage in said transportation unless and until authorization is received from the Pennsylvania Public Utility Commission.

Applicant further certifies that it understands the requirements of the Pennsylvania Public Utility Commission, especially as they relate to safety and insurance and that it may be subject to civil penalties, suspension or cancellation of the Certificate for failure to comply with Commission requirements.

~~Applicant further certifies that it understands that it is subject to an annual assessment based upon its reported gross Pennsylvania intrastate revenues; said assessment to help defray expenses incurred in regulating Motor Common Carriers of Household Goods in Use; and acknowledges that failure to report revenue and pay its annual assessment may result in civil penalties, suspension or cancellation of the certificate.~~

Verification of Application

I/We hereby state that the statement(s) made in this application is/are true and correct to the best of my/our knowledge and belief.

The undersigned understands that false statements herein are made subject to the penalties of 18 Pa. C.S. Section 4904 relating to unsworn falsification to authorities.

Christopher Yeh

(Print Name)


(Signature)

11/20/24
(Date)

The verification of the application must be completed by the applicant appearing on Line 1 of the application by the named individual, all partners if a partnership, a member (if a limited liability company), or by the President or Secretary (if a corporation).

VERIFIED STATEMENT OF APPLICANT

THE FOLLOWING INFORMATION IS REQUIRED BY THE COMMISSION TO DETERMINE THE APPLICANT'S FITNESS TO OPERATE. STATEMENTS SHOULD BE TYPED OR PRINTED. ILLEGIBLE STATEMENTS WILL DELAY YOUR APPLICATION.

Ace World Wide Moving And Storage Company

Legal Name of Applicant

Trade Name, if any

1941 Paradise Trail East Stroudsburg, PA 18301

Street Address (principal place of business)

City or Municipality

State

Zip Code

The Verified Statement of the Applicant factual details about your proposed transportation service. Your Verified Statement must answer all of the items listed below and on the following pages. Provide as much information as possible to prevent delay in processing your application. If you need more space to provide your answer, please attach additional pages identifying the appropriate item number.

1. Identify the person making the Verified Statement on behalf of the applicant. If an employee/officer of applicant is making the statement, give name, title, business address and telephone number.

Christopher Yeh

Safety Director 6001 S Ace Industrial Drive Cudahy, WI 53110

2. List the applicant's affiliation (owner, manager, controls) with any other carrier, with the description of affiliation.

Ace World Wide Moving And Storage Company has common ownership as AW2 Logistics Inc (DOT# 345512) based on out Wisconsin.

3. Please provide evidence of minimum of two-years' experience with a licensed household goods carrier or the equivalent as required by 52 Pa. Code §3.381(c)(1)(iii)(A)(II)(-I-).

See Attached Supporting Documentation

4. Describe your facilities, record maintenance plan and your communication network. Please include a description of your physical location, to including office machines that will be utilized, and the facility to house vehicles. As a carrier of household goods in use, applicant should include a description of storage facilities, if applicable. Please include an explanation of your plan to maintain records required by the PUC, as well as normal business records. In regard to your communication network, please explain how you will receive customer requests for transportation, how you will dispatch the vehicles to fulfill the request, and how you will maintain continuous communication with your drivers.

See Attached Supporting Documentation

5. Please state the number of drivers you intend to use or hire in your business and explain why that number of drivers is appropriate for the size of the territory you will be serving. In addition, please explain:
- Your hiring standards for drivers;
 - Your system for conducting criminal background checks;
 - Your driver training program;
 - Your system for conducting driver license checks;
 - Your policies regarding alcohol and drug use by your drivers.

See Attached Supporting Documentation

6. Please state the number of vehicles you plan to use in your business and why that number is appropriate to provide reasonable and efficient service to the territory you will be serving. If you have already obtained vehicles for your business, please list them in the chart below.

YEAR	MAKE	MODEL	SEATING CAPACITY*	VEHICLE ID #	MILEAGE
See	Attached	Supporting	Documentation		

7. Describe your vehicle safety program. Please include the following in your explanation:
- Your periodic vehicle maintenance plan
 - Your system for ensuring your vehicles will continuously comply with applicable Pennsylvania vehicle equipment standards (67 Pa. Code, Chapter 175).

Our vehicles undergo a Bi-Annual DOT Inspection to exceed the FMCSA standards. All vehicles are inspected daily by our drivers. Our vehicles also receive preventative maintenance services quarterly. All maintenance is tracked and maintained in house.

8. Please explain what steps you have taken to determine if you can obtain insurance and pay the required insurance premiums.

Insurance is already obtained as we are partnered with Atlas Van Lines hauling freight in interstate commerce.

9. State whether the applicant has been convicted of a misdemeanor or felony. If applicant is partnership, limited liability partnership, corporation, or limited liability company this question applies to all members, officers, and/or shareholders. If "YES", explain.

YES NO

10. Financial Data. Complete the "Statement of Financial Position", which follows this page. Please feel free to also provide additional information explaining why you believe you have sufficient funds to ensure your transportation business can provide reliable service to the public in a safe manner.

Verification of Statement

The undersigned deposes and says that he/she is authorized to and does make this verification and that the facts set forth therein are true and correct to the best of his/her knowledge, information, and belief.

~~The undersigned understands that false statements herein are made subject to penalties of 18 Pa. C. S. Section 4904 relating to unsworn falsification to authorities.~~



(Signature)

Christopher Yeh Safety Director

(Name and Title, printed or typed)

11/20/24
(Date)

Statement of Financial Position (Balance Sheet)
As of (date) _____
(Must be less than 6 months old)

ASSETS

Current Assets			
Cash		_____	
Other Current Assets (specify)		_____	
Total Current Assets			_____
Tangible Assets			
Motor Vehicle Equipment		_____	
Property (buildings, land, etc.)		_____	
Office Equipment		_____	
TOTAL ASSETS			_____

LIABILITIES

Current Liabilities (Due within one year of date)			
Loans		_____	
Credit cards/revolving credit		_____	
Other Liabilities (Attach schedule)		_____	
Total Current Liabilities			_____
Long Term Liabilities (Due after one year of date)			
Mortgage		_____	
Long term commercial loan		_____	
Other Liabilities (Attach Schedule)		_____	
Total Long-Term Liabilities			_____
TOTAL LIABILITIES			_____

SEE ATTACHED FINANCIALS

Unit No.	Status	Equipment	License Plat	VIN
121504	Active	Trailer	848682	1UYVS2539CP275815
101457	Active	Tractor	3109022	1XKAD49X5DJ362037
101938	Active	Tractor	3109011	1XKYDP9XXHJ153432
99847	Active	Truck	2541369	1FVACWDT4CDBH3930
14749AE	Active	Trailer	821680	5PPV115245A100209
101813	Active	Tractor	2904298	4V4NC9EH1HN969907
101816	Active	Tractor	2904299	4V4NC9EJ1GN949481
101814	Active	Tractor	2904291	1XKYDP9X1HJ150385
101811	Active	Truck	3430475	3HAMMAAL6DL173286
102713	Active	Truck	ZPH3573	5PVNJ8AV4M5T50459
13532AE	Active	Trailer	P80414	1DW1A53276S867205
14315AE	Active	Trailer	P908262	1KKVE53291L205453
15777AE	Active	Trailer	P649390	1DW1A5328HS703304
15776AE	Active	Trailer	P593749	1DW1A5326HS703303
102942	Active	Tractor	3430466	4V4NC9EH2LN254286
14037AE	Active	Trailer	PA26528	1KKVE53297L224111
14422AE	Active	Trailer	P86939	1DW1A53209S119304
16570AE	Active	Trailer	P908263	1KKVA5320AL230155
16571AE	Active	Trailer	P908264	1KKVA5321BL230523
857251 (14438AE)	Active	Trailer	575307	1GRAA06223K248159
857228	Active	Trailer	700213	1GRAA06283K249011
102897	Active	Tractor	3430428	4V4NC9EG2FN165331
101812	Active	Truck	3430455	1FVACWDT4CDBP6508
99270	Active	Truck	2479951	3ALACXDT2GDHK0059
101220	Active	Truck	2904003	1FVACXFC9KHKK9310



11/18/24

PUC,

Question 3:

Our office located at 1941 Paradise Trail East Stroudsburg, PA 18301 is part of Ace World Wide Group of Companies. We have terminals located across the country that haul Household Goods both Interstate and Intrastate for over 20 years. Our Las Vegas terminal runs intrastate under DOT# 2480723. Our Iowa terminal runs under intrastate DOT #2999518. Our Illinois terminal runs under ILCC #64194 for intrastate commerce. Our Wisconsin terminal runs under LC# 36399. Overall, our company runs interstate household goods moves through Atlas Van Lines under DOT# 125550 as a qualified agent for them.

Question 4:

-Our facility is located at 1941 Paradise Trail East Stroudsburg, PA 18301. We have a 32,000 Square foot warehouse space where we house our household vaults and pallet racking. We have one inside dock and 3 normal docks as well as a large bay door. Our facility is tractor trailer accessible. We have the office computers and printers that will be utilized to assist in our local operations. We will receive customer requests for transportation via email, phone, Atlas, and our website. We plan to maintain our records required by the PUC by keeping two years' worth of records in our office for the current year and last year. The previous years will be in file boxes in our warehouse. Dispatch for our vehicles will be computerized via our schedule and the scheduler through Atlas. We will maintain continuous communication with our drivers through our schedule as well as phone calls, emails, text messages, and messaging through our electronic logging devices installed in every vehicle.

Question 5:

Hiring Standards- We follow Atlas Van Lines hiring standards for drivers. See attached Atlas Rule 4.
Background Checks- All Background checks are conducted through Clearstar. Local, State, and Federal.
Training Program- We follow Atlas Van Lines hiring standards for drivers. See attached Atlas Rule 4.
Driver License Checks- All driver's licenses are run through HireRight to verify status and/or violations.
Alcohol/Drug Policy- We follow the FMCSA regulations and Atlas Van Lines Policy. See Attached Rule 4.

Question 7:

- Our vehicles undergo a bi-annual FMCSA Inspection to exceed the FMCSA standards. Dormant units receive an additional inspection before being used on the public roadways. Visual inspections are conducted daily by the operators prior to use. Our Safety Department performs visual inspections of equipment annually. Vehicles are maintained by our repair vendors based on miles driven or elapsed time.

Christopher Yeh
Safety & DOT Director
Ace World Wide Group of Companies
Christopher.yeh@aceworldwide.com
414-570-2248 desk
414-343-9223 cell

ACE WORLD WIDE - EAS 32
BALANCE SHEET
AS OF SEPTEMBER 30, 2024

CURRENT ASSETS

CASH & SPECIAL DEPOSITS	21,562.50
ACCOUNTS RECEIVABLE, NET	412,943.56
RELATED PARTY RECEIVABLES	10,722.12
PREPAID AND OTHER CURRENT ASSETS	8,524.85
TOTAL CURRENT ASSETS	<u>453,753.03</u>

OTHER ASSETS

FIXED ASSETS, NET	208,173.20
INVESTMENT IN JOINT VENTURE	15,000.00
INTANGIBLE ASSETS	97,565.00
TOTAL OTHER ASSETS	<u>320,738.20</u>

TOTAL ASSETS	<u>774,491.23</u>
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LIABILITIES

ACCRUED EXPENSES	60,954.66
LEASE LIABILITY	92,752.00
TOTAL LIABILITIES	<u>153,706.66</u>

4-1 Equipment

4-1-1

Each agent shall register with Atlas the trucks, tractors and trailers that will be used in the service of Atlas (the Registered Equipment) and shall execute and file with Atlas leases of the Registered Equipment on a standard-form lease agreement. Each agent shall provide Atlas with all necessary information for Atlas to maintain a current register of all Registered Equipment and shall advise Atlas of any changes in such information within 10 business days.

4-1-2

Traffic tendered to Atlas will be hauled only on Registered Equipment that is properly leased to Atlas, properly licensed, and properly painted according to Atlas specifications. Traffic tendered to Atlas may not be hauled on equipment not so leased, licensed and identified.

4-1-3

Registered Equipment may not be used by an agent to transport traffic tendered to any other carrier, including any affiliate of an agent.

4-1-4

Each agent shall furnish Atlas with the information necessary to qualify the Registered Equipment for operation in the various states. State qualifications shall be at the agent's expense.

4-1-5

Each agent, at agent's sole expense, shall have the Registered Equipment periodically inspected as follows:

4-1-5-1

An Atlas vehicle inspection report is required to be submitted at the time a vehicle is placed under lease to Atlas and on each April 15 and October 15. Inspections may be performed up to 60 days prior to the April 15 and October 15 due dates.

4-1-5-2

Inspections may be performed only at qualified maintenance facilities that have been approved by Atlas. An agent's shop may be approved to perform Atlas periodic vehicle inspections only if the agent employs at least one certified mechanic and has an on-site maintenance facility capable of making the necessary vehicle repairs in order to be in compliance with 49 CFR, Part 396, Appendix G (Minimum Periodic Inspection Standards).

4-1-5-3

RETRACTED

4-1-5-4

Any vehicle without a current inspection is ineligible to haul Atlas tonnage. The use of a vehicle that does not have a current safety inspection or the submission of a falsified vehicle inspection for any vehicle will result in a \$250 nonrefundable administrative assessment to the agent.

4-1-5-5

Any driver involved in a state or federal equipment compliance inspection must call the Safety Department no later than the end of the next working day and promptly submit to the Safety Department a copy of the inspection report and documentation showing that equipment defects identified in the compliance inspection have been corrected.

4-1-6 Indemnification

Each agent, at agent's sole expense and risk, shall maintain and operate the Registered Equipment and shall hold Atlas harmless against any and all liability for costs or expenses arising out of or related to the operation of the Registered Equipment including repairs, parts, wages of drivers, helpers, loaders or unloaders, fuel, oil, supplies, tolls, vehicle licenses, permits or taxes, vehicle mile taxes, net or gross ton-mile taxes, social security or payroll taxes, and fines or penalties, except when such fine or penalty is caused by an act or omission of Atlas.

4-1-7

Each agent shall be responsible for removing all Atlas trademarks from Registered Equipment that is sold to a non-Atlas agent at the time of such sale. The agent shall be responsible for all costs incurred by Atlas, including legal fees and court costs, in pursuing a third party to remove Atlas trademarks from such equipment if the agent has not removed the marks as required.

4-2 Drivers; Safety Policy

4-2-1 Scope of Requirements

The requirements contained in this policy include, but are not limited by, the U.S. Department of Transportation (*the DOT*) Federal Motor Carrier Safety Regulations at Parts 40, 376 and 382-399 of the U.S. Code of Federal Regulations, which are incorporated by reference (*the DOT Regulations*).

4-2-2 Minimum Requirements

Each agent shall have a minimum of one driver qualified for Atlas service, provided that all drivers performing services on any Atlas shipment shall be qualified. Each agent shall provide Atlas with all necessary information for Atlas to maintain a list of all current drivers qualified for Atlas service on behalf of such agent and shall provide Atlas with any changes in such information within 10 business days.

4-3 Driver Qualification Requirements for New Applicants

4-3-1 General Requirements

All applicants must meet the following general requirements to be qualified for Atlas service:

4-3-1-1

Be at least 21 years of age.

4-3-1-2

Have the following verifiable experience:

1. To be qualified to drive a tractor-trailer solo, an applicant must have:
 - o A minimum of one (1) year of verifiable tractor-trailer driving experience; or
 - o Have completed a Certified Entry Level Driver Training Program AND have logged 5000 verifiable miles and 75 verifiable days driving a tractor trailer in the agent's intrastate service or as a co-driver in Atlas service; orIf the applicant started their licensure process prior to 2/8/2022 and a Certified Entry Level Driving Training program is not required,
 - o Have logged 10,000 verifiable miles AND have 75 verifiable days driving a tractor trailer in the agent's intrastate service or as a co-driver in Atlas Service.
2. To be qualified to drive a straight truck with a gross vehicle weight rating of 26,001 pounds or more an applicant must:
 - o have 90 days of verifiable logged straight truck driving experience; or
 - o Have completed a certified ELDT driver training program AND have 60 days of verifiable logged straight truck driving experience.
3. An applicant not meeting the experience requirements in Rule 4-3-1-2-(1) or 4-3-1-2-(2) will be considered for qualification as a co-driver provided that the applicant meets all other qualification requirements and, if so qualified, will be restricted to driving only when an Atlas-qualified tractor-trailer solo driver is in the vehicle.

4-3-1-3

Be physically qualified to drive a motor vehicle in accordance with Sections 391.41 and 391.43 of the DOT Regulations and have satisfied the drug testing requirements in Section 382.301 and Part 40 of the DOT Regulations and under the Atlas Policy Governing Drug and Alcohol Use and Testing (*the Atlas Policy*).

4-3-1-4

Hold only one currently valid and unrestricted driver's or operator's license (CDL) or permit of the proper class to operate a CMV. The license must be issued by the state of the applicant's primary residence.

4-3-1-5

Successfully complete a driver's road test. (Applies only to a noncommercial driver's license.)

4-3-2 Documents Required for Qualification Consideration

The following documents are required to be forwarded to the Atlas safety department in order to begin the qualification process. It is the policy of Atlas to conduct a thorough pre-qualification investigation utilizing the services of a professional investigative firm. An abstract(s) of the applicant's driving record also will be obtained from each state in which an operator's license has been held. Each applicant also is required to undergo a urinalysis drug screening in conjunction with the pre-qualification DOT physical.

1. Application for qualification (*Form OF201002*);
2. Certificate of compliance (*Form OF103091*);
3. Completed physical examination (*Form DC204002*);
4. Authorization of past drug and alcohol test results (*Form AF109027*);
5. Driver's certification of receipt of alcohol and substance abuse policy and educational materials (*Form AF10902*);
6. Company copy (#4 copy) of completed DOT drug testing custody and control form;
7. Road test and certification of road test (*Form DC218001*) (applied only to a non-CDL license); and
8. Copy of valid operator's license.

4-3-3 Disqualifying Factors-Driving

An applicant whose motor vehicle record contains convictions of the offenses or records of the other prohibited behaviors listed in this Rule 4-3 during the time period specified will not be qualified for Atlas service. Unless otherwise noted, all motor vehicle violations will be considered, regardless of the type of vehicle operated. As used in this Rule 4-3 and in Rule 4-5, "DOT Life" means that an applicant will not be eligible for qualification for life, except that, if the applicant's CDL is reinstated under applicable procedures after a minimum of 10 years, the applicant would be eligible to apply for qualification.

4-3-4 Alcohol-Related Violations

4-3-4-1

An applicant who has been convicted of being under the influence of alcohol as prescribed by State law (an Alcohol Conviction) or has refused to submit to an alcohol test requested by law enforcement (an Enforcement Alcohol Test), both while operating a private vehicle, will not be eligible for qualification for two years from the date of conviction or refusal.

4-3-4-2

An applicant who has an Alcohol Conviction and has refused to submit to an Enforcement Alcohol test, has a second Alcohol Conviction, or has twice refused to submit to an Enforcement Alcohol Test, all while operating a private vehicle and each within five years of the first conviction or refusal (which occurred prior to September 30, 2002), will not be eligible for qualification for five years from the date of the last conviction or refusal.

4-3-4-3

An applicant who has more than two of any combination of Alcohol Convictions or refusals to submit to an Enforcement Alcohol Test, all while operating a private vehicle and all of which occurred prior to September 30, 2002, will not be eligible for qualification for seven years from the date of the last conviction or refusal.

4-3-4-4

An applicant who has an Alcohol Conviction and has refused to submit to an Alcohol Enforcement Test, two Alcohol Convictions or has twice refused to submit to an Enforcement Alcohol Test, all while operating any vehicle after September 30, 2002, will not be eligible for qualification for DOT Life.

4-3-4-5

An applicant who has an Alcohol Conviction, has refused to submit to an Enforcement Alcohol Test or had a blood-alcohol concentration of .04 or greater, all while operating a CMV, will not be eligible for qualification for seven years from the date of conviction, refusal or alcohol test.

4-3-4-6

An applicant who has more than one of any combination of an Alcohol Conviction, refusal to submit to an Enforcement Alcohol Test, or a blood-alcohol concentration of .04 or greater, all while operating a CMV, will not be eligible for qualification for DOT Life.

4-3-4-7

An applicant who has more than one Alcohol Conviction while operating a private vehicle or one Alcohol Conviction while operating a CMV must also provide proof of evaluation by a substance abuse professional (SAP) and satisfactory completion of any rehabilitation program prescribed by SAP.

4-3-5 Drug-Related Violations

4-3-5-1

An applicant who is convicted of being under the influence of a controlled substance (*a Drug Conviction*) or has refused to submit to a drug test requested by law enforcement (*an Enforcement Drug Test*) will not be eligible for qualification for seven years from the date of conviction or refusal.

4-3-5-2

An applicant who has a Drug Conviction and has refused to submit to an Enforcement Drug Test; has a second Drug Conviction or has twice refused to submit to an Enforcement Drug Test will not be eligible for qualification for DOT Life.

4-3-5-3

An applicant who is convicted of illegal transportation of, possession of, or use of any controlled substance while on-duty will not be eligible for qualification for seven years from the date of conviction.

4-3-5-4

An applicant who has a second conviction of illegal transportation of, possession of, or use of any controlled substance while on-duty will not be eligible for qualification for DOT Life.

4-3-5-5

Rules 4-3-9-1 and 4-3-9-2. will apply to an applicant with a conviction for illegal transportation of, possession of, or use of any controlled substance while off-duty.

4-3-6 Other Driving Violations

4-3-6-1

An applicant who is convicted of leaving the scene of an accident will not be eligible for qualification for one year from the date of conviction.

4-3-6-2

An applicant who has a second conviction for leaving the scene of an accident will not be eligible for qualification for DOT Life.

4-3-6-3

An applicant who is convicted of driving a CMV when, as a result of a prior violation or violations committed while driving a CMV, the applicant's CDL has been revoked, suspended or canceled, will not be eligible for qualification for one year from the date of conviction.

4-3-6-4

An applicant who has a second conviction for driving a CMV when, as a result of a prior violation or violations committed while driving a CMV, the applicant's CDL has been revoked, suspended or canceled will not be eligible for qualification for DOT Life.

4-3-6-5

Rule 4-3-9-1 will apply, subject to DOT minimums, if an applicant is convicted of using a vehicle in the commission of a felony, other than those involving manufacturing, distribution or dispensing of a controlled substance.

4-3-6-6

An applicant who is convicted of using a vehicle in the commission of a felony involving manufacturing, distribution or dispensing of a controlled substance will not be eligible for qualification for life.

4-3-6-7

An applicant who is convicted of causing a fatality through the negligent operation of a CMV, including, but not limited to the crimes of vehicular manslaughter, homicide by motor vehicle and negligent homicide, will not be eligible for qualification for seven years from the date of conviction.

4-3-6-8

An applicant who has a second conviction of causing a fatality through the negligent operation of a CMV, including, but not limited to the crimes of vehicular manslaughter, homicide by motor vehicle and negligent homicide, will not be eligible for qualification for DOT Life.

4-3-7 Traffic Violations

As used in this Rule and in Rule 4-5-4, the following are "serious violations":

1. speeding excessively (15 mph or more above the speed limit);
2. driving recklessly, including, but not limited to, offenses of willful or wanton disregard for the safety of persons or property;
3. making improper or erratic traffic lane changes;
4. following vehicle ahead too closely;
5. violating state or local law relating to motor vehicle traffic control (other than parking violations) in connection with a fatal accident;
6. driving a CMV without obtaining a CDL;
7. driving a CMV without a CDL in the driver's possession; and
8. driving a CMV without the proper class CDL and/or endorsements for the specific vehicle group being operated or for passenger type or cargo being transported.

4-3-7-1

An applicant can have no more than three convictions for moving violations in any vehicle within one year preceding application, no more than one of which is for a serious violation in a CMV.

4-3-7-2

An applicant can have no more than four convictions for moving violations in any vehicle in three years preceding application, no more than two of which is for a serious violation in a CMV.

4-3-7-3

An applicant cannot have more than two chargeable accidents (not including any incident on private property unless it is DOT reportable) within three years preceding application.

4-3-7-4

An applicant cannot have any one accident determined by Atlas to be of a serious nature within three years preceding application.

4-3-7-5

An applicant who has a conviction for any railroad-highway grade crossing offense must be DOT qualified in order to be eligible for qualification.

4-3-8 Disqualifying Factors-Non-Driving

4-3-8-1

An applicant who has a pending felony charge, a felony conviction, or has been incarcerated for a felony (including probation and parole violations) in the past seven years will not be eligible for qualification, except that this provision may be waived by the Driver Review Committee for an applicant who has worked continuously for an agent for at least two years. Regardless of when the felony conviction occurred, an applicant who is currently on parole or probation resulting from a felony conviction will be referred to the Driver Review Committee.

4-3-8-2

An applicant who has a misdemeanor conviction or pending misdemeanor charge or is currently on probation for a misdemeanor conviction may be qualified pending optional referral by the Safety Director to the Driver Review Committee.

4-3-8-3

An applicant with six or more months' of employment gap prior to the three-year investigative period will not be eligible for qualification unless the applicant's whereabouts during the period can be verified by a relative.

4-3-8-4

An applicant with a positive alcohol or drug screening test or who refuses to be tested under Atlas' program or refused to be tested under a past or prospective carrier's program will not be eligible for qualification (subject to the provisions of the Atlas Policy).

4-3-9 Limited Qualification

After completion of its review of all materials obtained by it in connection with an applicant for qualification, Atlas may impose whatever restrictions it deems necessary on an applicant, including, but not limited to requiring an applicant to drive only as a co-driver with another Atlas qualified driver or to operate only within certain geographical limits. Such restrictions shall be for such time periods as Atlas determines.

4-4 Local Drivers

4-4-1

Recognizing that local drivers operate under different conditions than over-the-road drivers, Atlas will qualify an individual solely as a local driver if the driver meets the requirements of this Rule 4-4. A local driver is a driver who begins and ends every workday at the driver's home facility and regularly operates within a 100 air-mile radius of the normal work reporting location.

4-4-2

In order to be qualified as a local driver, the applicant must have verifiable driving experience, depending upon the type of vehicle to be operated by the driver.

4-4-2-1

To operate a tractor-trailer, the applicant must have:

One year tractor-trailer driving experience with one or more other carriers; or

1. Six months and 5,000 miles tractor-trailer driving experience in the agent's intra-service or as a co-driver in Atlas' or the agent's service; or
2. Have successfully completed a certified training course and have at least 90 days and 5,000 miles tractor-trailer driving experience in the agent's intra-service or as a co-driver in Atlas or the agent's service.

4-4-2-2

To operate a straight truck over 26,000 pounds GVWR or licensed gross weight, the applicant must have 90 days straight truck driving experience.

4-4-2-3

To operate a vehicle under 26,000 pounds GVWR or licensed gross weight, no commercial driving experience is required.

4-4-3

In order to be qualified as a local driver, the applicant must also:

1. Have a valid and unrestricted driver's license of proper class required to operate the equipment being used;
2. Meet the requirements of Rule 4-3-9-1 with respect to felonies;
3. Meet all DOT requirements (except that an Alcohol Conviction or Drug Conviction in a CMV will cause the driver to be disqualified for seven years) and be subject to Atlas' alcohol and drug testing program; and
4. Complete an application, drug screen, background check, driving record check, physical and other regularly required documents and requirements.

4-4-4

In order to remain qualified as a local driver, the driver must continue to meet all of the qualifications required for a new local driver.

4-4-5

A local driver will be responsible for completing and forwarding to Atlas on a weekly basis a daily Driver's Record of Duty Status (Logs) covering any interstate shipment the driver transports any distance unless all of the following requirements are met:

4-4-5-1

The driver operates within a 100 air-mile radius of the normal work reporting location;

4-4-5-2

The driver returns to the work reporting location and is released from work within 12 consecutive hours;

4-4-5-3

The driver has at least eight consecutive hours off duty between each 12 hours on duty;

4-4-5-4

The driver does not exceed 10 hours maximum driving time following eight consecutive hours off duty; and

4-4-5-5

The agent that employs the driver, acting on Atlas' behalf, maintains and retains for a period of six months accurate and true time records showing:

1. The time the driver reports for duty each day;
2. The total number of hours the driver is on duty each day;
3. The time the driver is released from duty each day; and
4. The total time for the preceding seven days in accordance with DOT regulation §395.8(j)(2) for drivers used for the first time or intermittently. (Atlas Form A.F. 104008 meets this requirement.)

4-4-6

The 100 air-mile exemption applies only to the completion of Logs. A local driver is still required to perform a daily pre-trip vehicle inspection (§396.13) and a written post-trip vehicle inspection (§396.11). The agent must retain the original written post-trip vehicle inspection and certification of repairs covering any defects noted for a period of three months.

4-4-7

A local driver may be suspended for failure to complete and forward Logs or if the agent fails to maintain the information required by Rule 4-4-5-5 (if the time card exception applies) or Rule 4-4-6.

4-4-8

A fine of \$1,000 may be imposed if an individual qualified only as a local driver is used other than as a local driver.

4-5 Requirements for Qualified Drivers

4-5-1 Driver Compliance Items

The following items must be maintained on a current basis in the Safety Department in order for a driver, including a local driver, to remain qualified for Atlas service. A "courtesy notice" will be sent to each agent approximately 30 days prior to the expiration date.

4-5-1-1 Physical Examination

A complete DOT physical examination form (required every 24 months or more frequently as designated by the physician).

4-5-1-2 Certification of Violations

An annual certification of violations, listing all traffic convictions and forfeitures in both personal and commercial motor vehicles during the previous 12 months.

4-5-1-3 Operator's License

A copy of a valid operator's license for the type of vehicle to be operated. Should state law prohibit copying of the license, a handwritten facsimile will be accepted.

4-5-2 Drug and Alcohol Use and Testing

To remain qualified, all drivers, including local drivers, are subject to the provisions of Atlas' Policy.

4-5-3 Driver Record of Duty Status (Logs)

DOT regulations require each driver in Atlas service to record duty status for each 24-hour period. Duty status reports must be forwarded to Atlas Safety Department at least once each week. All duty status reports will be audited by Atlas to ensure compliance with the DOT Regulations on hours-of-service. Drivers will be notified of all violations, and points will be assessed in accordance with the safety violation point system.

4-5-4 Driving Violations

"Serious violations" are as defined in Rule 4-3-8. The provisions of this Rule apply to qualified drivers, except that, if there is a DOT provision to the contrary, the minimum DOT requirements will apply to local drivers.

4-5-4-1

A driver who is convicted of three moving violations in any vehicle within one year, no more than one of which is for a serious violation in a CMV, will be suspended for a period of 15 days.

4-5-4-2

A driver who has been convicted of two serious violations in a CMV within three years will be immediately suspended for a minimum of 60 days. A driver who has been convicted of two serious violations in a non-CMV within three years will be immediately suspended for 60 days if the conviction results in the revocation, cancellation or suspension of the driver's CDL or non-CMV driving privileges.

4-5-4-3

A driver who has been convicted of three serious violations within three years in a CMV will be immediately suspended for a minimum of 120 days. A driver who has been convicted of three serious violations in a non-CMV within three years will be immediately suspended for 120 days if the conviction results in the revocation, cancellation or suspension of the driver's CDL or non-CMV driving privileges.

4-5-4-4

A driver who has been convicted of more than three moving violations in one year or more than five in three years will be disqualified. The driver can reapply once his/her MVR meets Atlas standards.

4-5-4-5

A driver with more than two accidents (not including disqualification) within a period of three years may be referred to the Driver Review Committee for action up to and including disqualification.

4-5-4-6

A driver who has any one accident determined by Atlas to be of a serious nature may be referred to the Driver Review Committee for action up to and including disqualification.

4-5-4-7

A driver who is convicted of any railroad-highway grade crossing offense will be suspended for the period of the DOT disqualification.

4-5-5 Suspended Licenses

4-5-5-1

A driver whose driver's license, permit or privilege to operate a motor vehicle has been revoked, suspended, withdrawn or restricted is immediately suspended. The driver must notify the safety department of the revocation, suspension, withdrawal or restriction before the end of the business day following the day notice of the revocation, suspension, withdrawal or restriction is received.

4-5-5-2

A driver whose license has been revoked, suspended or withdrawn and who has complied with Rule 4-5-5-1 will be suspended until the driver's operator's license is restored by the authority that revoked it. Atlas may also disqualify the driver for Atlas service after the suspension period.

4-5-5-3

A driver whose license has been restricted or conditioned in any way and who has complied with Rule 4-5-5-1 will be referred to the Driver Review Committee and may be suspended or disqualified from Atlas service.

4-5-5-4

A driver who fails to comply with the notice requirement in Rule 4-5-5-1 and continues to operate a motor vehicle will be suspended for up to 90 days in addition to the suspension period issued by the state, or up to 30 days in addition to the period of time the license was restricted or conditioned. Atlas may also suspend or disqualify the driver for Atlas service.

4-5-6 Alcohol-Related Violations

Unless otherwise noted, all motor vehicle violations will be considered, regardless of the type of vehicle operated. These provisions apply to all drivers, including local drivers.

4-5-6-1

A driver who has an Alcohol Conviction or has refused to submit to an Enforcement Alcohol Test, both while operating a private vehicle, will be disqualified for one year from the date of conviction or refusal.

4-5-6-2

A driver who has an Alcohol Conviction and has refused to submit to an Enforcement Alcohol Test, has a second Alcohol Conviction or has twice refused to submit to an Enforcement Alcohol Test, all while operating a private vehicle and within five years of the first conviction or refusal (which occurred prior to 9/30/2002), will be disqualified for five years from the date of the second conviction or refusal.

4-5-6-3

A driver who has an Alcohol Conviction and refuses to submit to an Enforcement Alcohol Test, has a second Alcohol Conviction or has twice refused to submit to an Enforcement Alcohol Test, all while operating any vehicle after 9/30/2002, will be disqualified for DOT Life.

4-5-6-4

A driver who has an Alcohol Conviction, has refused to submit to an Enforcement Alcohol Test, or had a blood-alcohol concentration of .04 or greater, all while operating a CMV, will be disqualified for seven years from the date of conviction, refusal or alcohol-test.

4-5-6-5

A driver who has any combination of more than one Alcohol Conviction, refusal to submit to an Enforcement Alcohol Test or had a blood-alcohol concentration of .04 or greater, all while operating a CMV, will be disqualified for DOT Life.

4-5-6-6

A driver who is charged with any violation that, upon conviction, would result in the driver being disqualified under this Rule 4-5-6 will be immediately suspended upon charge and may be reinstated only when the charge is resolved without a conviction for a disqualifying offense.

4-5-6-7

A driver who is charged with illegal transportation of or who is discovered by a state or DOT inspection to be in possession of alcohol in an unopened container will be suspended for a period of 30 days from the date of the charge or inspection. No additional action will be taken upon conviction.

4-5-6-8

A driver who is charged with illegal transportation of or who is discovered by a state or DOT inspection to be in possession of alcohol in an open container will be suspended for a period of 90 days from the date of the charge or inspection. No additional action will be taken upon conviction.

4-5-6-9

A driver convicted of more than one alcohol-related offense while driving a private vehicle or one alcohol-related offense while driving a CMV must also provide proof of evaluation by a substance abuse professional (SAP) and satisfactory completion of any rehabilitation program prescribed by the SAP.

4-5-7 Drug-Related Violations

These provisions apply to all qualified drivers, including local drivers.

4-5-7-1

A driver who has a Drug Conviction or refuses to submit to an Enforcement Drug Test will be disqualified for seven years from the date of conviction or refusal.

4-5-7-2

A driver who has a Drug Conviction and has refused to submit to a Drug Enforcement Test, a second Drug Conviction or has twice refused to submit to an Enforcement Drug Test will be disqualified for DOT Life.

4-5-7-3

A driver who is convicted of illegal transportation of, possession of, or use of any controlled substance while on-duty will be disqualified for seven years from the date of conviction.

4-5-7-4

A driver who has a second conviction of illegal transportation of, possession of, or use of any controlled substance while on-duty will be disqualified for DOT Life.

4-5-7-5

If a driver has a conviction for illegal transportation of, possession of, or use of any controlled substance while off-duty, Rules 4-5-9-1 and 4-5-9-2 will apply.

4-5-7-6

A driver who is charged with any violation that, upon conviction, would result in the driver being disqualified under this Rule 4-5-7 will be immediately suspended upon charge and may be reinstated only when the charge is resolved without a conviction for a disqualifying offense.

4-5-8 Other Driving Violations

These provisions apply to all drivers, including local drivers.

4-5-8-1

A driver who is convicted of leaving the scene of an accident will be disqualified for one year from the date of conviction.

4-5-8-2

A driver who is convicted a second time of leaving the scene of an accident will be disqualified for DOT Life.

4-5-8-3

A driver who is convicted of driving a CMV when, as a result of a prior violation or violations committed while driving a CMV, the driver's CDL has been revoked, suspended or canceled, will be disqualified for one year from the date of conviction.

4-5-8-4

A driver who has a second conviction for driving a CMV when, as a result of a prior violation or violations committed while driving a CMV, the driver's CDL has been revoked, suspended or canceled, will be disqualified for DOT Life.

4-5-8-5

If a driver is charged with or convicted of using a vehicle in the commission of a felony, other than those involving manufacturing, distribution or dispensing of a controlled substance, then Rules 4-5-9-1 and 4-5-9-2 will apply (subject to DOT minimums).

4-5-8-6

A driver who is convicted of using a vehicle in the commission of a felony involving manufacturing, distribution or dispensing of a controlled substance will be disqualified for life.

4-5-8-7

A driver who is convicted of causing a fatality through the negligent operation of a CMV, including, but not limited to the crimes of vehicular manslaughter, homicide by motor vehicle and negligent homicide will be disqualified for seven years from the date of conviction.

4-5-8-8

A driver who has a second conviction of causing a fatality through the negligent operation of a CMV, including, but not limited to the crimes of vehicular manslaughter, homicide by motor vehicle and negligent homicide will be disqualified for DOT Life.

4-5-8-9

A driver who is charged with any violation that, upon conviction, is resolved without a conviction for a disqualifying offense.

4-5-9 Disqualifying Factors--Non-Driving

The following provisions apply to all qualified drivers, including local drivers.

4-5-9-1

A driver who is charged with a felony will be immediately suspended and referred to the Driver Review Committee. Upon conviction, the driver will be disqualified. The driver may reapply subject to Rule 4-3-9-1.

4-5-9-2

A driver who has a misdemeanor conviction or pending misdemeanor charge may be disqualified pending optional referral by the Safety Director to the Driver Review Committee for action up to and including disqualification.

4-5-9-3

A driver who fails to provide notice to Atlas of any matter that would involve an automatic suspension will be referred to the Driver Review Committee for action up to and including disqualification.

4-5-9-4

A driver who has been determined by the Driver Review Committee to otherwise pose a safety risk, not meet Atlas quality standards, has consistently failed to follow Atlas rules or the law, or otherwise, in the Driver Review Committee's discretion does not deserve to be qualified will be subject to action up to and including disqualification.

4-6 Additional Provisions Relating to Drivers

4-6-1 Policy Governing Drug and Alcohol Use and Testing

Atlas' Policy is attached as Appendix A and is fully incorporated into the Rules.

4-6-2 Passengers

DOT Regulations and Atlas strictly prohibit unauthorized passengers on any vehicle operating in Atlas service. A rider/helper authorization must be issued by the safety department prior to any passenger being transported. Each rider/helper will be subject to a criminal background check under Rule 2-3-8 prior to the rider/helper authorization being issued. Casual laborers (i.e. individuals who are hired for a single shipment) who have been background checked under Rule 2-3-8 may be transported to or from the job site only without a separate authorization. Under no circumstances is anyone less than 18 years of age allowed on a unit in Atlas service.

4-6-3 Hazmat Requirements

To the extent that the DOT regulations with respect to a driver that is transporting or will transport shipments including hazardous materials impose stricter or additional requirements than the provisions set out in these Rules, then those regulations shall apply to such driver.

4-6-4 Accident Reporting

4-6-4-1

All crashes, accidents, incidents, van fires, and property damage that occur under Atlas authority, in an Atlas-branded vehicle, or an Atlas-plated vehicle must be reported to the Atlas Safety Department within five hours of the accident. When possible, reports are to be made by the driver from the scene of the accident.

All accidents must be reported by calling 812-492-4900.

4-6-4-2

Failure to report an accident that only involves property damage:

1. First offense – training will be assigned by Atlas Safety.
2. Second offense – the driver will be suspended for seven days.
3. Third and subsequent offenses – the driver will be suspended and referred to the VORC for review. If the review results in the driver being disqualified, he/she will not be eligible for qualification for one year from the date of the suspension.

4-6-4-3

Failure to report an accident that involves a fatality, injury, vehicle being towed, or the driver receiving a citation will result in:

1. First offense – the driver will be suspended for 14 days, and training on the accident reporting Rule will be assigned by the Atlas Safety Department.
2. Second and subsequent offenses – the driver will be suspended and referred to the VORC for review. If the review results in the driver being disqualified, he/she will not be eligible for qualification for one year from the date of the suspension.

4-6-5 State/Federal Compliance Inspections

State and Federal Roadside DOT Inspections must be turned into Atlas Safety along with all required back-up documentation needed to clear the inspection. If such documentation is not received by Atlas Safety within 14 days of the inspection, the driver will be suspended until the inspection and required documents are received. If proof of repair is needed, a passed periodic inspection dated after the roadside inspection may be used to clear equipment violations.

4-6-6 Safe Driver Award Program

Atlas recognizes the important contribution of its drivers in the area of highway safety on an ongoing basis by providing a safe driver award program. All drivers operating in Atlas service are eligible to participate in the program. Safe driver awards are presented based upon the number of miles a driver accumulates in Atlas service without a chargeable accident. Awards are presented at each 50,000-mile increment, beginning with 100,000 miles of safe driving. If a chargeable accident occurs prior to attaining 100,000 miles, the driver must begin a new mileage record. After attaining 100,000 miles, the driver will lose 25,000 award miles if an accident occurs. The awards under this program shall be as established by Atlas from time to time.

4-7 Safety Training

4-7-1

Behavior-based training will be assigned to any driver:

1. At the risk level defined by Atlas
2. Upon the receipt of targeted Compliance, Safety, Accountability (CSA) Violations
3. Upon receipt of a roadside inspection with 10 or more CSA points in any one basic
4. Out-of-Service violations
5. After receipt of a moving violation
6. Post Accident
7. As otherwise required by the Rules

4-7-1-1

The first-time training is assigned, it must be completed within 14 days of assignment, with the exception of post-accident training, which must be completed in 72 hours, or the driver will be suspended until the training is completed.

4-7-1-2

If the driver commits a second offense in a rolling 12-month period for the same infraction that resulted in the previous training being assigned:

1. Counseling by the Atlas Safety Department will be required.
2. Additional training will be assigned.
3. If the additional training is not completed within 14 days (72 hours for post-accident training) of assignment, the driver will be suspended until the training is completed.

4-7-1-3

If the driver commits a third offense in a rolling 12-month period for the same infraction that resulted in previous training being assigned:

1. The driver will be suspended for 14 days.
2. Counseling and training will be assigned by the Atlas Safety Department, and both must be completed prior to the suspension being lifted.

4-7-1-4

If the driver commits a fourth or subsequent offense in a rolling 12-month period for the same infraction that resulted in previous training being assigned, the driver will be suspended and presented to the VORC for review. If the driver is disqualified, he/she will not be eligible for qualification for one year from the date of the suspension.

4-7-2 Periodic Training

If any periodic training is not completed within 60 days of assignment, the driver will be suspended until the training is completed.

4-7-3 Van Line Level Orientation Program

Modules will be assigned when the driver is qualified. Orientation training is to be completed within 30 days of the qualification date. If Orientation training is not completed within 30 days of assignment, the driver will be suspended until the training is completed.

4-8 Driver-Related Agent and Owner-Operator Penalties

4-8-1

Agent use of a suspended or unqualified van operator will result in:

4-8-1-1

First offense - \$2,500 fine, and agent must complete training concerning the driver qualification requirements within 14 days of assignment by Atlas Safety.

4-8-1-2

Second and subsequent offenses - \$5,000 fine and the agent will be subject to review by the Atlas Agency Development Department

4-8-2 Missing/Late Logs

4-8-2-1

Any driver utilizing paper logs with missing logs more than 21 days from the date of the log will be suspended until his or her logs are current, and the assigned training is completed. Training will be waived if the driver is out of service for more than 21 days and all missing logs are tied to the out of service period.

4-8-2-2

Any driver utilizing electronic logs, Atlas safety will contact the Agent to address the following information with their drivers:

1. Unassigned Driver time
2. Incomplete logs
3. Missing DVIRS
4. Misuse of PC
5. Improper Authority

4-8-2-3

If Atlas Safety has not received the required information in seven days, they will contact the agent a second time.

4-8-2-4

If Atlas Safety has not received the information in 14 days the original request, the driver will be suspended until the information is received.

4-8-3

The submission or transmittal by an agent or owner-operator under contract with Atlas of a log for any driver when that agent or owner-operator knows, has reason to know or should know that the log was not prepared or signed by the driver whose log it purports to be or the log represents that a driver transported a particular shipment when that driver did not, in fact, transport that shipment, will result in a nonrefundable administrative charge to the agent or owner-operator of \$100 per log.

4-8-4

The use by an owner-operator under contract with Atlas of any unqualified, unauthorized, or suspended driver:

4-8-4-1

First offense – the owner-operator will be suspended for 15 days and assigned training that must be completed prior to the suspension being lifted.

4-8-4-2

Second and subsequent offenses – the owner-operator will be suspended and referred to the VORC for review. If the owner-operator is disqualified, he or she will not be eligible for qualification for one year from the date of the suspension.

4-8-5

The use by an agent or owner-operator under contract with Atlas of any driver who was temporarily qualified with Atlas within the prior 30 days, but the temporary qualification has expired, provided that the driver is DOT qualified, will result in a nonrefundable administrative charge to the agent or owner-operator of \$250 per shipment for each shipment on which the driver was used.

4-8-5-1

Violation or citation for not wearing a seatbelt

1. First offense - \$250 fine and completion of the assigned training.
2. Second offense in a rolling three-year period - \$1,000 fine and completion of assigned training.
3. Third and subsequent offenses in a rolling three-year period – The driver will be suspended and referred to the VORC for review. If the review results in the driver being disqualified, he/she will not be eligible for qualification for one year from the date of the suspension.

4-8-5-2

Convictions of or violations for any of the serious violation listed in 4-3-7 will result in the following:

1. First conviction or violation will result in a \$500 fine.
2. Second conviction or violation (in any combination) in a 3-year period will result in a 60 day suspension.
3. Third conviction or violation (in any combination) in a rolling 3-year period will result in a 120-day suspension. Further, the driver will be disqualified and not considered for qualification for one year from the date of the last conviction.

4-8-6

A driver operating a vehicle under Atlas authority that violates an out-of-service order will result in:

4-8-6-1

First offense - \$500 fine and a 30-day suspension

4-8-6-2

Second and subsequent offenses – the driver will be suspended and referred to the VORC for review. If the review results in the driver being disqualified, he/she will not be eligible for qualification for one year from the date of the suspension.

4-8-7

The use by an agent or owner-operator under contract with Atlas of any driver who has failed a drug screen, whether while Atlas-qualified or not, or of any driver who has never been qualified by Atlas, will result in a nonrefundable administrative charge to the agent or owner-operator of \$5,000 per shipment for each shipment on which the driver is used. If the driver is involved in any chargeable accident, the agent or owner-operator may be debited all monies expended by Atlas for cargo, vehicular or property damage.

4-8-7-1

A driver operating a vehicle under Atlas authority while suspended for non-regulatory/legal reasons (e.g., non-compliance with Atlas Rules not involving DOT compliance) will result in:

1. First offense - \$250 fine.
2. Second offense - \$1,000 fine and the driver will be suspended for 30 days.
3. Third and subsequent offenses – the driver will be suspended and referred to the VORC for review. If the review results in the driver being disqualified, he/she will not be eligible for qualification for one year from the date of the suspension.

4-8-7-2

A driver operating a vehicle under Atlas authority while suspended for regulatory/legal reasons (e.g., DOT compliance) Will result in:

1. First offense - \$500 fine and the completion of assigned training
2. Second offense and subsequent offenses – the driver being suspended and referred to the VORC for review. If the review results in the driver being disqualified, he/she will not be eligible for qualification for one year from the date of the suspension.

4-8-8

The use of another driver's name or code

4-8-8-1

The use of another driver's name and/or code number will result in:

1. First Offense - \$500 fine and a 30-day suspension
2. Second and subsequent offenses – the driver will be suspended and referred to the VORC for review. If the review results in the driver being disqualified, he/she will not be eligible for qualification for one year from the date of suspension.

4-8-8-2

Allowing another driver either qualified or unqualified to use your name and/or code number will result in :

1. First Offense - \$500 fine and a 30-day suspension
2. Second and subsequent offenses – the driver will be suspended and referred to the VORC for review. If the review results in the driver being disqualified, he/she will not be eligible for qualification for one year from the date of suspension.

4-8-8-3

The use by an agent of a qualified driver's name and/or code number to dispatch an unqualified driver will result in:

1. First offense - \$5,000 fine
2. Second offense – 10,000 fine
3. Third and subsequent offenses - \$10,000 fine and the agent will be subject to review by the Atlas Agency Development Department.

4-8-9 Vehicle Maintenance Violations

A \$40 non-refundable administrative charge will be assessed against an agent or owner-operator under contract with Atlas for each brake, lighting, or tire related violation (up to a maximum of \$200 per inspection report) recorded during a roadside inspection involving a vehicle being operated by a van operator/driver for the agent or owner-operator. Vehicles determined by Atlas to have on-going maintenance inspection issues will be removed from Atlas service.

4-8-9-1

Actions to be taken with the agent:

1. First offense - \$5,000 fine to the hauling agent. The fine may be deferred with the submission and acceptance of a written, detailed plan to prevent future incidents.
2. Second offense within 18 months of the first incident - \$10,000 fine to the hauling agent. \$5,000 fine if the first fine to the hauling agent was deferred.
3. Third offense within 18 months of the first incident - \$25,000 fine to the hauling agent. The agent will be subject to review by the Atlas Agency Development Department.

4-8-9-2

Actions to be taken with the Non-CDL driver:

1. First offense – the driver must complete weight compliance training within 14 days. Failure to complete the training in 14 days will result in suspension until the training is completed.
2. Second offense – the driver will be suspended for 30 days and must complete assigned training prior to returning to duty.
3. Third offense and subsequent offenses – the driver will be suspended and referred to the VORC for review.

4-8-9-3

For multi-location agents, the actions due to a violation will be enforced at the branch level and not at the parent agent level.

4-8-10

These penalties are not exclusive.

4-9 Cameras

4-9-1

Atlas qualified power units are required to have an outward, forward, facing camera that is part of the Atlas Safety Program.

4-9-2

Any unit new to the fleet must have a camera installed to be qualified.

4-9-3

Tampering – Intentionally covering up, disconnecting, repositioning, or damaging the camera, or its components to prevent the device from functioning as intended will result in:

4-9-3-1

First offense – Training will be assigned to the driver by the Atlas Safety Department.

4-9-3-2

Second offense - \$1,000 fine will be assessed, and the driver will be suspended for 14 days. Training must be completed prior to the driver returning to the fleet.

4-9-3-3

Third and subsequent offenses – the driver will be suspended and referred to the VORC for review. If the review results in the driver being disqualified, he/she will not be eligible for qualification for one year from the date of the suspension.

4-9-4

If the camera or gateway is damaged, lost, stolen, or malfunctions, this must be corrected as follows:

4-9-4-1

If a Samsara camera/ELD unit is being used, it must be fixed or replaced within eight days to meet the ELD requirements found in 49 CFR 395.8(a)(1)(iii)(A)(1).

4-9-4-2

If a camera-only unit is being used, notify Atlas Safety of the plan to fix or replace the unit. All units are to be fixed or replaced within 14 days.

4-9-4-3

Failure to fix or replace the camera or gateway in accordance with the foregoing will result in the suspension of the unit until it meets the camera/ELD requirements.

4-9-5

Falsification (Driver) – Misrepresentation of camera data or misidentification of the driver that was operating the unit will result in:

4-9-5-1

First offense – \$1,000 fine (assessed against an agent or owner-operator under contract with Atlas, as applicable) and mandatory driver counselling by Atlas Safety.

4-9-5-2

Second offense – \$2,500 fine (assessed against an agent or owner-operator under contract with Atlas, as applicable) and the driver will be suspended for 14 days. The driver will also be required to complete counselling prior to returning to service.

4-9-5-3

Third and subsequent offenses – the driver will be Suspended and forwarded to the VORC for review. If the review results in the driver being disqualified, he/she will not be eligible for qualification for one year from the date of the offense.

4-9-6

Falsification (Agent) – Misrepresentation of camera data or misidentification of the driver that was operating the unit will result in:

4-9-6-1

First offense - \$1,000 fine.

4-9-6-2

Second offense – \$2,500 fine.

4-9-6-3

Third and subsequent offenses - \$5,000 fine and the agent will be subject to review by the Atlas Agency Development Department.

4-9-7

If required to service a customer, cameras may be covered while entering a secure area that prohibits any photography and/or recording devices (e.g., military or government installations, foreign trade zones, private property that prohibits the use of recording devices).

4-9-7-1

If a camera is required to be covered, the driver must log the time and location on his or her record of duty.

4-9-7-2

The covering must be removed once the requirement is no longer required.

4-10 Driver Review Committee

4-10-1

The driver review committee, which shall be made up of such Atlas and/or agent personnel as Atlas may from time to time determine, shall have the power and authority to:

4-10-1-1

Review the qualifications of any driver applicant or current driver to determine if he or she meets the requirements of these rules.

4-10-1-2

Make exceptions to the qualification requirements in Rules 4-3, 4-4 and 4-5, including requiring more, different or lesser qualifications, when the committee determines that it is in the best interest of Atlas to make such exceptions and that the exceptions will not significantly affect the safety of the public, provided that no exception may be made to any requirement imposed by the DOT Regulations.

4-10-1-3

Make determinations on appropriate action to be taken with respect to any matter involving a driver, including deciding on appropriate penalties, suspensions and disqualifications from Atlas service and imposing more, different or lesser penalties against drivers or agents than these rules provide depending upon the particular circumstances.

4-10-1-4

Review the decisions of the safety department with respect to driver qualifications and actions involving drivers.

4-10-1-5

An agent for a driver employed by or under lease with that agent or a driver under direct lease to Atlas may request that the driver review committee review any issue within its power and authority by written request to the Director of Safety.

4-10-6

If Atlas has reason to believe that one or more owner-operators are not being paid by an agent, Atlas can pay the owner-operators of that agent directly from any revenue that would be due to the agent and charge the agent a processing fee equal to one percent of the total revenue distributed. This process will continue in effect until the agent is able to show Atlas, to its sole satisfaction, that the agent is financially and operationally able to pay owner-operators as required.

4-11 Owner-Operator Agreements and Requirements

4-11-1

As an interstate motor carrier, Atlas is responsible for ensuring compliance by its agents with the applicable federal regulations on the use of equipment leased from third parties with drivers, including the numerous owner-operators used by Atlas agents. For those agents utilizing the services of owner-operators, Atlas makes available a Contractor Agreement. All agents must use either the Atlas form agreement or a similar agreement that has been submitted to the Atlas Compliance Officer and approved for compliance with the regulations. No owner-operator may operate for Atlas unless a signed agreement meeting the requirements of the regulations is in place.

4-11-2

An agent must keep a current copy of each owner-operator's current signed contractor agreement on file with the Atlas Compliance Officer and must submit agreements for new owner-operators within 30 days of the agreement becoming effective. If the form of agreement used by the agent requires that it be renewed, the agent must submit a copy of the owner-operator's renewed agreement no later than 30 days after the termination of the prior agreement.

4-11-3

Failure to submit and/or maintain a copy of an owner-operator's current completed agreement as required by this Rule may result in the owner-operator's qualification being suspended until such time as the completed agreement is received.

4-11-4

An agent will be held responsible for any costs incurred by Atlas in administering the agent's compliance with government regulations pertaining to the terms of the owner-operator agreement.

4-11-5

If an owner-operator claims that he or she has not been paid in accordance with the requirements of the DOT regulations and/or the owner-operator's contractor agreement, Atlas can immediately withhold the amount claimed from other amounts due to the agent pending resolution of the payment issue and subject to receipt by Atlas of information on the shipments at issue and Atlas' review of the amount claimed. If the amount claimed by the owner-operator is determined by Atlas to be due, Atlas may pay the amounts withheld to the owner-operator.

Part 5: Insurance

5-1 Public Liability and Property Damage Insurance: Atlas Service

5-1-1

Agent, at agent's sole expense, shall maintain public liability and property damage insurance with respect to all operations of the Registered Equipment in Atlas' service. The minimum requirement for this insurance is \$20 million, consisting of at least \$1 million primary (in a single layer) combined single-limit automobile and comprehensive general liability coverage and comparable excess coverage for the remaining amount.

5-1-2

Agent may obtain all or portions of the required insurance coverage through Atlas' master insurance plan (the "Plan"). If agent elects this option, the then current premium for the desired coverage under the Plan, which is based on distributable linehaul revenue, will be deducted from the agent's settlements on a per shipment basis, provided that an agent selecting this option will be required to pay a minimum annual premium.

5-1-3

Agent may obtain all or portions of the required insurance coverage through an insurance company approved by Atlas. The minimum amount of primary coverage that can be obtained through an approved insurance company is \$1 million. Excess coverage obtained through an approved insurance company must have limits that match one of the coverage options available under the Plan. Agent shall certify any coverage obtained from an approved insurance company by delivering to Atlas the Atlas form certificate of insurance executed by such insurance company. If agent does not provide a proper certificate of insurance from an approved insurance company to Atlas within the time limits set out by Atlas and of which agent has been given notice, agent will be automatically placed under the Plan for the required coverage and premiums will be assessed for the time coverage is provided under the Plan. If, within 60 days after Atlas first assesses premiums under the preceding sentence, agent provides the required certificate of insurance to Atlas showing that the proper coverage was in place during the time period for which Atlas has assessed premiums, Atlas will refund to the agent any premiums assessed during such 60-day period. In no event will more than 60 days of premiums be refunded. If no proper certificate of insurance is provided during such 60-day period, all premiums assessed will be nonrefundable.

5-2 Agent's Operations

5-2-1

Agent, at agent's sole expense, shall maintain public liability and property damage insurance with respect to agent's local and intrastate operations. The minimum requirement for this insurance is \$1 million combined single-limit automobile and comprehensive general liability coverage, unless a greater limit is required by the state or states in which the agent conducts operations, in which case the state limits shall apply. This insurance coverage and the insurance carrier shall be subject to Atlas' approval in all respects and Atlas shall be named as an additional insured on this policy. This coverage must include contractual indemnification language insuring agent's obligation, as set forth in the Agency Agreement, to indemnify Atlas for matters arising out of the agent's own business.

5-2-2

Agent shall also maintain statutory workers' compensation, all-risk legal liability, cargo and warehouse insurance for agent's local and intrastate operations, except that occupational accident coverage will be accepted in lieu of workers' compensation coverage for the agent's local and intrastate operations in any state in which workers' compensation coverage is not required by law.

5-3 Non-Trucking Coverage

5-3-1

Agent, at agent's sole expense, shall maintain non-trucking liability insurance coverage on all tractors leased to Atlas with a minimum limit of \$1 million combined single limit.

5-3-2

Non-trucking liability coverage is included in the Plan for agents participating in it and is not required to be provided separately. An agent who is not a participant in the Plan for automobile and comprehensive general liability coverage may obtain the required non-trucking liability coverage through the Plan at the established premium for such coverage. An agent may also obtain such coverage through an insurance company approved by Atlas, provided that agent shall certify such coverage by delivering to Atlas the Atlas form insurance certificate executed by agent's insurance company.

5-4 Workers' Compensation

5-4-1

Agent, at agent's sole expense, shall maintain workers' compensation and employer's liability insurance with an insurance company approved by Atlas covering agent's employees while engaged in the service of Atlas, except that occupational accident coverage will be accepted in lieu of workers' compensation coverage in any state in which workers' compensation coverage is not required by law. This insurance shall contain the "all states" endorsement.

5-4-2

Agent may obtain this coverage through Atlas' master workers' compensation insurance plan (the Work Comp Plan). If agent elects this option, the then current premium for such coverage will be deducted from agent's settlements. An agent may also obtain such coverage through an insurance company approved by Atlas, provided that agent shall certify such coverage by delivering to Atlas the Atlas form insurance certificate executed by agent's insurance company.

5-4-3

Agent may elect to obtain the required insurance coverage through an insurance company approved by Atlas. Agent shall certify such insurance coverage by delivering to Atlas its form certificate of insurance executed by agent's insurance company. Atlas' form certificate of insurance certifies that the "all states" endorsement applies. If agent does not provide Atlas with a proper certificate of insurance, including the "all states" endorsement from an approved insurance company within the time periods set by Atlas and of which agent has been given notice, agent will be automatically placed under the Work Comp Plan and premiums will be assessed for the time coverage is provided under the Work Comp Plan. If, within 60 days after Atlas first assesses premiums under the preceding sentence, agent provides the required certificate of insurance to Atlas showing that the proper coverage was in place during the time period for which Atlas has assessed premiums, Atlas will refund to the agent any premiums assessed during such 60-day period. In no event will more than 60 days of premiums be refunded. If no proper certificate of insurance is provided during such 60-day period, all premiums assessed will be nonrefundable.

5-4-4

Agent shall require each of its independent contractors to obtain and maintain workers' compensation insurance coverage for the contractor and any co-drivers or casual laborers through an insurance company approved by Atlas. Agent shall certify such insurance coverage by delivering to Atlas its form certificate of insurance executed by agent's or the independent contractor's insurance company. If the agent does not provide Atlas with a proper certificate of insurance, including the "all states" endorsement, from an approved insurance company for the agent's independent contractors within the time periods set by Atlas and of which agent has been given notice, agent will be automatically placed under the Work Comp Plan and premiums will be assessed for the time coverage is provided under the Work Comp Plan. If, within 60 days after Atlas first assesses premiums under the preceding sentence, agent provides the required certificate of insurance to Atlas showing that the proper coverage was in place during the time period for which Atlas has assessed premiums, Atlas will refund to the agent any premiums assessed during such 60-day period. In no event will more than 60 days of premiums be refunded. If no proper certificate of insurance is provided during such 60-day period, all premiums assessed will be nonrefundable.

5-4-5

If agent's independent contractor is eligible and elects to enroll in Occupational Accident coverage for himself/co-driver in lieu of the workers' compensation insurance coverage outlined in 5-4-4, occupational accident coverage is acceptable provided that such coverage meets the following requirements:

- 1) Combined Single Limit: \$3,000,000 without an aggregate
- 2) Medical Benefit \$3,000,000
- 3) Temporary Total Disability
 - a) Benefit period of at least 104 weeks
 - b) Minimum benefit of \$550 per week
- 4) Continuous Total Disability
 - a) Benefit period up to age 70
 - b) Minimum benefit of \$550 per week
- 5) Accidental Death and Dismemberment Benefit of at least \$250,000
- 6) Contract/Contingent Liability limit of at least \$5,000,000 plus defense and expenses

Agent shall certify such coverage by delivering to Atlas the certificate of insurance executed by the independent contractor's insurance company. Workers' compensation must be certified for any labor that may be hired by the independent contractor unless Atlas receives a certification letter from the independent contractor and signed by the agent that they do not hire casual labor and therefore coverage is not required. If the agent does not provide Atlas with a proper certificate of insurance for this or required workers' compensation coverage from an approved insurance company for the agent's independent contractors within the time periods set by Atlas and of which agent has been given notice, agent will be automatically placed under the Work Comp Plan and premiums will be assessed for the time coverage is provided under the Work Comp Plan. If, within 60 days after Atlas first assesses premiums under the preceding sentence, agent provides the required certificate of insurance to Atlas showing that the proper coverage was in place during the time period for which Atlas has assessed premiums, Atlas will refund to the agent any premiums assessed during such 60-day period. In no event will more than 60 days of premiums be refunded. If no proper certificate of insurance is provided during such 60-day period, all premiums assessed will be nonrefundable.

5-5 Cyber/Privacy Liability

5-5-1

Agent, at agent's sole expense, shall maintain cyber/privacy liability coverage with respect to all agent's operations. The minimum requirement for this insurance is \$1 million, unless a greater limit is required by the state or states in which the agent conducts operations, in which case state limits shall apply. The insurance coverage and the insurance carrier shall be subject to Atlas' approval in all respects and Atlas shall be named as an additional insured on this policy. This coverage must include contractual indemnification language insuring agent's obligation, as set forth in the Agency Agreement, to indemnify Atlas for matters arising out of the agent's own business. Agent, at agent's sole expense, shall maintain cyber/privacy liability coverage with respect to all agent's operations. The minimum requirement for this insurance is \$1 million, unless a greater limit is required by the state or states in which the agent conducts operations, in which case state limits shall apply. The insurance coverage and the insurance carrier shall be subject to Atlas' approval in all respects and Atlas shall be named as an additional insured on this policy. This coverage must include contractual indemnification language insuring agent's obligation, as set forth in the Agency Agreement, to indemnify Atlas for matters arising out of the agent's own business.

Part 6: Operations

6-1 General Provisions

6-1-1

Atlas shipments fall into four categories, depending upon the type of commodity being transported:

- (1) household goods shipments as defined in 49 U.S.C. Section 13012 (10) (*Household*);
- (2) office and industrial shipments, constituting primarily shipments of used office goods (*O&I*) moving under the Household tariff;
- (3) special products shipments consisting of items of a special nature requiring the care and handling provided for Household shipments (*Special Products*); and
- (4) general commodities, including *O&I* shipments moving under other than the Household tariff. Household and *O&I* shipments are handled by the Relocation Services Group (*RSG*). Special Products and General Commodities are handled by the Specialized Transportation Group (*STG*), which includes both the Special Products Division (*SPD*) and the Commercial Truckload Division (*CTD*).

6-1-2

Unless a specific exception is set out in these Rules, all interstate shipments tendered to an agent or obtained through the agent's facilities or personnel acting on behalf of the agent at the time, regardless of the category of the shipment, must be tendered to Atlas for transportation and properly registered with Atlas. This includes cross-border (Canada to the U.S. or U.S. to Canada) shipments and shipments moving within the U.S. or Canada that are booked by an agent in the other country.

6-1-3

Except as provided in Rule 6-1-9 or 6-6-5, an agent may not tender any shipment that was tendered to Atlas for transportation to any other carrier or broker for interstate transportation (this includes any form of substituted rail or air service). Once a Household or *O&I* shipment has been tendered to Atlas, if:

- (1) the agent is unable to self-haul the shipment;
- (2) Atlas is unable to transport the shipment on either Atlas or agent equipment; and
- (3) Atlas is unable to locate either another carrier or a broker to handle such shipment

then the shipment must be turned down or alternate dates on which service can be provided arranged with the shipper.

Once an *STG* shipment has been tendered to Atlas, if:

- (1) the agent is unable to self-haul the shipment;
- (2) Atlas is unable to transport the shipment on either Atlas or agent equipment; and
- (3) Atlas is unable to locate either another carrier or a broker to handle such shipment

then Atlas will allow the booking agent to locate another carrier to handle the shipment. If the booking agent is able to locate another carrier, then Atlas will broker the shipment to such carrier and will pay that carrier for its services.

6-1-4

Generally, shipments moving in intrastate or local commerce are not Atlas shipments. Those shipments are transported under the agent's own authority or permit, if required, as part of the agent's own business under the agent's own bill of lading, not acting as an agent of Atlas, and not as part of the Atlas business.

6-1-5

Atlas does have the necessary authority, permits and licenses to transport Household and/or non-Household shipments in intrastate and local commerce within certain states. An agent may elect to tender intrastate and local shipments to Atlas in those states. If an intrastate or local shipment is tendered to Atlas and an Atlas bill of lading is issued, that shipment will be an Atlas shipment and all applicable rules will apply to it.

6-1-6

An agent providing hauling services for Atlas shipments shall not combine or commingle Atlas shipments with shipments moving under the agent's own bill of lading or that of another intrastate or interstate carrier.

6-1-7

Only approved Atlas documentation, including but not limited to estimates, orders for service, bills of lading, and other documents required by law, government regulation or Atlas, may be used on Atlas shipments (Required Documentation).

6-1-8

Subject to the provisions on self-haul in Rule 6-3, Atlas will exclusively assign, determine, dispatch, supervise and direct the movement of all equipment that handles shipments transported under Atlas bills of lading and will direct and supervise the services performed in connection with all such shipments.

6-1-9

An agent may arrange containerized transportation directly with a specialized third-party carrier for self-haul shipments registered with Atlas. The agent will be responsible for ensuring that the third-party carrier has adequate insurance in place. The agent will be responsible for shipment loss, damage or delay.

6-2 Violations

6-2-1

The failure to register a shipment that is required to be registered with Atlas is strictly prohibited.

6-2-2

The transportation of a shipment that is required to be registered with Atlas that is not properly registered is strictly prohibited.

6-2-3

For the first violation of Rule 6-2-1 or 6-2-2 by an agent, Atlas may assess a \$5,000 fine against the agent. For a second and any subsequent violation of either Rule 6-2-1 or 6-2-2 by an agent, regardless of which of these rules was violated the first time and when the first violation occurred, Atlas may assess a \$10,000 fine against the agent. Atlas may also terminate the agent's agency agreement for a third violation of either of these rules, regardless of which of these rules was violated the first time and when the prior violations occurred. These fines and penalties may be assessed with respect to a single shipment against multiple agents or separate offices of a single agent if more than one agent or office of an agent is involved in the failure to register or hauling of an unregistered shipment.

6-3 Self-Haul Rights

6-3-1

Self-haul rights mean the right of the booking agent to pack a shipment for transportation and to haul that shipment from origin to destination. If an agent has self-haul rights with respect to a shipment, the agent may designate that those self-haul rights be exercised by the main office of the agent or by any branch office of the agent as defined in Rule 2-6-5 or, if the agent is a branch office, by any other branch office of same main office. If an agent is jointly owned by more than one other agent, the right to self-haul extends only to the owner of more than 50 percent of the agent and the branch offices of that owner and not to any other agent with an ownership interest in the agent.

6-3-2

An Atlas agent that is:

- (1) a stockholder of Atlas World Group, Inc. (*AWG*);
- (2) owned by a stockholder of *AWG* that is also a party to the agent's agency agreement with Atlas; or
- (3) a branch office of an agent that meets the requirements in (1) or (2)

(all of these agents being defined as an *AWG Stockholder Agent*) shall have unrestricted self-haul rights on all shipments.

6-3-3

Atlas agents that are not *AWG Stockholder Agents* have self-haul rights on:

- (1) any national account shipment booked by the agent;
- (2) *COD* shipments moving not more than 1500 miles; and
- (3) government and military shipments tendered to the agent as an agent of Atlas or as an agent of any carrier or freight forwarder owned by Atlas or *AWG* moving not more than 1500 miles; and
- (4) any military shipment tendered to the agent due to the fact that the agent is acting as a military only agent of another carrier or due to the fact that the agent is a registered carrier pursuant to Rule 1-4-1 or an affiliate of the agent is a registered carrier with which Atlas has a military shipment service agreement.

6-3-4

The booking agent may advise the respective operations department of its desire to self-haul at the time of registration of the shipment or at any time prior to the operations department making the hauling assignment.

6-3-5

A booking agent shall be permitted to self-haul shipments within 600 miles of the agent's facility on equipment primarily identified in the agent's own name.

6-3-6

If RSG Operations has a pickup number is authorized, either a self-haul that shipment if it can be loaded direct to and on time.

6-3-7

If a split booking arrangement exists with respect to an account, the primary booking agent will have the initial right to self-haul that account's shipments. If the primary booking agent does not self-haul a shipment, the other agent or agents in the split booking arrangement will have secondary self-haul rights with respect to that account's shipments. The split booking arrangement must be on file with Atlas and the agent registering the order must advise the applicable operations department of the arrangement at the time of registration.

6-3-8

Except as provided in Rule 6-3-1 or 6-3-7 or 6-5-5-2, an agent shall not, under any condition, assign a shipment to another agent's equipment. For a violation of this rule, the agent making such an assignment shall be charged the amount of the booking commission or \$150, whichever is greater, if the agent making the assignment is the booking agent, or \$150, if not. The agent accepting the assignment shall be charged the full amount of the hauling commission.

6-4 Service on Shipments

6-4-1 Origin Agent

On each shipment, the booking agent shall appoint an origin agent to perform the responsibilities of an origin agent under Rule 2-3-2.

6-4-1-1

Except as otherwise provided in this Rule, in order to be appointed as the origin agent for a shipment, the agent must have a facility that meets the requirements of Rule 2-3-6 within 50 miles of the point of origin of the shipment.

6-4-1-2

If there is no agent that meets the requirements of Rule 6-4-1-1, any agent, including the booking agent, that consents to perform the responsibilities of an origin agent may be appointed as the origin agent on a shipment. In addition, Atlas may be appointed to perform the responsibilities of an origin agent.

6-4-1-3

On an SPD shipment that requires the use of executive or administrative personnel to supervise packing, loading or handling, the booking agent may provide such services and, if the booking agent provides such services, may be appointed as the origin agent on the shipment.

6-4-1-4

At the time of registration, the booking agent must indicate whether the origin agent is to serve as a nonperforming agent or performing agent or commissioned origin agent. The designation of an agent as a commissioned origin agent shall only be effective if the booking agent provides confirmation from the commissioned origin agent that such agent has agreed to act as a commissioned origin agent. If the booking agent designates the origin agent as a performing agent or commissioned origin agent, then the booking agent must specify what services, including packing, the origin agent or commissioned origin agent is to perform, provided that a commissioned origin agent shall always be authorized to provide packing services.

6-4-1-5

If the origin agent is designated as a performing origin agent and is given instructions at the time of registration to perform services on the shipment, including packing, the booking agent may not change this origin agent's services request with less than seven calendar days' notice to the origin agent. If the booking agent performs the services in violation of this Rule, the booking agent shall be charged back the total amount of packing revenue on the shipment and Atlas shall pay that amount to the origin agent that was deprived of the right to perform the services. RSG Operations has complete and sole discretion to determine the origin agent's eligibility for payment under this Rule in the event of a dispute.

6-4-2 Hauling Agent

On each shipment, a hauling agent shall be appointed by the operations department responsible for the shipment unless the booking agent elects to self-haul the shipment pursuant to Rule 6-3, in which case the agent designated to haul the shipment by the booking agent shall be the hauling agent. The hauling agent shall perform the responsibilities of a hauling agent under Rule 2-3-3.

6-4-3 Destination Agent

On each shipment, a destination agent shall be appointed by either the operations department responsible for the shipment or the booking agent to perform the responsibilities of a destination agent under Rule 2-3-4.

6-4-3-1

In order to be appointed as the destination agent on a shipment, the agent must have a facility that meets the requirements of Rule 2-3-6 within 50 miles of the point of destination of the shipment.

6-4-3-2

If there is no agent that meets the requirements of Rule 6-4-3-1, the booking agent shall be appointed as the destination agent on the shipment and shall be required to perform the responsibilities of a destination agent. In addition, Atlas may be appointed to perform the responsibilities of a destination agent.

6-4-4 Removal

If an agent is designated as an origin agent, hauling agent or destination agent and refuses or fails, after notice, to perform the service required, the agent may be removed as the origin agent, hauling agent or destination agent. In the case of an origin agent or destination agent, the booking agent may then be designated as the origin or destination agent and shall be required to perform the responsibilities of such agent.

6-5 Household and O&I Shipments

6-5-1 Acceptance of Household and O&I Shipments

6-5-1-1

An agent may accept any Household or O&I shipment in interstate commerce and, if accepted, the agent shall issue the Required Documentation on any such shipment in Atlas' name.

6-5-1-2

A booking agent or origin agent may guarantee a single-day pickup date of a Household or O&I shipment. If either agent cannot provide a guaranteed pickup date to Atlas at time of registration, RSG Operations may establish a spread of pickup dates that is within Atlas' operation capability. If the spread of dates is not acceptable to the customer, the shipment will not be accepted for registration.

6-5-1-3

A booking agent or origin agent may establish a reasonable delivery date for a Household or O&I shipment and shall provide such date to Atlas at the time of registration. If the shipment is not self-hauled, at the time of registration, RSG Operations shall have the right to advise the booking agent that it cannot provide the requested service by the specified dates and may propose alternate dates that are within Atlas' operational capability at that time. If the spread of dates is not acceptable to the customer, the shipment will not be accepted for registration.

6-5-2 Capacity Planning and Booking Control

6-5-2-1

The determination of Atlas' capacity for Atlas-to-haul shipments and the control of shipment bookings to match that capacity is the obligation of RSG Operations. Shipments will be accepted for Atlas-to-haul according to Atlas' ability to handle the shipments expeditiously and in accordance with good business practices.

6-5-2-2

RSG Operations will establish the availability of capacity by type of shipment (long-haul or short-haul), by area of origin and by direction of movement.

6-5-2-3

Booking restrictions will be announced by RSG Operations when those shipments that can readily be handled by the prime fleet, the required fleet and third-party services have been registered. Additional shipment registrations will only be accepted after a restriction is implemented if the agent can self-haul the shipment or if RSG Operations is in a position to authorize an exception to the restriction based on equipment availability. To the extent additional units are made available, this additional capacity may allow additional shipments to be registered.

6-5-3 Registration of Household and O&I Shipments

6-5-3-1

All domestic U.S. Household and O&I shipments shall be registered by the booking agent with RSG Operations before the shipment is loaded.

6-5-3-2

The booking agent must designate, at time of registration, whether the shipment is to be self-hauled or released for RSG Operations- assignment. This designation cannot be changed without the permission of RSG Operations. If a shipment registered for assignment is subsequently self-hauled without this permission, the agent self-hauling the shipment will forfeit the lower of the hauling agent revenue or \$1,000 for the first occurrence. On a second violation of this Rule within three years, the agent will forfeit the lower of \$2,000 or all hauling agent revenue. Subsequent violations of this Rule within three years will subject the agent to the loss of all hauling agent revenue on a shipment self-hauled in violation of this Rule. If no additional violations occur within a three-year period, the next violation will be treated as a first occurrence.

6-5-3-3

If a shipment is not self-hauled, RSG Operations shall be responsible for arranging for the hauling of the shipment and shall advise the agents designated to perform service in connection with the shipment of all facts relating to the shipment.

6-5-3-4

Destination agent assignments cannot be changed after a shipment is registered without the booking agent and RSG Operations approval.

6-5-4 Self-Haul Shipments

6-5-4-1

Any agent that books a shipment as a self-haul shipment will be responsible for providing the service during the agreed scheduled dates.

6-5-4-2

The hauling agent on a self-haul shipment is required to update AtlasNet Dispatch with the driver and equipment information. No revenue will be distributed on any self-hauled shipment unless and until the agent has updated AtlasNet Dispatch with the driver assignment on the shipment.

6-5-5 Short-Haul Services

6-5-5-1

If RSG Operations cannot provide service on a short-haul shipment, i.e. a moving less than 400 miles (other than within the State of Texas), then the booking agent should provide the service or advise the customer when the service can be provided.

6-5-5-2

On short-haul shipments, a commitment of complete service from RSG Operations, the origin agent, the booking agent or another agent identified by the booking agent that has agreed to serve as the hauling agent must be obtained before the shipment can be accepted. If no one can commit to the service requested, then the customer must be advised when the service can be provided.

6-6 Specific RSG Shipment Issues

6-6-1 Vehicle Usage

6-6-1-1

RSG Operations shall assign, distribute and route equipment and shipments on a basis that will keep empty and lightly loaded van mileage to a minimum, while providing safe, expeditious and adequate transportation. RSG Operations shall dispatch a vehicle in return movement not to exceed 150 percent of the direct mileage in return to home terminal, or 500 miles in excess of direct return mileage, whichever is the lesser, within 72 hours after it becomes available for loading, or as soon as there is available a load of 3000 pounds or more, whichever takes place first. A vehicle may be held at least 24 hours after it becomes available for loading for a shipment of 3,000 pounds or more. At the option of the hauling agent, RSG Operations may otherwise direct an assignment and dispatch when in the interest of service, efficiency or economy.

6-6-1-2

All equipment operating on Atlas authority must be made available to Atlas dispatch loading on return hauls. Those agents having a shipment or shipments booked at or near the point of return shall have priority to service those shipments for return hauls, provided that Atlas alone shall decide whether or not the priority is applicable. Priority equipment having available space after loading priority bookings shall be made available to Atlas for receiving additional Atlas-dispatched traffic. Should an agent or agent's driver fail to make such equipment available in either of these cases to Atlas dispatch, the agent shall be assessed a \$200 charge.

6-6-1-3

Origin agents shall automatically pick up from residence and deliver to the origin agent warehouse all shipments estimated to be 3,000 pounds or less. These automatic pickups shall be carrier-convenience pickups and no pickup authorization number will be issued.

6-6-1-4

No driver shall setoff an Atlas shipment for transfer, diversion, reconsignment or storage in transit or at destination except as directed by Atlas.

6-6-2 Fleet Positioning and Deadhead Compensation

6-6-2-1

RSG Operations may reposition multiple units during the busy season to accommodate business needs (referred to as *Repositioning*) or may designate a single unit to travel empty to pick up a shipment in another area (a *Deadhead*).

6-6-2-2

To compensate the hauling agent for out of pocket expenses resulting from Repositioning or a Deadhead, compensation of 75 cents per mile will be paid to prime fleet, required fleet and regular units when RSG Operations directs the Repositioning or Deadhead of a unit and the unit is driven more than 500 miles with no shipment on board.

6-6-2-3

To the degree possible, the decision to Reposition or Deadhead will be made when the unit empties. Units that have waited in turn for traffic will not normally be Repositioned or Deadheaded, but will continue to wait for at least a partial load.

6-6-2-4

Prime fleet and required fleet units will be Repositioned, if necessary, to ensure maximum utilization. An excessive amount of empty prime and required fleet units will not be allowed to accumulate in any given area while at the same time it is necessary to use regular fleet units in other areas. Rather, prime and required fleet units will be Repositioned to cover those shipments.

6-6-2-5

Regular fleet units, requested for service by RSG Operations, will be placed in line at destination with the prime fleet units in that area and loaded in turn. If the agent or driver elects not to wait in turn for tonnage, Deadhead to the home area will be at the agent or driver's expense.

6-6-2-6

Regular fleet units placed in service for self-haul, or at the agent's request, will not be eligible for Deadhead compensation nor will they be placed in line with prime or required fleet units at destination. Regular fleet units placed in service in this fashion will be the full responsibility of the agent.

6-6-2-7

Repositioning will be used and compensation paid as a last resort. Partial loads will be provided (a minimum of 5,000 pounds) instead and whenever possible.

6-6-2-8

When a unit is caused to be dispatched out of a direct route for a shipment or shipments that fail to materialize due to Atlas' fault or that of an agent, the hauling agent shall be compensated at the rate of 75 cents per mile for out-of-route mileage, which will be charged to Atlas or the agent responsible for the shipment.

6-6-3 Overflow and Tailgating Policy

6-6-3-1

The driver is ultimately responsible for making sure that overflow items are removed from the origin residence. This can be accomplished by making satisfactory arrangements with the origin agent, renting a U-Haul/Ryder-type vehicle if necessary, or coordinating other acceptable service through RSG Operations.

6-6-3-2

Expenses resulting from overflows, including delay claim expenses when essential items, including automobiles, beds, mattresses, dishes, cookware and clothing are left at origin, will be charged to the hauling agent or, if RSG Operations determines that the overflow resulted from an inaccurate estimate, to the booking agent. Additional expenses incurred to cause timely pickup and delivery of an overflow as required to satisfy the shipper's needs may be charged to the involved agents as well.

6-6-3-3

Tailgating any portion of a shipment not being self-hauled by the booking agent is prohibited. This includes tailgating short-haul shipments being hauled by the origin agent and fill-out traffic assigned by RSG Operations to partially loaded self-haul units. Tailgating in some states (e.g. Oregon) is illegal and must not be engaged in those states under any circumstances. Tailgating under any circumstance, regardless of the hauler, is strongly discouraged. The hauling agent will be charged 100 percent of claims costs for loss or damage due to a tailgate. The driver may also be referred to the Driver Review Committee for suspension or disqualification.

6-6-4 Timely Service

6-6-4-1

RSG Operations shall be responsible for dispatching equipment in a manner that will reasonably provide for on-time loading and delivery of a shipment.

6-6-4-2

If the shipment cannot be loaded direct on the over-the-road van, RSG Operations will advise the origin agent of a need to perform an authorized pickup. Notice of the need for pickup will be made the day prior to the first day of the agreed-upon spread dates. If the origin agent receives notification according to this procedure, the origin agent must pick up the shipment from residence within the agreed-upon spread dates.

6-6-4-3

If a shipment is assigned with enough time for the hauling agent to pick up from residence, if residence pick up is required, and deliver within the agreed-upon spread dates, the hauling agent is responsible for providing service within the specified dates.

6-6-5 Shipments of Vehicles

6-6-5-1

All vehicles, regardless of how the shipment is priced, must be tendered to Atlas for transportation and registered with Atlas, whether they are transported by Atlas or by a specialized third-party carrier.

6-6-5-2

An agent may arrange transportation for vehicles whether under a contract or not, directly with a specialized third-party carrier for a shipment registered with Atlas. The agent will be responsible for ensuring that the third-party carrier has adequate insurance in place and that the vehicle is released to the third-party carrier at a level adequate to cover the vehicle for any claims that might arise, including delay claims, in order that Atlas can subrogate back against the third-party in the event of a claim. The agent will be responsible for loss or damage to the vehicle or delay if Atlas is not able to recover any amount paid by Atlas for such claims from the third-party carrier. The special compensation provisions for vehicles are set out in the Atlas Distribution Guide. All claims provisions will apply.

6-6-5-3

RSG Operations must approve the rate for all non-contract Atlas-to-haul flat-rate vehicle shipments, with such rates being no less than the minimums established for inclusion in Atlas' national account contractual agreements.

6-6-6 Oversize Boats

6-6-6-1

An agent may arrange specialized third-party boat carrier transportation for a boat that is registered with Atlas that does not fit on a van (an Oversize Boat), whether due to size or in an overflow situation, subject to prior approval from RSG Operations, and/or RSG Operations may arrange such transportation. RSG Operations will be responsible for arranging for the transportation of the Oversize Boat if it does not approve the agent-arranged transportation.

6-6-6-2

An agent may also arrange transportation of Oversize Boats directly with a third-party boat carrier without registering the Oversize Boat as part of an Atlas shipment. It is the booking agent's responsibility to ensure that the shipper is fully aware that Atlas has no involvement with, or liability for the non-registered Oversize Boat, and that the Oversize Boat is not being transported under a contract with Atlas. In particular, Atlas paperwork may not be used in connection with such transportation, nor may charges for the transportation of the Oversize Boat be included in any Atlas estimate or survey. If charges for the Oversize Boat are shown on an estimate or survey, and the decision is made to have the Oversize Boat move on an unregistered basis, a new estimate or survey, or an amendment to the estimate or survey removing the Oversize Boat must be prepared. Upon request of the booking agent, if an Atlas-registered shipment for the same shipper has been transported, Atlas Revenue Accounting will bill the customer for such third party transportation.

6-6-7 Customer Assistance or Unloading

6-6-7-1

Atlas strictly prohibits customers from being allowed to assist with loading or unloading any part of a shipment onto Registered Equipment. This includes assistance with loading or unloading vehicles and motorcycles.

6-6-7-2

When a shipper reports in writing that a driver requested assistance from the shipper or members of the shipper's family for loading or unloading and this request is verified by RSG Operations, a charge will be assessed to the driver based upon the severity of the situation, the weight of the shipment and amount of time involved in the loading and unloading and the number of individuals providing assistance to the driver. The minimum charge is \$200.

6-6-7-3

If a shipper insists on helping to load or unload any portion of the shipment, including vehicles of any type, the driver must call RSG Operations immediately so that the incident can be recorded. The shipper's willingness to assist does not relieve the driver of the responsibility to avoid such activity.

6-6-8 Packing Preferences

6-6-8-1

The Atlas packing service report substantiates the containers provided and the packing performed to be invoiced to a national account. A national account may have a designated preference to pay for only those carrier-packed items indicated on the inventory instead of paying pursuant to the packing service report, provided that, whichever preference the national account has, it will apply to all shipments serviced for the account. If the account's preference is to pay for only those items indicated on the inventory, the provisions of this Rule will apply.

6-6-8-2

The booking agent must indicate on AtlasNet Dispatch at the time of registration that the account has elected to use the inventory for support in payment of accessorial services. Noting this preference is required on a shipment-by-shipment basis even though the account may have only one preference.

6-6-8-3

In all cases where the account has elected the inventory preference, RSG Operations shall notify the driver at the time of assignment to check the inventory, once completed, against the packing service report made by the booking agent or origin agent.

6-6-8-4

The booking or origin agent is responsible for furnishing the driver a copy of the packing services report prior to the completion of the inventory and loading. If necessary, a copy will be left at residence if the booking agent or origin agent will have no direct contact with the driver.

6-6-8-5

The driver must compare the completed inventory with the packing service report to verify that the carrier-packed items on the inventory agree with the report and are shown as packed by carrier. If the items match, the driver should sign the packing service report. In the event of a discrepancy, the driver should notify the booking agent or origin agent of the variance and also note the variances on the packing service report.

6-6-8-6

Chargebacks by an account for improper support on the inventory will be deducted from whichever of the booking agent, origin agent or driver that fails to comply with the provisions of this Rule.

6-6-9 Contract Penalties

Certain contracts contain specific monetary penalties for Atlas' failure to meet specified service standards in addition to those relating to delays. Atlas will advise the agents providing services under a contract that contains such provisions and will assess any penalties resulting from violations of the contract provisions against the agent or driver responsible for violating the provisions.

6-6-10 Drive Away Companies

During the peak season, as defined by Atlas each year, an agent that has elected to self-haul a Household shipment may use a third-party drive-away service to haul the shipment subject to the following:

- (1) Atlas has approved the drive-away company. Atlas will maintain an approved list of drive-away companies. A company may be added to the list only after Atlas has received and reviewed the necessary information. Use of a non-approved drive-away company will subject the agent to 100% liability for claims arising out of the shipment, including both bodily injury and property damage claims and cargo claims.
- (2) The shipment must be a self-haul shipment in all other aspects and the agent must provide all services related to the shipment that are provided on a self-hauled shipment including required packing, pickup and/or delivery of the shipment. Compensation on the shipment will be the same as on any other self-hauled shipment. The agent will be responsible for all amounts due to the drive-away company.
- (3) If an Atlas-owned trailer is to be used for a shipment under this Rule 6-6-10, RSG Operations must approve the use of the trailer in advance and such use will be subject to all applicable policies and Rules.

6-7 RSG Fleets

6-7-1 Prime Fleet

6-7-1-1

The prime fleet, comprised of agent equipment and Atlas equipment, will be under the control of RSG Operations. All prime fleet equipment and drivers must be qualified to haul throughout the 48 states and Canada. The prime fleet will have first priority for long-haul traffic dispatched by RSG Operations.

6-7-1-2

During the spring fleet sizing period, any agent may place units in the prime fleet provided that the established eligibility criteria are met. Prime fleet units will be added generally between April 15 and May 15.

6-7-1-3

Quality performance is expected of prime fleet drivers. Eligibility standards will be set by Atlas from time to time for initial and continuing qualification for the prime fleet.

- (1) claims frequency;
- (2) claims severity;
- (3) customer relations/customer satisfaction rating;
- (4) driver and van appearance;
- (5) compliance with safety rules;
- (6) cooperation with RSG Operations;
- (7) on-schedule loading; and
- (8) on-schedule delivery.

Drivers will be removed from the prime fleet for failure to comply with Atlas' standards in the above areas.

6-7-1-4

A Quality Incentive Bonus Program has been established to reward the top drivers in the prime fleet. The areas listed in Rule 6-7-1-3 will be used to develop an objective standard with which to determine those qualified for bonuses from time to time. A prime fleet driver who hauls over 50 percent of his agent's bookings during the months of June, July and August, determined using weight, will not be eligible to receive a Quality Incentive Bonus.

6-7-1-5

Prime fleet units will be expected to accept traffic as needed to provide service; provided that RSG Operations guarantees to load a prime fleet driver to and from his/her home area at least every third trip, unless the driver has waived this guarantee either generally or with respect to a particular third trip, in which case, the driver's next trip will again be a first trip. All prime fleet drivers must communicate with RSG Operations daily while operating in Atlas service.

6-7-1-6

Prime fleet units may not be designated by the agent for self-haul of shipments booked by the agent without RSG Operations approval, provided, that shipments booked by the agent will be loaded on the agent's prime fleet unit whenever possible, commensurate with the fair and equitable dispatch of all shipments.

6-7-2 Required Fleet

6-7-2-1

In order to expand Atlas-to-haul peak-season capacity, Atlas has instituted a system of required unit participation, based upon an agent's Household booking volume for the prior year. The exact requirements for required units are adjusted annually based on existing prime fleet participation levels and projected capacity requirements for the summer season. The requirements each year will be announced to all agents by means of a bulletin issued not later than March 15 and required units will be expected in the fleet on or about May 15.

6-7-2-2

Required units will be subject to the same rules as prime fleet units, provided that, as long as an agent has a unit or units in the prime fleet, those units will be counted against required units.

6-7-2-3

Agents that do not provide required units will be assessed a 10 percent booking agent revenue reduction during the participation period and will be restricted from booking Atlas-to-haul shipments discounted beyond the percentage discount amount off of the tariff announced annually during the month-end periods of June, July and August if shipment volumes booked reach planned levels.

6-7-3 Regular Fleet

6-7-3-1

Regular fleet units are those units, properly registered for Atlas service, not in the prime fleet. This is the fleet that an agent will use for short-haul and self-haul purposes.

6-7-3-2

Regular fleet units will be placed in Atlas service at the discretion of the agent and RSG Operations. Once accepted for Atlas service, RSG Operations will have the responsibility for returning the unit to the home area. These units may be loaded in other-than-return movement with the agent's approval, or may be used on self-haul traffic with prior notice to and approval by RSG Operations.

6-7-3-3

Regular fleet units will be loaded in line for loading behind prime fleet units, including required units.

6-7-3-4

Regular fleet units will qualify for deadhead compensation at the direction of RSG Operations.

6-8 STG Operations

6-8-1 Acceptance of STG Shipments

6-8-1-1

An agent may accept any STG shipment in interstate commerce, and, if accepted, the agent shall issue the Required Documentation on any such shipment in Atlas' name.

6-8-1-2

A booking agent or origin agent may guarantee a single-day pickup date of an STG shipment. If either agent cannot provide a guaranteed pickup date to Atlas at time of registration, STG Operations may establish a spread of pickup dates that is within Atlas' operation capability. If the spread of dates is not acceptable to the customer, the shipment will not be accepted for registration.

6-8-1-3

A booking agent or origin agent may guarantee a reasonable delivery date of an STG shipment. If either agent cannot provide a guaranteed delivery date to Atlas at time of registration, STG Operations may establish a spread of delivery dates that is within Atlas' operational capability at that time. If the spread of dates is not acceptable to the customer, the shipment will not be accepted for registration.

6-8-1-4

A booking agent or origin agent may guarantee a reasonable delivery date of an STG shipment. If either agent cannot provide a guaranteed delivery date to Atlas at time of registration, STG Operations may establish a spread of delivery dates that is within Atlas' operational capability at that time. If the spread of dates is not acceptable to the customer, the shipment will not be accepted for registration.

6-8-1-5

The determination of Atlas-to-haul shipments and the control of shipment bookings to match that capacity is the obligation of STG Operations. Shipments will be accepted for Atlas-to-haul according to Atlas' ability to handle the shipments expeditiously and in accordance with good business practices.

6-8-2 Registration of STG Shipments

6-8-2-1

STG shipments must be registered with STG Operations by the booking agent not later than the next working day after pickup and must be confirmed to STG Operations by a copy of the order for service form, signed by the shipper, disclosing all information required by Atlas unless a written waiver of an order for service has been received from the shipper.

6-8-2-2

The booking agent must designate, at time of registration, whether the shipment is to be self-hauled or released for STG Operations assignment. This designation cannot be changed without the permission of STG Operations. If a shipment registered for assignment is subsequently self-hauled without this permission, the agent self-hauling the shipment will forfeit the lower of the revenue due to the hauling agent or \$1,000 for the first occurrence. On a second violation of this Rule within three years, the agent will forfeit the lower of \$2,000 or all revenue due to the hauling agent. Subsequent violations of this Rule within three years will subject the agent to the loss of all revenue due to the hauling agent on a shipment self-hauled in violation of this Rule.

6-8-2-3

If a shipment is not self-hauled, STG Operations shall be responsible for arranging for the hauling of the shipment and shall advise the agents designated to perform service in connection with the shipment of all facts relating to the shipment.

6-8-3 Self-Haul Shipments

6-8-3-1

Any agent that books an STG shipment as a self-haul shipment shall be responsible for providing service during the agreed-upon scheduled dates.

6-8-3-2

The computer system automatically issues self-haul registration numbers at the time the hauling decision is made. These numbers officially record that the intent to self-haul was specified with respect to a shipment should a conflict arise later.

6-8-3-3

The hauling agent on a self-haul shipment is required to advise STG Operations of the driver that has been assigned to haul the shipment and any changes in such assignment in order to check out the driver. No revenue will be distributed on any self-hauled shipment unless and until the agent has updated STG Operations or Web Dispatch of the driver assignment on the shipment and a manifest number has been assigned.

6-8-4 Short-Haul Services

6-8-4-1

If STG Operations cannot commit to provide service on a short-haul shipment, i.e. one moving less than 300 miles, then the booking agent must provide the service or advise the customer when the service can be provided.

6-8-4-2

On short-haul shipments, a commitment of complete service from STG Operations, the origin agent, or the booking agent must be obtained before the shipment can be accepted. If no one can commit to the service requested, then the customer must be advised when the service can be provided.

6-8-5 Specific STG Shipment Issues

6-8-5-1

Vehicle Usage. STG Operations shall assign, distribute and route equipment and shipments on a basis that will keep empty and lightly loaded van mileage to a minimum, while providing safe, expeditious and adequate transportation. STG Operations may otherwise direct an assignment and dispatch when in the interest of service, efficiency or economy.

6-8-5-2

Setoff. No driver shall setoff an Atlas STG shipment for transfer, diversion, reassignment or storage in transit or at destination except as directed by Atlas.

6-8-5-3

Overflow and Tailgating Policy. Tailgating any portion of an STG shipment not being self-hauled by the booking agent is prohibited. This includes tailgating short-haul shipments being hauled by the origin agent and fill-out traffic assigned by STG Operations to partially loaded self-haul units. Tailgating in some states (e.g. Oregon) is illegal and must not be engaged in those states under any circumstances. Tailgating under any circumstance, regardless of the hauler, is strongly discouraged. The hauling agent will be charged 100 percent of claims costs for loss or damage due to a tailgate. The driver may also be referred to the Driver Review Committee for suspension or disqualification.

6-9 U.S.-Canadian Operations

6-9-1 Shipment Registration

Canadian-based agents must register all cross-border and U.S. shipments in AtlasNet Dispatch. U.S.-based agents must register all cross-border shipments in the same manner as interstate shipments. U.S.-based agents must register all intra-Canada shipments with the Atlas Canada operations department (Canada Operations). Due to immigration laws, U.S.-based agents are not able to haul intra-Canadian shipments.

6-9-2 Vehicle, Driver and Customs Requirements

6-9-2-1

For U.S.-based agents, equipment leasing and inspection requirements are no different for cross-border shipments than those for units to be used in interstate transportation.

6-9-2-2

For Canadian-based agents, equipment leasing and inspection requirements are the same as for U.S.-based agents.

6-9-2-3

Vehicle permit, size and weight, license and fuel tax requirements are available at atlasnetp.atlasworldgroup.com. Log on, if necessary, click on Departments, select Admin/Terminal Services from the menu and click on Fleet Registration tab.

6-9-2-4

Drivers for Canadian-based agents are required to meet the qualification requirements in Rule 4-3 and all applicable immigrations requirements before transporting cross-border or U.S. shipments for Atlas and are required to comply with U.S. DOT requirements for hours of service and maintenance of the required driver's record of duty status while operating for Atlas.

6-9-2-5

The agent hauling a cross-border shipment is responsible for complying with all of the U.S. and Canadian customs requirements as set out in the Customs Manual. Failure to properly follow customs requirements may result in a \$500 charge to the agent or driver that is responsible for the noncompliance. In addition, Atlas may assess any penalties assessed against Atlas as a result of the noncompliance and any expenses incurred as a result of the noncompliance (e.g. driver waiting time, delay claims, etc.) against the agent or driver that is responsible for the noncompliance. Any problems related to the customs issues on shipments must be reported to RSG Operations immediately.

6-9-3 Operations Responsibilities

6-9-3-1

U.S. Operations is responsible for all cross-border shipments originating in the U.S. Canada Operations is responsible for all cross-border shipments originating in Canada. This responsibility includes agent notifications. U.S. Operations and Canada Operations will work closely to ensure the most practical and efficient service.

6-9-3-2

The director of the region in which a shipment originates will be ultimately responsible for determining service capability for cross-border Household and O&I shipments originating in the U.S.

6-9-3-3

The Atlas transit guides should be used as a guide in determining service dates. In all cases, U.S. Operations should be contacted for service capability of "hurry-up" and delayed-shipments originating in the U.S. and Canada. Operations should be contacted on shipments originating in Canada.

6-9-3-4

U.S. Operations will accept shipment dates on cross-border shipments originating in the U.S. as registered, and will ask the booking agent for more or less transit time only in those cases where service is not physically possible within the requested time.

6-9-3-5

If a Household or O & I shipment cannot be loaded direct, U.S. Operations will notify U.S. origin agents and issue a pickup authorization number. Canada Operations will make notification and issue authorization on shipments originating in Canada.

6-9-3-6

When it is necessary to setoff or place a shipment into storage-in-transit, the driver or destination agent must obtain an authorization number prior to unloading from either U.S. Operations or Canada Operations on a shipment moving from the U.S. and from Canada.

6-10 Policy with Regard to Strikes

Atlas' position with regard to strikes against one or more of its agents is as follows:

6-10-1

With regard to loading in or out of the picketed warehouse, Atlas operations will follow the advice of the agent concerned; however, the operations departments will not instruct Atlas drivers to cross an established picket line.

6-10-2

Atlas will continue to service shipments in and out of the market area in which the strike is occurring, i.e., it will continue to pick up directly from residence on over-the-road equipment and deliver directly to residence with over-the-road equipment.

6-10-3

Drivers will be instructed to contact the picketed agent prior to arrival in the area to obtain delivery/loading addresses and advice on labor, paperwork, etc.

6-10-4

Over-the-road equipment will not go to the picketed agent for paperwork completion or weighing.

6-10-5

Atlas will consider the strike against the agent not to be a strike against Atlas, and interstate commerce will continue accordingly.

6-10-6

Atlas will continue to load and deliver directly from residence even though verbal threats of violence may exist.

Part 7: Charges; Billing and Collection

7-1 Charges

7-1-1 General Provisions Relating to Charges

7-1-1-1

The charges on each shipment shall be assessed in accordance with the tariff or contract applicable to the shipment.

7-1-1-2

All claims for overcharges shall be presented to and all payments for overcharges shall be made by Atlas. Atlas shall have the right to determine how to proceed with respect to any tariff undercharges.

7-1-2 Collection of Charges on COD and Prepaid Shipments

7-1-2-1

The booking agent shall collect charges on prepaid shipments booked by the agent and shall show on the bill of lading that the charges are prepaid.

7-1-2-2

Prior to unloading any portion of a shipment, the agent delivering a full or partial collect-on-delivery (COD) shipment or a prepaid shipment to a consignee or non-Atlas agent shall collect the amount due on the COD shipment and the remainder of any amount due on a prepaid shipment.

7-1-2-3

On a COD shipment, an agent may not require payment of more than 110 percent of the non-binding estimated amount or 100% of the binding estimated amount, plus certain destination charges in an amount up to 15% of the amount due at delivery and charges for services requested by the shipper after loading (the *Required Delivery Amount*), to make delivery, subject to the provisions of applicable federal regulations.

7-1-2-4

All charges shall be collected in U.S. funds in cash, by traveler's check, certified check, cashier's check (a check drawn by a bank, on itself and signed by an officer of the bank) or, subject to Rule 7-1-6, by accepted credit card, or, subject to Rule 7-1-5, by authorized personal or business check. All non-cash payments are to be made payable to *Atlas Van Lines, Inc.*

7-1-2-5

Prepayments and COD payments (other than credit card payments) may be retained by the hauling agent collecting the payment unless Atlas has advised the agent that the agent is not allowed to retain such payments. Prepayments collected by any agent other than the hauling agent must be promptly remitted to Atlas, except that the booking agent may retain deposits of \$500 or less. Shipment documents clearly displaying the amount collected must be transmitted to Atlas immediately and received within 20 days (30 days for Canadian agents) of collection on prepayments and within 20 days (30 days for Canadian agents) of delivery on other shipments.

7-1-2-6

In all cases, the destination agent should remit the full transportation and accessorial services to point of storage to Atlas headquarters. If a storage agent collects and fails to remit these charges within 20 days (30 days for Canadian agents) from delivery, the agent will be assessed a penalty equal to 10% of the collected charges.

7-1-2-7

From time to time, Atlas may establish guidelines for the collection of unpaid charges, including monetary limits on when further action to collect charges will be taken, when collection shall be pursued and when suit shall be filed.

7-1-2-8

If Atlas pursues collection of any unpaid charges that have previously been charged back to an agent, the unpaid charges, if and when collected, will be reimbursed to the agent that received the chargeback, less any expenses, including court costs and attorneys fees, incurred in pursuing collection.

7-1-3 Responsibility for Unpaid Charges on Prepaid and COD Shipments

7-1-3-1

When, pursuant to applicable federal regulations, only the Required Delivery Amount is collected at time of delivery, the booking agent shall be responsible for any unpaid charges unless the booking agent did not perform the estimate. In that case, the origin agent that performed the estimate will be responsible for the unpaid charges to the extent of the amount of the origin fee received and the booking agent will be responsible for the balance. Atlas shall defer collection of the balance of any remaining charges for 30 days following the date of delivery.

7-1-3-2

When, upon Atlas' direction, a prepaid or COD shipment is surrendered to a consignee, warehouse, agent or a third person without payment of charges due (other than the Required Delivery Amount), Atlas shall be responsible for any unpaid charges. If the shipment is surrendered to another agent, that agent may be responsible for the charges under another provision of this Rule.

7-1-3-3

If the origin agent miscalculates and/or omits charges on a COD shipment, the origin agent will be held responsible for any inability to collect charges resulting from such miscalculation or error. To assist the origin agent in accurately completing COD shipping documents, the origin agent may contact Ratings and Distribution for applicable rates/charges or use the estimating program available on Atlas' internet site. When the origin agent utilizes Atlas to assist it, the origin agent will not be held responsible for rating errors. An authorization number will be provided to the origin agent to substantiate Atlas' involvement.

7-1-3-4

When it is not feasible due to a dispatch directive for the driver to return to the booking agent or origin agent to have COD documentation completed, the driver through the hauling agent may obtain the applicable charges by contacting either Ratings and Distribution or the booking agent. The hauling agent will not be held responsible for miscalculated charges and/or omissions when the rates have been obtained from either Atlas or the booking agent. If the booking agent provides incorrect charges, the booking agent will be held responsible for rating errors. It is the hauling agent's responsibility to obtain an authorization number to substantiate Atlas' or the booking agent's involvement in rating.

7-1-3-5

If the driver fails to have the papers rated by either the booking or origin agent or Rating and Distribution Services, any balance due from the shipper will be charged to the hauling agent. If the actual charges have not been calculated and the driver collects the Required Delivery Amount based on estimated charges, the hauling agent will be held responsible for the entire balance due since the shipper did not have the opportunity to pay actual charges.

7-1-4 Storage-in-Transit Shipments

7-1-4-1

If a prepaid or COD shipment is placed into storage-in-transit at destination, the destination agent will immediately send a statement or contact the shipper by telephone to advise the shipper of and to collect the following charges:

- (1) linehaul transportation charges between origin and warehouse where the storage-in-transit is in effect, and
- (2) all other lawful charges including those for additional services and advanced charges. Storage charges due the storage agent also may be billed at this time.

7-1-4-2

If the destination agent is unable to collect unpaid charges on a shipment in storage-in-transit, the agent shall notify Atlas and the booking agent within 60 days of the date the shipment was surrendered to Atlas. Upon agreement between Atlas and the booking agent, the booking agent will be responsible for pursuit of collection and for any action, legal or otherwise, necessary to recover unpaid charges. Any collection expenses shall be charged to the booking agent, unless credit was extended at Atlas' direction. If charges remain unpaid after 90 days from date of delivery into storage-in-transit, Atlas will issue an invoice for the charges due to point of storage plus 90 days' storage to the booking agent for immediate deduction and will immediately pay such storage charges to the destination agent.

7-1-4-3

The destination agent, upon prior notification and approval of Atlas, shall sell the shipment at a public auction. Whether or not the sale occurs prior to the time the shipment converts to permanent storage, the proceeds of the sale after deduction of all sales expenses, shall be applied as follows: first, the booking agent shall be reimbursed for amounts charged to it under Rule 7-1-4-2, then the destination agent shall receive any amounts due for storage after 90 days. Any balance shall be refunded to the shipper. Failure of the destination agent to comply with Atlas' request for sale of the shipment may result in the chargeback of the full charges for reimbursement to the booking agent.

7-1-4-4

Storage agents are responsible for complying with local and state storage-lot sale laws, including, but not limited to, newspaper notice publications, registered mail notice of the sale to the shipper and a proper accounting to the shipper subsequent to the sale.

7-1-5 Check Acceptance Policy

7-1-5-1

Personal and business checks may be accepted as payment for Household and O&I shipments within the United States and between points in the United States and Canada provided that the check has been approved by Atlas' check authorization company pursuant to Atlas' check acceptance policy, as posted on Atlas' internet site and incorporated into these Rules.

7-1-5-2

Checks must be deposited within 10 days from the date the check was authorized. Failure to comply may result in a charge back of the full amount of the check if a problem results with the check.

7-1-5-3

Atlas is charged a service fee by its check authorization company for the actual amount of a check that is authorized. The service fee is a shared expense; Atlas and all agents receiving revenue from the shipment pay a portion of the fee. Refer to the "COD Traffic" section of the Atlas Distribution Guide for the current service fee rates and the determination of the amounts of such fees allocated to Atlas and the agents involved in the shipment.

7-1-5-4

An agent accepting a personal or business check that fails to follow the procedures outlined in this Rule will be responsible for any lost revenue resulting from an insufficient funds or stop payment check that Atlas' check authorization company is not obligated to purchase under its agreement with Atlas and for any collection fees and expenses, including attorneys fees, paid to secure payment from the shipper.

7-1-6 Credit Card Policy

7-1-6-1

Approved credit cards may be accepted as payment for Household and O&I shipments and SP and CT shipments, other than those moving under Tariff 2000B, within the United States and between points in the United States and points in Canada provided that credit card has been approved pursuant to Atlas' credit card policy, as posted on Atlas' internet site and incorporated into these Rules. An agent may not refuse to accept an approved credit card if the shipper asks to pay using such credit card.

7-1-6-2

The fee charged to the merchant (Atlas) for handling the credit card transaction is referred to as the merchant fee. It is a service fee charged by the card company for each sale transaction. The merchant fee is a shared expense; Atlas and all agents receiving revenue from the shipment pay a portion of the fee. Refer to the "COD Traffic" section of the Atlas Distribution Guide for the current merchant fee rates and the determination of the amounts of such fees allocated to Atlas and the agents involved in the shipment.

7-1-6-3

Falsification, alteration or failure to properly complete any sales slip or credit card form and obtain authorization for the charge amount will result in loss of revenue to the agent that handled the transaction, except that a non-origin booking agent that chooses to request origin agent assistance in the completion of a credit card transaction is accountable for any error or omission that the origin agent might make in completion of the sales slip or other credit card form and procurement of the authorization. The responsible agent will be invoiced immediately the full amount of any chargeback from the credit card company occurring for the reasons stated. Any collection fees in obtaining payment from the shipper or other party are also the responsibility of the responsible agent.

7-1-6-4

If a chargeback on a credit card occurs as a result of unreasonably poor service and/or an inaccurate estimate, the agent responsible for the poor service or inaccurate estimate will be invoiced immediately the full amount of the charge back from the credit card company. These claims will be reviewed on a case-by-case basis for a determination of which agent was at fault, in whole or part, and the chargeback will be issued to the appropriate agent or agents.

7-1-6-5

When a chargeback on a credit card results for a reason not specified in Rules 7-1-6-3 and 7-1-6-4 and the agent has abided by policy and followed recommended procedures, the agent will not be charged back until all attempts are made by Credit to collect the charges. Atlas will also pay all collection-related fees. If normal collection efforts fail and a suit must be filed in order to collect the amount due, at the time of suit the agent that caused the credit card chargeback will be charged back the full amount of the chargeback. If the agent refuses to file suit, Credit will close the file. If suit is filed, the responsible agent is responsible for all legal fees, witness transportation costs and legal fees resulting from counter claims.

7-1-6-6

Agents are prohibited from processing individual shipper credit cards through their local credit card program as a form of payment on shipments moving under an Atlas bill of lading and from processing payments for transactions through Atlas' credit card program on shipments not moving under an Atlas bill of lading. Failure to abide by this policy may result in a fine of \$500 per shipment assessed by Atlas. Fines may be imposed against an agent that violates this Rule twice in a six-month period.

7-1-7 Credit Terms for National Account Shipments

7-1-7-1

Credit may be extended on national account shipments through payment terms in a contract accepted and agreed to by Atlas or through an exception item published in Atlas' tariff.

7-1-7-2

Except when Atlas directs or authorizes credit to be extended, the booking agent assumes and guarantees the payment of charges respecting shipments upon which it extends or directs the extension of credit.

7-1-7-3

In order to extend credit to a national account that is not a party to a contract with Atlas, the booking agent must obtain a purchase order or letter of authorization issued to Atlas and indicating that the national account will pay for the shipment covered by the purchase order or letter of authorization. The purchase order or letter of authorization should be unrestricted as to amount and must include the national account's selection of a valuation option for the shipment. Blanket purchase orders or letters of authorization are acceptable. All purchase orders and letters of authorization should be issued to Atlas. At a minimum, purchase orders must show the agent as an agent of Atlas (e.g. ABC Company, as agent for Atlas Van Lines, Inc.) A copy of the purchase orders or letter of authorization should be mailed to Atlas with the delivery documentation. An agent that accepts a purchase order in its agent name only may be assessed a nonrefundable administrative charge of \$50.

7-2 Billing

7-2-1 General Provisions Relating to Billing

7-2-1-1

Ratings and Distribution will bill the charges on Atlas national account and government shipments at no cost to the agents; or the booking agent may bill a national account shipment if the bill is in Atlas' name. In either case, the billing of charges must be completed promptly. All bills shall direct that payment be forwarded directly to Atlas or, in the case of national account bill, to the Atlas-designated location (ACHS, lockbox, etc.). Atlas' shipment file must contain documentation to support all charges billed as well as a copy of the remittance check.

7-2-1-2

On a shipment delivered to a warehouse at destination for storage-in-transit, the applicable tariff charge for the first day of storage will be incorporated in the original billing for transportation and accessorial services. The balance of storage charges, including delivery out, will be billed to the account on a supplemental basis after signed delivery papers have been received.

7-2-1-3

If a booking agent that extends credit bills the account for a shipment in the agent's own name and/or collects the charges for a shipment directly from a national account, the agent will be charged back the full amount of the charges for the shipment plus a 10 percent penalty may be imposed. Collection of shipment charges directly from a national account is a direct violation of these Rules and an agent that collects charges contrary to this Rule is subject to immediate suspension or termination.

7-2-1-4

Atlas reserves the right to perform periodic audits of the booking agent's billing records and cash receipts when a booking agent performs any account invoicing.

7-2-1-5

Consistent refusal or failure on the part of an agent to adhere to the provisions of this Rule will constitute cause for revocation of billing privileges by Atlas.

7-2-1-6

If a national account has been billed for a shipment, does not pay the bill within terms and the contract with the national account does not prohibit contacting the individual shipper for payment, Atlas will bill the individual shipper for the outstanding charges on the request of the booking agent. Such request should be made as soon as possible and Atlas will only bill an individual shipper within 180 days of the date of the original invoice.

7-2-2 Account Required Agent Billing

7-2-2-1

If an account requires that an agent bill the account, a letter outlining this requirement shall be submitted to Atlas by the booking agent or account. If approved, the provisions of this Rule will apply.

7-2-2-2

Atlas will send the booking agent the information necessary to prepare the invoice to the account. A copy of the invoice to the account, which must direct payment to Atlas' designated location, must be received by Atlas within 22 days of the date that Atlas sends the billing information to the booking agent. If this is not received, then the agent will be charged the full amount of the shipment charges plus a 10% penalty.

7-2-2-3

If an account sends a check to an agent contrary to the instructions to send the check to Atlas' lockbox, the agent must forward the check to Atlas within 15 days of receipt. Failure to forward the check may result in a chargeback to the agent of the shipment charges plus a 50 percent penalty.

7-2-3 Government Shipments

All documents required for the billing of charges on government shipments moving on a government bill of lading shall be transmitted to the Atlas immediately after the shipment is loaded on the over-the-road unit. Upon receipt of the delivery documentation, Atlas will bill and collect the charges.

7-2-4 Documentation

7-2-4-1

Any agent responsible for the execution and transmittal of documents necessary to accomplish the billing or distribution of charges that refuses or fails to transmit documents to Atlas within 20 days from day of delivery (30 days for Canadian agents) is subject to charge back of the estimated charges. Such chargeback will occur on or after 21 (or 31 for Canadian agents) days from delivery and will be withheld until the completed documents are received by Atlas' general office, at which time revenues will be released back to the agent. To assist agents in meeting this requirement, Atlas will provide an online report accessible via AtlasNet. This report will list delivered shipments in which the agent had involvement and required documents that have not been received by Atlas.

7-2-4-2

If proper documentation has not been received at Atlas headquarters after the procedures stipulated in Rule 7-2-4-1 have been followed, a notice regarding the documents will be sent to the attention of the principal owner or designated contact of agent 45 days from the delivery date. If the documentation is still not provided to Atlas 60 days after the delivery date, a non-refundable penalty of 25% of the estimated charges will be assessed.

7-2-4-3

Documents supporting additional destination services, storage, warehouse handling, delivery out or related charges that were not included with the original billing documentation must be transmitted to Atlas within 20 days of the date the services were performed (30 days for Canadian agents), or after being delivered out of storage in case of storage-in-transit charges. Atlas will not bill the account nor will the booking agent be made responsible for billing charges that are not supported within the 20-day (or 30-day for Canadian agents) period after the date the service is completed.

Part 8: Compensation to Agents; Agent Accounts and Credit

8-1 General Provisions

8-1-1

This Rule covers the distribution of revenue from all Atlas shipments and specifically includes the major provisions with respect to the distribution of linehaul and other revenue on various types of shipments. However, due to the large number of circumstances that arise with respect to shipments, there are charges and distribution situations that are not specifically included in this Rule. Those charges and distribution situations and further information and explanation of the application of this Rule are set out in the Atlas Distribution Guide, which is incorporated into this Rule by this reference and shall be considered a part of it. The Atlas Distribution Guide is an electronic document available on line through AtlasNet under Applications/Finance/Atlas Distribution Guide

8-1-2

All of the distribution tables referenced in this Part 8 relating to linehaul distribution set out the percentage distributable to a booking agent that is a party to an agency agreement for a stated term (i.e. one that is not terminable by the agent except at the end of the term stated in the agreement) and that is not an AWG Stockholder Agent. The percentage distributable to a booking agent that is an AWG Stockholder Agent is 1% more than that stated. The percentage distributable to a booking agent that is not an AWG Stockholder Agent and that is not party to an agency agreement for a stated term is 1% less than that stated. This provision does not apply to the Booking Agent Retention Rebate, which shall be the percentage stated.

8-1-3

Earned revenue on each shipment will be distributed (meaning calculated and allocated) to all participating agents at the time the shipment is settled. The speed with which a shipment is settled depends entirely upon the receipt, accuracy and completeness of the shipping documents.

8-1-3-1

A shipment on which credit has been extended to a national account and a shipment moving on a government bill of lading will be settled upon issuance of the invoice to the customer or government by Atlas or upon receipt of a properly completed copy of the invoice if the agent is performing the billing.

8-1-3-2

A prepaid or COD shipment on which all or a portion of the charges has been collected will be settled upon receipt of the delivery documents.

8-1-3-3

All other shipments will be settled at the time that the charges are collected.

8-1-4

Information on the settlement of each shipment is available through AtlasNet.

8-1-5

The distribution of earned revenue on a shipment may be revised to correct the amounts distributed to each of the participating parties if Atlas determines that an error was made in the initial distribution or if additional documents and/or information are received that would cause the initial distribution to be changed. Each settlement revision will be available through AtlasNet.

8-2 Distribution Principles

8-2-1 Definitions

As used in this Rule 8, these terms shall have the meanings set out. Any term that is not defined shall have the meaning given to it in the Tariff on which the charge is based or in the Atlas Distribution Guide:

1. *Account Commissions* are amounts refunded to an account and/or short paid by an account.
2. *Accessorial Services* are services rendered on a shipment other than those reflected in the Linehaul Charge and charges for Cartage, SIT and cargo coverage or valuation.
3. *Atlas Military Shipments* are Military Shipments tendered directly by the Surface Distribution Deployment Command (SDDC) to Atlas for transportation.
4. *Avail Fee* is the amount charged from time to time by Avail Resource Management, Inc. for its services.
5. *Billed Discount* is the amount or percentage of a Discount shown on an invoice per the Pricing Documents or, for Single Factor Shipments, the percentage determined by Atlas to reflect the Discount that would have been billed had the shipment not been a Single Factor Shipment.
6. *Discounts* are amounts deducted from or that reduce Tariff Charges pursuant to Pricing Documents, regardless of how (line by line or combined) and whether or not they are shown on the account invoice.
7. *Fuel Surcharge* is the Tariff Charge or Pricing Document amount that reflects changes in the price of fuel, less the Billed Discount, if any.
8. *Government Parties* are the United States Government, all parts of it and third parties acting for it.
9. *Government/Military Shipment Fees* are fees assessed by Government Parties or applied on Government Shipments and/or Military Shipments, all in the percentages or amounts set by the Government Parties or their agents, including (a) the Government Valuation Fee, (b) a government bill of lading discount (currently equal to 1.5% of the total Net Invoiced Amounts), (c) the Power Track fee (currently equal to 1% of total Net Invoiced Amounts), (d) the GSA shipment charge (currently equal to 2.5% of the total Net Invoiced Amounts minus SIT Charges and charges for third-party services), and (e) the GSA move management fee.
10. *Government Shipments* are shipments for the United States Government excluding Military Shipments.
11. *Government Valuation Fee* is the percentage of the total Net Invoiced Amounts, excluding SIT Charges and charges for third-party services, assigned for Military Shipments, which is currently 4% unless a Pricing Document specifies a different percentage.
12. *Household Contract Shipments* are Household Goods Shipments transported for national accounts or individual shippers under the terms of a contract with national account, including referral agreements.
13. *Household Goods Shipments* are shipments of personal effects and property used or to be used in a dwelling when part of the equipment or supply of such dwelling and similar property and, subject to the definition of Office and Industrial Shipments, may include those shipments.
14. *Household Valuation Charge* is the value of Full Value Protection (FVP) cargo coverage not collected per a Pricing Document, as determined per the Atlas Distribution Guide.
15. *Interline Booking Commissions* are amounts retained by the carriers tendering Non-Managed Shipments to Atlas.
16. *Interline Shipments* are Military Shipments initially tendered by the SDDC to carriers other than Atlas for transportation and tendered by such other carriers to Atlas.
17. *Invoiced Linehaul* is the amount shown on an invoice as the Linehaul (also called Transportation) charge, minus all Billed Discounts and, for Non-Managed Military Shipments, the Interline Booking Commission.

18. *Linehaul Charge* is the amount designated for the transportation of a point of origin to a point of destination, excluding Postage.
19. *Linehaul Sliding Scale* is the chart contained in the Atlas Distribution Guide that shows the percentages of the Net Distributable Linehaul Amount that are payable to each of the parties involved in a shipment, based upon the type of shipment and applicable Pricing Documents.
20. *Managed Shipments* are Interline Shipments tendered to carriers that: (a) are subsidiaries or affiliates of Atlas, or (b) have agreements with Atlas under which Atlas provides management services for Interline Shipments.
21. *Military Shipments* are shipments of Household Goods for the SDDC and include Atlas Military Shipments, Managed Shipments and Non-Managed Shipments.
22. *Net Invoiced [Name of Charge] Amount* is the amount billed to the customer for each charge applicable to a shipment after the application of all Discounts.
23. *Non-Managed Shipments* are Interline Shipments excluding Managed Interline Shipments.
24. *Office and Industrial Shipments* are shipments of furniture, fixtures, equipment and the property of stores, offices, museums, institutes, hospitals or other establishments and are included in the definition of Household Goods Shipments when transported under a Household Goods Tariff and in the definition of Special Products & General Commodities Shipments when transported under Tariff ATVL 500.
25. *Pricing Documents* are the Tariffs, contracts with customers, government tenders, bid documents, interline agreements, referral agreements and similar documents.
26. *Referral Fees* are amounts paid to a third party for referring a customer to Atlas.
27. *Shipment Charges* are the amounts determined for the various services provided on a shipment under the Pricing Documents prior to the application of any Discounts.
28. *SIT Charges* are the charges for storage-in-transit, including cartage and cartage-related charges but excluding storage valuation.
29. *Special Insurance Charge* or *SPIN* is the insurance-related general rate increase in any Tariff.
30. *Special Products and General Commodities Shipments* include all shipments other than Household Goods Shipments and, subject to the definition of Office and Industrial Shipments, may include those shipments.
31. *Tariff* is the price list for the services provided by Atlas, including ATVL 1000, ATVL 500, HGCB 400 (M and N), 400NG and GSA01, and other similar documents incorporated in Pricing Documents as the basis for pricing shipments, including all amendments, replacements and reissues.
32. *Tariff Charges* are the applicable Tariff charges prior to the application of any Discounts.

33. *Uninvoiced Amounts* are charges, costs or portions of charges or costs that, pursuant to a Pricing Document or the Atlas Distribution Guide, are: (a) in a Tariff but are provided at no charge (free) to the customer or the cost for which is partially waived; or (b) not included in the Net Invoiced Amounts but are incurred with respect to a shipment per a Pricing Document, or (c) not billed to a customer but deducted or used by Atlas in distributing revenue. Subject to the Pricing Documents and the Atlas Distribution Guide, Uninvoiced Amounts may include, but are not limited to, the following: Account Commissions, Avail Fee, Audit Fees, Check Fees, Credit Card Fees, HHG Valuation Charge, Referral Fees, Special Insurance Charge, debris pickup charges and Welcome Home service charges.

8-2-2 Tariff Used for Distribution

Unless otherwise specified, the Tariff that will be used to determine the distribution of revenue on a shipment will be the currently applicable version of the following:

Interstate Household Goods Shipments (other than Government and Military): ATVL 1000, HGCB 400N or HGCB 400M

Government Shipments: GSA01

Military Shipments: 400NG

Special Products & General Commodities Shipments: ATVL 500

8-2-3 Gross Distributable Linehaul Insurance Amount; Gross Distributable Linehaul Amount

First, on all shipments except general commodities shipments, a *Gross Distributable Linehaul Insurance Amount* is calculated. The Gross Distributable Linehaul Insurance Amount is equal to 3.846% (1.923% for Government Shipments) of the Linehaul Charge from the applicable tariff. The Linehaul Charge minus the Gross Distributable Linehaul Insurance Amount and, for Military Shipments, any Interline Booking Commission is the *Gross Distributable Linehaul Amount*.

8-2-4 Other Gross Distributable Amounts

All other *Gross Distributable Charge Amounts* are determined from the applicable Tariff or, if there is no charge in the Tariff for an amount, the amount set by Atlas from time to time. The *Gross Distributable Shipment Amount* is the total of the Gross Distributable Linehaul Amount, the Gross Distributable Linehaul Insurance Amount and all other Gross Distributable Charge Amounts on a shipment.

8-2-5 Net Distributable Amounts and Sliding Scales

The *Net Distributable Amount* of each charge is determined under the remaining provisions of this Rule 8. Once determined, the *Net Distributable Linehaul Amount* is then allocated among the parties using the percentages set forth in the applicable *Linehaul Sliding Scale* and the Net Distributable Amount of each other charge is distributed as provided in this Rule 8.

8-3 Household Goods Shipments

8-3-1

Depending upon the Pricing Documents, the Avail Fee and the Government/Military Shipment Fees are deducted from either the specified charge (e.g. the Gross Distributable Linehaul Amount) or, if no charge is specified, the Gross Distributable Shipment Amount.

8-3-2

Then, the *Effective Bottom Line Discount (EBLD)* is calculated by adding up all of the Net Invoiced Amounts for the shipment (excluding the Fuel Surcharge, SIT Charges, the Valuation Charge, third party charges and other non-discountable service charges), subtracting the total Uninvoiced Amounts and dividing that number by the sum of the undiscounted tariff charges for each of the items included in the calculation to determine the effective discount for the shipment that takes into account the value of the Uninvoiced Amounts. For shipments on which SIT Charges apply, a separate EBLD is calculated that takes into account the applicable Uninvoiced Amounts related to storage. For Interline Shipments, there may not be an EBLD determined and the applicable discount that will be applied will be the Billed Discount.

8-3-3

For Household Contract Shipments, in lieu of determining an EBLD, Atlas may from time to time set a Predetermined Bottom Line Discount (*PBLD*) that it determines, in its sole discretion, reasonably reflects the value of Uninvoiced Amounts for such shipments under the applicable Pricing Documents and Tariff. Once set (and until it is reset), the PBLD shall be used in lieu of the EBLD for such Household Contract Shipments.

8-3-4

The Gross Distributable Charge for each of the services rendered on a shipment that is included in an EBLD calculation is then multiplied by the EBLD or PBLD to determine the Net Distributable Amount for each charge. This allocates a portion of all of the charges included in an EBLD calculation to services for which there was no charge or a reduced charge and is the amount used by Atlas to distribute shipment revenue to all participating agents involved in a shipment. The Net Distributable Amount for the Fuel Surcharge, third party charges and non-discountable Tariff charges is the Net Invoiced Amount.

8-3-5 Origin Terminal Service

If an origin agent performs services other than an estimate or survey, including packing and/or origin pickup on a Household Goods Shipment, at the request of the booking agent or Atlas Operations, the origin agent shall be paid for the services actually provided pursuant to the other provisions of these Rules.

8-3-6 Survey Fee

On Household Goods Shipments, if the shipment is transported by Atlas, the agent designated in AtlasNet Dispatch to survey a shipment or create a physical estimate shall be paid an amount equal to 5% of the Net Distributable Linehaul Amount from the shipment, subject to a minimum of \$75 and a maximum of \$150, as the Survey Fee. If the shipment is not transported by Atlas, the agent performing the Survey or physical Estimate shall receive a Survey Fee of \$75.00, provided the booking agent registers the shipment and the agent performing the estimate or survey submits supporting documentation of a survey or estimate in the Image system. Only one Survey Fee will be paid on a shipment. The Survey Fee shall be deducted from the booking agent under the applicable distribution schedule.

8-3-7 Interstate Household Goods Shipment Linehaul Sliding Scales

On interstate Household Goods Shipments (including Canadian and Alaskan shipments), the Net Distributable Linehaul Amount shall be distributed under the Linehaul Sliding Scale for (1) the specific Tariff used for billing; and (2) the applicable sliding scale date, which is the loading date for the shipment if the shipment moved under a current rate schedule or the frozen rate base date set forth in a contract if the shipment moved under a contract with a frozen rate base. The discount percentage used to determine which distribution percentages apply will be the EBLD, if no PBLD has been determined, the PBLD, in one applies, or, if no EBLD or PBLD applies, the Billed Discount. The Linehaul Sliding Scales for Household Goods Shipments are found in the Atlas Distribution Guide under Linehaul Distribution/Sliding Scale Schedules.

8-3-8 Intrastate Household Goods Shipments Linehaul

8-3-8-1 California

The Net Distributable Linehaul Amount on all Household Goods California intrastate shipments will be distributed 5% to the booking agent, 2.5% retention rebate to the booking agent, 86.5% to the hauling agent and 6% to Atlas.

8-3-8-2 Indiana

The Net Distributable Linehaul Amount on all Household Goods Indiana intrastate shipments, other than Military Shipments, will be distributed 19% to the booking agent, 2.5% retention rebate to the booking agent, 72.5% to the hauling agent and 6% to Atlas. Intrastate Indiana Military Shipments will be distributed under the interstate Linehaul Sliding Scale for Military Shipments.

8-3-8-3 Texas

The Net Distributable Linehaul Amount on all Household Goods Texas intrastate shipments will be distributed under the respective interstate Linehaul Sliding Scale, provided that all shipments shall be deemed to be 600 miles or less, regardless of their actual length.

8-3-8-4 Other States

The Net Distributable Linehaul Amount on all Household Goods shipments in all other states in which the transportation of Household Goods shipments is not regulated and in which Atlas provides services pursuant to a contract requiring that it perform intrastate services will be distributed 98% to the booking agent, which must also haul the shipment or arrange for a hauling agent at an agreed upon rate, and 2% to Atlas.

8-4 Special Products and General Commodities Shipments

8-4-1 Net Distributable Amounts

For Special Products and General Commodities Shipments, the *Net Distributable Linehaul Amount* is the Gross Distributable Linehaul Amount multiplied by the Billed Discount minus the Credit Card Fee, when applicable. The *Net Distributable Amount* of all other charges is the Net Invoiced Amount.

8-4-2 Valuation Charge

A valuation charge of 1% of the Net Distributable Linehaul Amount is deducted from the Net Distributable Linehaul Amount before the Net Distributable Linehaul Amount is distributed on Special Products and General Commodities Shipments when valuation is provided at no cost to the customer per the applicable Pricing Document. When a Special Products and General Commodities Shipment is released at a value of \$5.00 per pound under ATVL 500, Item 3005, a valuation charge of 1.5% of the Net Distributable Linehaul Amount is deducted from the Net Distributable Linehaul Amount before the Net Distributable Linehaul Amount is distributed.

8-4-3 Linehaul Sliding Scales

Except as otherwise set forth, on Special Products and General Commodities Shipments, the Net Distributable Linehaul Amount shall be distributed under the Linehaul Sliding Scale for (1) the specific tariff and pricing item under which the shipment was transported; and (2) the applicable sliding scale date, which is the loading date for the shipment if the shipment moved under a current rate schedule or the frozen rate date base set forth in a contract if the shipment moved under a contract with a frozen rate base. The discount percentage used to determine which distribution percentages will apply will be the Billed Discount. The Linehaul Sliding Scales for Special Products and General Commodities Shipments are found in the Atlas Distribution Guide under Linehaul Distribution/Sliding Scale Schedules.

8-4-4 Non-Government Office and Industrial Shipments

The Net Distributable Linehaul Amount on non-government Office and Industrial Shipments hauled by CTD and moving under a contract shall be distributed 9.8% to the booking agent, 2.5% retention rebate to the booking agent, 79.2% to the hauling agent and 8.5% to Atlas.

8-4-5 Agent-Arranged Shipments

On Specialized Transportation (CTD & SPD) Shipments arranged by an agent under Rule 6-1-3, in exchanged for the booking agent locating a carrier to transport the shipment, the booking agent will receive 9% and Atlas will receive 5% (\$75 min. on CTD and \$25 min. on SP) of the Net Distributable Linehaul Amount. The balance of the Net Distributable Linehaul Revenue, after the other carrier is paid, shall be paid to the booking agent.

This rule is not applicable to AWG Brokerage Shipments. AWG Brokerage Shipments defined as: **An order priced by our third party pricing team. The shipment is booked in Atlas Net as a logistics registration or directly in TMW Operations.**

8-5 Other Charges

8-5-1 Net Distributable Amount

Unless otherwise specified in this Rule 8-5, the amounts subject to distribution under this Rule will be the Net Distributable Amount of the applicable charge.

8-5-2 Linehaul Insurance and the Special Insurance Charge

The Net Distributable Linehaul Insurance Amount will be distributed 20% to the booking agent, 55% to the hauling agent and 25% to Atlas. The Special Insurance Charge shall be distributed under the applicable Linehaul Sliding Scale.

8-5-3

The Fuel Surcharge will be distributed 100% to the hauling agent.

8-5-4 Accessorial Service Charges

Unless otherwise specifically provided in this Rule 8-5, all charges for Accessorial Services or additional services shall accrue to the agent performing the services or, if no agent is involved, to Atlas.

8-5-5 Packing Service Charges

8-5-5-1

On all shipments other than Military Shipments, the packing labor service charge and/or the packing service charge will be distributed as follows:

	Tariff 400J, 400L & 400M		Tariff 400N	
	Performing Agent	Atlas	Performing Agent	Atlas
600 miles or less	95.0%	5.0%	97.1%	2.9%
601 miles or more	90.0%	10.0%	94.2%	5.8%

8-5-5-2

On Military Shipments, the packing services charges will be distributed 95 percent to the performing agent and five percent to Atlas.

8-5-5-3

The Atlas Distribution Guide contains provisions for distribution of packing service charges on shipments on which packing is performed by one agent and unpacking by another, or containers and packing are furnished by different agents.

8-5-6 SIT Charges

SIT Charges shall be distributed 100% to the storage agent.

8-5-7 Valuation Charges

Valuation charges, including those for storage valuation, the Household Valuation Charge and the valuation charges in Rule 8-4-2, shall be distributed 100% to Atlas, unless otherwise set forth in the Atlas Distribution Guide.

8-5-8 Appliance Servicing

Appliance service and deservicing charges shall be distributed on an 85 percent and 15 percent basis between the agents providing the service.

8-5-9 Pickup at Origin, Setoff, Cartage and Delivery at Destination

Pickup, setoff, cartage and delivery charges and the distribution of those charges on all shipments are set forth in the Atlas Distribution Guide.

8-6 Agent Accounts

8-6-1

Atlas shall maintain, in electronic format, an account for each agent (the Agent's Account) and, once each week (the Distribution Date), shall send the agent an electronic copy of the statement of the Agent's Account (the Statement).

8-6-1-1

The Agent's Account shall be credited with all amounts that have been distributed to the agent for booking, hauling and other revenues arising from Atlas shipments. The Agent's Account shall be debited for all invoices and other amounts due to:

- (1) Atlas, including all fines, administrative charges, chargebacks and other amounts or assessments set out in these Rules and all amounts that the agent has agreed to pay Atlas under any agreement other than the agency agreement;
- (2) any affiliate of Atlas;
- (3) any third party on behalf of which Atlas is obligated or has been authorized by the agent to collect and remit funds; and
- (4) other agents on a shipment on which the agent is authorized to retain the charges collected. The Agent's Account shall be either credited or debited, as the case may be, with amounts determined under Rule 8-6-5.

8-6-1-2

The Statement shall include all shipments settled during the week ending on the day prior to the Distribution Date and shall show the status of the Agent's Account as of the date that it is issued.

8-6-1-3

Atlas will not adjust Statement entries beyond 180 days unless: 1) it has received a request for an adjustment from an agent involved in a shipment within 180 days, in which case it will have the right to adjust the entries of all agents involved in the shipment; 2) a customer has disputed a bill, presented a contract issue or has filed an overcharge claim, in which case the agent may be charged after 180 days for amounts paid to it; and 3) Atlas has advanced funds to an agent and that advance has not been reflected on any Statement.

8-6-2

If a Statement shows that the agent is due money from Atlas, those funds will be paid to the agent on the Distribution Date, either by a wire transfer or direct deposit (ACH) into the agent's bank account on record with Atlas.

8-6-3

The standard Distribution Date is Friday, but Atlas may move the Distribution Date for a particular week if Atlas is not open for business on the Friday during that week.

8-6-4

If the first Statement each month shows that the agent owes Atlas money on invoices issued by Atlas and/or settlement corrections that have been outstanding for the prior four weeks (and the balance is \$250 or more), the agent will be assessed a charge in arrears of 2% on the average deficit balance of the prior four weeks. This charge shall have priority over all other deductions except chargebacks under rule 8-6-5.

8-6-5

If, on any Distribution Date, the Agent's Account of an agent that is either a main office or the branch office of another agent (as defined in Rule 2-6-5) has a deficit balance and any amount is due from Atlas to any branch office of the agent, to the main office of the agent or to any other branch office of the same main office of the agent (a Related Agent), Atlas shall deduct the lesser of the amount due to the Related Agent or the amount of the deficit balance from the Related Agent Agent's Account and shall credit the amount deducted against the agent's deficit balance. If multiple Related Agents have either deficit balances or amounts due to them, Atlas shall determine what amounts shall be deducted from and applied to each of the Related Agent Agent's Account.

8-6-6

If the Agent's Account has a deficit balance, within 30 days of the Statement on which the deficit balance first appeared, the balance due must be paid to Atlas, offset by amounts due agent on future Statements or credited against amounts due a Related Agent under Rule 8-6-5. Failure to clear a deficit balance within 45 days of the date of the statement on which the deficit first appeared and/or repeated deficits in Agent's Account will be

cause to terminate the agent's agreement with Atlas. If an agent has repeated deficits in the Agent's Account, Atlas may require the agent to pay a security deposit in an amount to be determined based on business volumes, to ensure that Atlas receives payment of amounts due it and other agents.

8-7 Credit Terms between Atlas and its Agents

8-7-1 General Provisions Relating to Credit Terms between Atlas and its Agents

8-7-1-1

An agent may select from one or more (if applicable) of three credit programs offered by Atlas and designated as Options A, B and C for the way in which Atlas handles credit extended to accounts with the agent. The agent must notify the Credit Department in writing of the Option or Options selected by it. If an agent wishes to change from one Option to another, the agent must do so in a writing directed to the Credit Department. The change in Options will be effective on the date that the notice is received by the Credit Department and will apply to shipments registered after the date that it is effective. If no Option has been specified, the agent will automatically be placed on Option A.

8-7-1-2

On the termination of the agency agreement between Atlas and an agent for any reason, the terminated agent will automatically be placed on Option A and that Option will apply to all amounts outstanding at the time of notice of termination and to all amounts due on invoices sent subsequent to the notice of termination.

8-7-2 Option A

Under Option A, the booking agent will be charged the total invoiced amount on a shipment if the invoice is not paid within 75 days of the invoice date (90 days for an AWG Stockholder Agent). There is no charge to the agent for Option A. While the Credit Department will assist the agent in collecting from an Option A account, the booking agent is responsible for collection from the account and all costs of collection.

8-7-3 Option B

Under Option B, the booking agent can elect to choose specific shipments to be charged back by means of an S invoice at 120 days instead of at 75 days. The charge for placing a shipment on Option B is one percent of the total amount billed on such shipment at the time of settlement. This amount is nonrefundable. In order to place a shipment on Option B, an agent must notify Atlas of this election at the time the shipment is registered. The balance of the Option A provisions apply under Option B.

8-7-4 Option C

8-7-4-1

Under Option C, Atlas assumes the credit risk and responsibility for non-payment and delinquent payments by national accounts due to the inability to pay and/or bankruptcy of the national account and there are no chargebacks to the booking agent for amounts due on shipments that are not paid due to these reasons. The charge for Option C is one percent of the total amount billed on each shipment to which Option C applies. This fee is nonrefundable, regardless of whether the booking agent ultimately becomes responsible for the charges under any of the following Rules. Except as otherwise provided, Atlas is responsible for collection of amounts due from accounts under Option C and all costs of collection.

8-7-4-2

An agent that elects Option C must submit all national accounts booked or to be booked by that agent for Atlas' approval. The Credit Department will review the credit history for all accounts submitted and will notify the agent of approval or denial of credit for each account and will establish a credit limit for each account. If an account does not qualify for the Option C program, Option A will apply to it.

8-7-4-3

Option C is not available for any account that:

- (1) the agent bills
- (2) has a provision in its contract with Atlas that restricts Atlas from collecting charges due from the consignee;
- (3) has a billing address outside of the United States or Canada; or
- (4) has been suspended from Option C by Atlas under Rule 8-7-4-8.

8-7-4-4

If a shipment for a national account is registered prior to the Credit Department's approval of the national account for Option C, Option A will apply to the shipment.

8-7-4-5

Atlas will be responsible for collection of all amounts due from Option C accounts. If an agent collects charges on a shipment from an Option C account, the agent will be charged back the total shipment charges plus a 10 percent penalty. An agent may be removed from Option C for frequent violation of this provision.

8-7-4-6

If the booking agent does not obtain an authorization letter or purchase order on a shipment as required by Rule 7-1-7-3 on an Option C account, the agent will be charged back the total amount due on the shipment.

8-7-4-7

If an agent accepts a restrictive purchase order for a shipment from an Option C account, the agent will be charged back the full amount of the shipment charges and will be responsible for the collection charges.

8-7-4-8

The Credit Department reviews all accounts on a weekly basis. If an Option C account has a balance due over 60 days or has had credit extended in excess of the approved credit limit, the account may be suspended from Option C. Once the past due balance is paid in full or the amount of credit falls below the approved limit, inclusion of the account in Option C will be reconsidered. While the account is suspended from Option C or if it is not reinstated under Option C, Option A will apply to it.

8-7-4-9

Option C does not cover non-payments due to claims, bad estimates or poor service or invoices other than for shipment charges, including invoices to accounts relating to claims amounts that the account or a third party has agreed to pay. If the account refuses to pay for any reason other than an inability to pay because of a lack of funds or bankruptcy, the Credit Department will try to settle the dispute. If the Credit Department is unable to resolve the dispute within 90 days of the date of the invoice, the booking agent will be charged back the full amount of the charges on the shipment at 90 days. Under these circumstances, the agent will also be responsible for collection and legal fees.

8-7-4-10

If the booking agent cannot provide a proper billing address, the agent will be charged back the full amount of the invoice after Atlas has attempted three billings.

8-7-4-11

The employee or beneficial owner of the goods must be notified within 60 to 90 days if the Option C account has not paid the charges on a shipment. When the agent decides that the employee should not be notified, at 90 days the agent will be charged back the full amount of the invoice without a refund of the 1 percent charge. The agent can then continue collection in the manner that best serves the agent.

8-8 Atlas Purchase Order

An Atlas agent requesting and receiving Atlas or an Atlas affiliate purchase orders for materials, supplies, repairs, maintenance and related items shall be absolutely and immediately liable for the charges incurred under such purchase order to Atlas. Atlas does not warrant or guarantee the service or materials obtained with the purchase order. In the event of a dispute between the agent and the supplier, Atlas shall make a reasonable effort to accommodate the agent, but if, in the sole and absolute discretion of Atlas, a decision is made to pay an invoice and it is paid, in whole or in part, the agent shall be liable to Atlas for the amount paid.

8-9 Amounts Due from One Agent to Another

If one agent extends credit to another agent for advances to drivers, labor charges and packing material costs, an invoice for such charges shall be mailed immediately to the agent to whom credit has been extended by the agent extending the credit. Labor charges between one Atlas agent and another on Atlas shipments shall be billed at the labor rate set out in Atlas' applicable tariff for the location where the labor is supplied.

Part 9: Claims

9-1 Cargo Claims

9-1-1 General Provisions Relating to Cargo Claims

9-1-1-1

In its sole discretion, Atlas shall have the right to investigate, resolve, settle or defend every claim or suit for loss of or damage to a shipment (a *Cargo Claim*).

9-1-1-2

Atlas will determine, in its sole discretion, which agent is responsible for the Cargo Claim based upon the participation of the agent in the shipment. The agent that Atlas determines is responsible for a Cargo Claim will be assessed liability for the Cargo Claim (*Liability*) and one or more claim chargeback amounts (each a *Chargeback*), as further defined in Rule 9-1-3, with respect to a Cargo Claim. Atlas will be responsible for any balance in excess of the Chargebacks.

9-1-1-3

If Atlas is unable to determine which agent is responsible for the Cargo Claim, then all agents involved in physically handling the shipment will be assessed a Chargeback based upon the proportion of the compensation received by each of those agents subject to any applicable limits set out in this Rule 9-1.

9-1-1-4

The actual costs and expenses paid or incurred by Atlas with respect to a Cargo Claim, including the cost of repair or replacement of any item, amounts paid to claimant, inspection fees, adjuster fees, estimate fees and legal fees (the *Claim Amount*) shall be included in calculating the amount of the Chargeback. If applicable, a Claim Amount may be determined with respect to a specific item or items on which a Cargo Claim has been made, for example, an automobile. If the Claim Amount is less than the Chargeback amount determined under Rule 9-1-3, the Claim Amount shall be the amount of the Chargeback.

9-1-1-5

Atlas will allow a booking agent to process interstate Household Goods Cargo Claims, other than subrogation claims made by third party insurers, on COD, national account and government non-military shipments booked by that agent if the agent is authorized by Atlas to process claims through the Atlas computerized Claims Management System (CMS), provided that Atlas shall have the right to audit and make a final determination on any claim processed by an agent. In order to be authorized to process claims, the agent must be trained on CMS. If an agent completely processes a claim under this Rule through the CMS, then Atlas will pay the agent \$40 on a self-hauled shipment and \$35 on a non-self-hauled shipment.

9-1-1-6

Atlas shall tender a Cargo Claim that involves non-Atlas loss or damage, including that resulting from permanent or local storage or transportation (a *Non-Atlas Claim*), to the agent for resolution for such loss or damage for resolution. In the alternative, Atlas may resolve the Non-Atlas Claim and issue a Chargeback for the Claim Amount. Even if Atlas tenders a Non-Atlas Claim to the agent for resolution, if the Non-Atlas Claim is not resolved to the satisfaction of the party making the claim and, as a result, a lawsuit is threatened or subsequently filed against Atlas regarding the Non-Atlas Claim, Atlas may resolve the Non-Atlas Claim, including any lawsuit brought upon it, and issue a Chargeback against the agent for the Claim Amount. If the agent has insurance coverage for a non-Atlas Claim, Atlas will reasonably cooperate with that insurance carrier, provided that it is the agent's responsibility to put the insurance company on notice of the claim and to request that the claim be covered by such insurance. Atlas shall have no responsibility to take any action with respect to obtaining insurance coverage for a Non-Atlas Claim or resolving any dispute regarding insurance coverage or the availability of such coverage and the existence of insurance coverage for a Non-Atlas Claim shall not affect Atlas' right to issue a Chargeback on a Non-Atlas Claim.

9-1-2 Claims Ratio

Atlas shall establish a claims liability ratio (the *Claims Ratio*) for every Atlas-qualified driver. If the driver has hauled at least 100,000 pounds of Household Goods moving on Atlas' bills of lading during a calendar year, then the Claims Ratio shall be the cost of the Cargo Claims that Atlas has determined the driver is responsible for during such calendar year per each 10,000 pounds of Household Goods hauled under Atlas bills of lading by that driver. The Claims Ratio shall be calculated by dividing the cost of the Cargo Claims by the pounds of Household Goods hauled divided by 10,000. The Claims Ratio shall be recalculated annually using information from the prior calendar year and, when calculated or recalculated, shall be applicable from August 1 of the year it is calculated, through July 31 of the next year.

9-1-2-1

The Claims Ratio shall be used to establish the variable Chargeback (the *Variable Chargeback*), which will be used in determining the amount of the Chargeback to be assessed against the hauling agent, in accordance with the following table:

Claim Ratio per 10,000 lbs.	Variable Chargeback
\$.01-\$5.00	\$50.00
5.01 - 10.00	100.00
10.01 - 25.00	150.00
25.01 - 50.00	200.00
50.01 - 75.00	225.00
75.01 - 100.00	250.00
100.01 - 150.00	300.00
150.01 - 200.00	350.00
200.01 - 250.00	450.00
250.01 & up	500.00

If a driver does not have an established Claims Ratio, then the Variable Chargeback will be \$250.

9-1-3 Cargo Claims Chargebacks

9-1-3-1

The basic Chargeback (the *Basic Chargeback*) amount on a household goods or office and industrial shipment for external damage and concealed damage shall be \$200 or, if applicable, the Variable Chargeback.

9-1-3-2

The Chargeback for damage to any number of automobiles transported on a shipment (the *Auto Chargeback*) shall be a maximum of \$500.

9-1-3-3

The Chargeback for articles lost or missing from a shipment (the *Loss Chargeback*) is the full amount of Atlas' cost to replace the article, subject to any maximums in this Rule 9-1-3. A Loss Chargeback shall apply if there is an unexplained disappearance of items from a shipment while the shipment is in the possession of an agent or if there is a theft of items from a shipment and Atlas determines that the agent in possession of the shipment did not have adequate security measures in effect with respect to its warehouse, vehicle or personnel, which allowed the theft to occur. The Loss Chargeback for a first occurrence within six months is subject to a maximum of \$350 per article and \$700 per shipment. The Loss Chargeback on any Cargo Claim made for additional lost or missing articles within six months of a prior Loss Chargeback is subject to a maximum of \$500 per article and \$1000 per shipment.

9-1-3-4

The Chargeback for damage only in excess of \$1,000 on a shipment (the *Excess Damage Chargeback*) shall be an amount equal to 25 percent of the Claim Amount over \$1,000, up to a maximum equal to the Basic Chargeback or Variable Chargeback, whichever applies. The Excess Damage Chargeback shall not apply in the case of a catastrophic loss.

9-1-3-5

The Chargeback for failure to use generally accepted or prescribed procedures or equipment in physically handling a shipment (the *Improper Procedure Chargeback*) shall be up to a maximum of 100 percent of the amount of the Cargo Claim related to the failure to use proper procedures or equipment. The Improper Procedure Chargeback shall apply for:

- (1) failure to use stretch wrap on overstuffed furniture, excluding leather;
- (2) failure to use or identify a parts container;
- (3) failure to document delivery by check off of shipment at time of delivery;
- (4) failure to use the Customer Responsibility/High Value Inventory form;
- (5) willful mishandling;
- (6) reoccurring damage or loss involving the same or similar items, such as damage to the legs of tables and chairs;
- (7) water/mold damage as a result of failure to repair a known leaking unit or facility;
- (8) damage by or to automobiles or boats as a result of using improper support decking or loading procedures;
- (9) damage from violation of any other Rule, including specifically, those regarding the use of qualified drivers and equipment;
- (10) loss or damage due to the theft of a trailer not equipped with a trailer tracking device; or
- (11) any other failure to use proper procedures that, in the sole discretion of Atlas, gives rise to a Cargo Claim.

9-1-3-6

The Chargeback for failure to execute or obtain proper records or Atlas-required documents pertaining to a shipment that directly results in the payment of a Claim Amount (the *Document Chargeback*) shall be up to a maximum of \$500. The Chargeback for failure to obtain a Customer Declaration of Value form on which a COD customer has signed for valuation coverage is one-half of the charge for full value protection, up to a maximum of \$250.

9-1-3-7

The Chargeback for a Cargo Claim on a shipment releasing from an agent's own permanent storage that is booked and hauled by the agent (the *Perm Storage Chargeback*) shall be 75 percent of the Claim amount on the first occurrence. Chargeback for any future occurrences shall be 100 percent of the Claim Amount.

9-1-3-8

Liability for a Cargo Claim on a containerized shipment or an Atlas spot trailer will be assessed as follows:

- 1.) External damage – 80 percent to the loading agent and 20 percent to the unloading agent; with the exceptions listed in 4b
- 2.) Unexplained missing items – 50 percent to the loading agent and 50 percent to the unloading agent; however, the loading/unloading agent will have 100% liability if the loading/unloading was performed and the agent failed to verify through proper documentation/check off that all items were loaded/unloaded in or out of the spot trailer or container
- 3.) Packing damage – 100 percent to the packing agent
- 4.) Perform inspection of spot trailer or containers
 - a.) Loading agent: secure photos of the contents of each packed/loaded spot trailer or container before sealing for transport. If multiple shipments are being loaded into a spot trailer, photos should be obtained of each shipment after loading. Secure photos of the sealed containers before releasing for transport.
 - b.) Unloading agent: at the time of delivery to your warehouse: inspect containers for external damage. For containerized shipments, if no external damage is visible, the container should remain sealed until the time of delivery unless it must be emptied for other reasons. Once opened, if damage is suspected due to improper loading, a rider and inventory checkoff must be completed, along with photos of damage. If goods are removed from container prior to delivery to residence (SIT or shuttle), an inventory checkoff and rider must be completed.

Spot trailers must be opened when received and inspected for improper handling. If improper loading is suspected, photos must be taken, rider/inventory checkoff completed, and uploaded to AtlasNet and the Atlas Claims department must be notified. If an agent unloads a shipment from a spot trailer with multiple shipments, the aforementioned checkoff and photo process applies. However, an additional photo of the trailer contents after the shipment is removed must also be uploaded into AtlasNet within one business day

Photos and documentation of the condition of the trailer/container/contents must be scanned into AtlasNet within one business day

Failure to follow the step outlined here will result in the application of Rule 9-1-3-5 (Improper Procedure)

9-1-3-9

The Chargeback for a Cargo Claim on a shipment moving under Tariff 500 or 2000 (the *SP Chargeback*) is \$500 per occurrence that results in a Cargo Claim. The SP Chargeback will be \$500 for the occurrence.

9-1-3-10

The Chargeback for a Cargo Claim on a shipment moving under Tariff 500 or 2000 on which an agent uses a non-qualified driver or equipment will be an amount equal to the difference between the Claim Amount and the SP Chargeback, up to a maximum of \$2,000 per occurrence, which shall be added to the SP Chargeback.

9-2 Residence and Non-Cargo Property Damage Claims

9-2-1

In its sole discretion, Atlas shall have the right to investigate, resolve, settle or defend every claim or suit for damage to a residence or for the loss of or damage to property (other than cargo) of a shipper or a third party that occurs in connection with a shipment (a *Property Claim*).

9-2-2

If the agent's property damage insurance coverage is obtained through the Atlas program, Atlas will resolve the Property Claim and will invoice the agent for a chargeback in the amount paid up to a maximum of \$150 for inside property damage and a maximum of \$100 for outside property damage, per location.

9-2-3

If the agent's property damage insurance coverage is through another insurance company and the Property Claim is \$500 or less, Atlas will resolve the Property Claim and will charge back the agent for the entire amount paid and for the cost of any inspection and/or estimates.

9-2-4

If the agent's property damage insurance coverage is through another insurance company and the Property Claim is either initially \$500 or more or, after investigation by Atlas will cost more than \$500 to resolve, the agent must either resolve the claim or turn the claim over to the agent's insurance carrier for resolution. A copy of any settlement document and/or proof of payment of the Property Claim or a denial letter on the claim, as appropriate, shall be provided by the agent to Atlas.

9-2-5

If a Property Claim is tendered to the agent for resolution under Rule 9-2-4, the Property Claim is not resolved to the satisfaction of the party making the Property Claim and, as a result, a lawsuit is threatened or subsequently filed against Atlas regarding the Property Claim, Atlas may resolve the Property Claim, including any lawsuit brought upon it, and will charge back the agent for the Claim Amount. Atlas will reasonably cooperate with the agent's insurance carrier, provided that it is the agent's responsibility to put the insurance company on notice of the Property Claim and to request that the Property Claim be covered by such insurance. Unless the agent is on Atlas' insurance program for general liability, Atlas shall have no responsibility to take any action with respect to obtaining insurance coverage for a Property Claim or resolving any dispute regarding insurance coverage or the availability of such coverage and the existence of insurance coverage for a Property Claim shall not affect Atlas' right to charge back the agent on a Property Claim on which a suit has been filed.

9-3 Delay Claims

9-3-1

In its sole discretion, Atlas shall have the right to investigate, resolve, settle or defend every claim or suit for delay of a shipment (a *Delay Claim*), including claims for failure to pickup, load or deliver all or a part of a shipment within the dates agreed to with the shipper (the *Spread Dates*). A Delay Claim includes amounts paid to a shipper or an account as a result of contract or tariff terms providing for guaranteed pickup or delivery of shipments.

9-3-2

Atlas shall be responsible for Delay Claims arising from an Atlas Operations failure to make a dispatch that would reasonably provide for an on-time loading or delivery, provided that, if Atlas Operations has assigned a shipment to a hauling agent in time for the hauling agent to accomplish this pick up and delivery within the Spread Dates and the agent fails to timely pick up or deliver the shipment for any reason, the hauling agent will be responsible for the Delay Claim. This includes Delay Claims due to a driver's illness or other driver or equipment related problems. Delay Claims resulting from weather, other acts of God and war or terrorism will normally not result in payments.

9-3-3

An agent that books a shipment as a self-haul shipment but fails to provide the service during the Spread Dates will be responsible for the Delay Claim.

9-3-4

If a shipment cannot be loaded direct on over-the-road equipment and RSG Operations has advised the origin agent of the need to perform an authorized pickup, if the shipment is not picked up from the residence within the load Spread Dates, the origin agent will be responsible for the Delay Claim. Notice of the need for pickup must be made by RSG Operations no later than the day prior to the first day of the Spread Dates. If notice is not timely made, Atlas will be responsible for the Delay Claim.

9-3-5

The hauling agent will be responsible for a Delay Claim resulting from an overflow shipment when essential items, including automobiles, beds, mattresses, dishes, cookware and/or clothing, are left at origin unless RSG Operations determines that the overflow resulted from an inaccurate estimate, in which case the booking agent shall be responsible for the Delay Claim.

9-3-6

If Atlas or an agent other than the agent specified in this Rule as responsible for a Delay Claim is determined by Atlas to be responsible for causing a Delay Claim in an unusual situation, that party shall be responsible for the Delay Claim.

Part 10: Miscellaneous

10-1 Documentation on Non-Atlas Shipments

10-1-1

An agent may not use Atlas or Atlas Van Lines International Corp. (AVLI) paperwork (including, but not limited to, bills of lading, cube sheets, accessorial forms, inventory sheets, literature and brochures) on intrastate or local shipments not registered with Atlas or on international shipments not registered with and forwarded by AVLI.

10-1-2

All bills of lading and similar documents used on intrastate and local shipments not registered with Atlas shall include on the front of the document in at least 10 point type the following statement: SERVICES ARE NOT PROVIDED AS AN AGENT OF ATLAS VAN LINES, INC. This statement may either be printed or stamped on the copy of the bill of lading or similar document provided to the customer. Atlas may require an agent to provide copies of intrastate and local bills of lading and similar documents to ensure compliance with this requirement.

10-1-3

For violation of this Rule, Atlas will assess the following fines against the responsible agent:

10-1-3-1

For the use of an Atlas or AVLI bill of lading on a shipment, the fine may be \$5,000 for the first offense and \$10,000 for the second and any additional offenses. In addition, if, as a result of a violation of this rule, Atlas or AVLI is notified of problems involving an intrastate, local or international shipment, Atlas or AVLI may take such action as it deems necessary, in its sole discretion, to resolve the problem. All costs incurred in resolving the problem with the shipper will be charged back in full to the responsible agent.

10-1-3-2

For the use of any other Atlas or AVLI paperwork (including, but not limited to, cube sheets, accessorial forms, inventory sheets, etc.) on a shipment or for the failure to include the language required in Rule 10-1-2 on an intrastate or local bill of lading or similar document, the fine may be \$1 to \$1,000 per occurrence.

10-2 Rules

The Board of Directors of Atlas may amend, supplement or rescind these Rules. Any such amendment, supplement or addition shall become effective only after five days notice to the agents, which may be provided electronically by posting the change on Atlas' web site. These Rules may be maintained electronically. These Rules are not exclusive and Atlas may establish additional fair and reasonable policies for the conduct of Atlas' operations which may be communicated to the agents electronically. Any reference in any Atlas document to the Operating Policies and Rules shall be a reference to these Rules.

Appendix A: Atlas Van Lines, Inc. Policy Governing Drug and Alcohol Use and Testing

Revised 09/24/2014

1-0 Introduction and Overview

1-1

The Federal Motor Carrier Safety Administration (FMCSA) of the U.S. Department of Transportation (DOT) has issued regulations that govern the use of drugs and alcohol by commercial motor vehicle drivers and that also require Atlas Van Lines, Inc. (Atlas) to conduct mandatory drug and alcohol testing of personnel with a commercial driver's license (CDL) at the times and under the conditions described in this policy.

1-2

Atlas will comply fully with the DOT regulations governing drug and alcohol use and testing and the requirements of the DOT regulations have been incorporated into this policy. In the event the DOT regulations are amended, this policy and the applicable term(s), condition(s) and/or requirement(s) of this policy shall be deemed to have been amended automatically at that time, without the need for redrafting, in order to reflect and be consistent with the DOT regulations. In such case, Atlas reserves the right to apply the amended requirements immediately and without giving prior notice to drivers and/or applicants, unless such notice is required by DOT or another applicable law. Atlas will also comply with any applicable state requirements governing drug and/or alcohol testing that are not preempted by the DOT regulations. Atlas will comply with the applicable requirements of the Drug-Free Workplace Act of 1988, the Americans With Disabilities Act, and the Family and Medical Leave Act to the extent applicable to its employees and applicants for employment.

1-3

The drug and alcohol testing required under the DOT regulations applies to any individual who operates a commercial motor vehicle (CMV) in interstate or intrastate commerce and who is required to possess a commercial driver's license (CDL) for the operation of the CMV. Under its own authority and under the terms of this policy, Atlas will conduct drug and alcohol testing on all current and prospective drivers who operate or will operate a motor vehicle in Atlas service in interstate or intrastate commerce, regardless of the size of the vehicle and regardless of the class of license. Any drug and alcohol testing conducted under Atlas' authority (referred to as Atlas' authority testing) will be separate and distinct from DOT-mandated testing. While the testing procedures may be the same, the Atlas authority testing will be documented as non-DOT testing.

1-4

All applicants for driver qualification will be notified of Atlas' drug and alcohol use and testing policy at the time they make application.

Atlas has spent a great deal of time and effort in developing and implementing the terms, conditions and requirements of this policy, whose terms, conditions, requirements and implementation comply with DOT's regulations, when required.

2-0 Definitions of Terms Used in This Policy

2-1

Adulterated specimen - A specimen that contains a substance not expected to be found in human urine or that contains a substance expected to be present in human urine but is at a concentration so high that it is not consistent with human urine.

2-2

Alcohol - The intoxicating agent in beverage alcohol, ethyl alcohol or other low molecular weight alcohols including methyl and isopropyl alcohol.

2-3

Alcohol use - the drinking or swallowing of any beverage, liquid mixture or preparation (including any medication) containing alcohol.

2-4

Alcohol concentration (or content) - the alcohol in a volume of breath expressed in terms of grams of alcohol per 210 liters of breath as indicated by an evidential breath test.

2-5

Atlas service - work performed on, in or using Atlas property including an Atlas- owned vehicle and work performed on, in or using a non-Atlas-owned vehicle being used for transporting shipments under Atlas' authority including meal and break times.

2-6

Canceled test - A drug or alcohol test that has a problem or cannot be considered valid under the DOT regulations. A canceled test is neither a positive nor a negative test.

2-7

Commercial motor vehicle or CMV - a motor vehicle or combination of motor vehicles used to transport passengers or property that:

- (1) has a gross combination weight rating of 26,001 or more pounds (11,794 or more kilograms) inclusive of a towed unit with a gross motor vehicle weight rating of more than 10,000 lbs. (4,536 kg), or has a gross vehicle rating of 26,001 or more pounds (11,794 kg.); or
- (2) is designed to transport 16 or more passengers, including the driver; or
- (3) is of any size and is used in the transportation of hazardous materials required to be placarded under the Hazardous Materials Transportation Act.

2-8

Controlled substances - marijuana, cocaine, opiates, amphetamines, phencyclidine, hydrocodone, oxycodone, hydromorphone & oxymorphone.

2-9

Dilute specimen - a specimen with creatinine and specific gravity values that are lower than expected for human urine.

2-10

Driver - any person who operates a commercial motor vehicle or any vehicle in Atlas service regardless of size, including full-time, regular employee drivers; casual, intermittent or occasional drivers; leased drivers; agent drivers (whether employees or owner-operators); and independent, owner-operators under contract with Atlas.

2-11

Refusal (or refuses) to test

- (1) failing to provide adequate breath for alcohol testing without a valid medical explanation after a driver has received notice of a required breath test;
- (2) failing to provide an adequate urine specimen for controlled substance testing, without a genuine inability to provide a specimen (as determined by a medical evaluation), after a driver has received notice of a required Controlled Substance test;
- (3) failing to cooperate with any part of the testing process, including failing to permit direct observation or monitoring of specimen collection when required by the 49 CFR Part 40 procedures;
- (4) submitting a substituted or adulterated specimen;
- (5) failing to report for required testing or failing to report within a reasonable time after notification to do so;
- (6) failing to remain at the testing site until the testing process is complete; or
- (7) failing to undergo a medical examination when required as part of the test result verification process or as directed for evaluation of the inability to provide an adequate urine or breath specimen.

2-12

Safety-sensitive function -- all time from the time a driver begins to work or is required to be in readiness to work until the time he/she is relieved from work and all responsibility for performing work. Safety-sensitive functions include:

- (1) all time at an Atlas agent or shipper plant, terminal, facility, residence or other property or on any public property waiting to be dispatched, unless the driver has been relieved from duty by Atlas;
- (2) all time inspecting equipment as required by 49 CFR §§392.7 & .8 or otherwise inspecting, servicing or conditioning any commercial motor vehicle at any time;
- (3) all time spent at the driving controls of a commercial motor vehicle in operation;
- (4) all time, other than driving time, in or upon any commercial motor vehicle except time spent resting in a sleeper berth conforming to the requirements of 49 CFR §393.76;
- (5) all time loading (including packing) or unloading a vehicle, supervising, or assisting in the loading or unloading (including unpacking), attending a vehicle being loaded or unloaded, remaining in readiness to operate the vehicle, or in preparing, giving or receiving receipts or other documentation, including inventories, for shipments loaded or unloaded;
- (6) all time repairing, obtaining assistance, or remaining in attendance upon a disabled vehicle, and all time securing the vehicle and taking all of the other precautionary measures required by the DOT regulations after an accident; and
- (7) with respect only to Atlas-authority testing, all time spent at the driving controls of any vehicle and all time, other than driving time, in or upon any vehicle being used in Atlas service.

2-13

Split Specimen - in drug testing, a part of the urine specimen that is sent to the laboratory and retained unopened in secure storage until the driver whose test is positive, adulterated or substituted requests that the specimen be transferred to a second laboratory for re-confirmation.

2-14

Substance Abuse Professional (SAP) - a person who is trained and certified to evaluate drivers who have violated a DOT alcohol or drug regulation and who determines treatment, follow-up testing and aftercare in accordance with 49 CFR Part 40 Subpart O.

2-15

Substituted specimen - a specimen with creatinine and specific gravity values that are so diminished that they are inconsistent with human urine.

3-0 Prohibited Drug and Alcohol Use and Activities

3-1

The goals of Atlas' policy and the testing of drivers are to insure a drug and alcohol free transportation and work environment and to reduce and help eliminate drug and alcohol-related accidents, injuries, fatalities and damage to property.

3-2

In furtherance of Atlas' goals, the following conduct is prohibited:

- (1) No driver may report for duty or remain on duty requiring the performance of safety-sensitive functions while having an alcohol concentration of 0.04 or greater. (49 CFR §382.201)
- (2) No driver may engage in alcohol use while performing safety-sensitive functions. (49 CFR §382.205)
- (3) No driver may perform safety-sensitive functions within four hours after having used alcohol. (49 CFR §382.207)
- (4) No driver required to take a post-accident alcohol test under this policy may use alcohol for eight hours following the accident, or until he/she undergoes a post-accident alcohol test, whichever occurs first. (49 CFR §382.209)
- (5) No driver may report for duty or remain on duty requiring the performance of safety-sensitive functions when the driver uses any controlled substance, except when the use is pursuant to the instructions of a licensed medical practitioner, as defined in 49 CFR § 382.107, who has advised the driver that the substance will not adversely affect the driver's ability to safely operate a motor vehicle. (49 CFR §382.213)
- (6) No driver may report for duty, remain on duty or perform a safety-sensitive function if the driver tests positive for a controlled substance. (49 CFR §382.215)
- (7) No driver may engage in conduct that involves a refusal to test involving any alcohol or controlled substance test required under this policy. (49 CFR §382.211)

3-3

A driver who violates these prohibitions will be immediately removed from service and disqualified from the performance of safety-sensitive functions and will be subject to disciplinary action by Atlas, up to and including discharge or loss of status as an Atlas-qualified driver. In addition, any driver who is convicted by the judicial system of a felony for a drug or alcohol-related matter will be subject to disciplinary action up to and including discharge or loss of status as an Atlas-qualified driver.

3-4

In the event Atlas has actual knowledge that a driver has violated any of the above prohibitions based on: 1) observation(s) of the driver; 2) information provided by the driver's previous employer(s); 3) a traffic citation for driving a motor vehicle while under the influence of alcohol or a controlled substance; or 4) a driver's admission of alcohol or controlled substance use, except as provided in 49 CFR §382.121, Atlas will prohibit him/her from performing any safety-sensitive functions.

3-5

4-0 Tests Required

4-1

Atlas is required by the DOT to conduct tests under the following conditions or at the following times:

- (1) before a driver-applicant is qualified (*pre-qualification* testing);
- (2) for reasonable suspicion;
- (3) following certain accidents (*post-accident* testing);
- (4) on a random basis;
- (5) prior to return to safety-sensitive functions for any driver who violates Section 3-2 of this policy (*return to duty* testing); and
- (6) on a periodic basis as determined by a substance abuse professional when a driver has returned to duty following a violation of Section 3-2 of this policy (*follow-up* testing).

Atlas will also conduct Atlas-authority tests under the same conditions and at the same times that DOT tests are required.

4-2 Pre-Employment/Pre-Duty Testing

4-2-1

This test is required before any driver applicant will be qualified for Atlas service in a position or doing work requiring a CDL. In addition, Atlas will conduct Atlas- authority pre-qualification drug testing of applicants for driving positions that do not require a CDL.

4-2-2

Prior to taking a pre-qualification drug test, the applicant will be given instructions to report for a drug test and an explanation of the collection procedures for the test.

4-2-3

Atlas qualification consideration is conditioned upon, but not limited to, the applicant:

- (1) taking a drug test as directed by Atlas, which results in a negative test result;
- (2) executing Atlas' authorization form to obtain past DOT drug and alcohol test results (which authorizes Atlas to obtain the applicant's past DOT drug and alcohol test results, including any refusals to be tested, from each company for whom the driver either worked, or applied as a driver or performed safety-sensitive functions during the previous three years and the results of those tests including any refusal to test or other violations of DOT drug and alcohol regulations);
- (3) passing the DOT-required physical exam required for driver positions;
- (4) complying with any other qualification conditions or requirements, as set forth by Atlas.

4-2-4

Any applicant who refuses or fails to execute Atlas' authorization to obtain past DOT drug and alcohol test results form, who refuses to test with respect to a pre-qualification drug test as directed, whose test result is positive, who has more than one positive alcohol or drug test or refusal to test under a past employer's or prospective employer's alcohol or drug testing program, who fails to submit satisfactory proof of substance abuse professional evaluation and treatment/rehabilitation as required by Atlas or fails to meet any other Atlas qualification standard will not be eligible for qualification.

Note: An applicant who tested positive under a past carrier's or other prospective carrier's alcohol or drug testing program will not be eligible for qualification consideration until the expiration of a 180-day period from the date of the test and satisfactory completion of treatment/rehabilitation.

4-3 Post-Accident Testing

4-3-1

A driver who is performing a safety-sensitive function must submit to a post-accident drug and a post-accident alcohol test as soon as possible after the occurrence of any accident involving a commercial motor vehicle or any other vehicle in Atlas service:

- (1) that involves the death of a human being; or
- (2) whenever the driver receives a citation for a moving violation involving an accident and either
 - o " a person is injured because of the accident and the injuries require immediate medical treatment to the person away from the accident scene; or
 - o " one or more motor vehicles involved in the accident incur disabling damage and must be transported away from the accident scene by a tow truck or another vehicle (together referred to as a *DOT Accident*).

4-3-2

It is possible a driver will be directed to submit to a drug and/or alcohol test at the accident scene by a federal, state, or local law enforcement officer. Whenever a test is conducted by a law enforcement officer, the driver is required to contact the Atlas Safety Department (800-638-9797, ext. 2459) immediately to report this and to provide Atlas with the name, badge number and telephone number of the law enforcement officer who conducted the test. After normal working hours and on weekends and holidays, the driver should contact Rick Kirby at 812-499-8409 (cell phone) or 812-491-9546 (home).

4-3-3

A driver must submit to a post-accident alcohol test as soon as possible, but not later than two hours following a DOT accident. If the test is not completed within two hours, the driver must fax a written statement to the Atlas Safety Department (800-638-9797, ext. 7147) within 24 hours after the accident outlining the reason why the test was not completed within the two-hour limit. The driver must also continue to take steps to undergo an alcohol test until eight hours have passed from the time of the accident. If the alcohol test is still not completed within the eight-hour time period, the driver must fax another written statement to the Atlas Safety Department (800-638-9797, ext. 7147) within 24 hours after the accident outlining why the test was not completed within the eight-hour time limit.

4-3-4

A driver must submit to a post-accident drug test as soon as possible but not later than 32 hours following a DOT accident. If the test is not completed within 32 hours after the accident, the driver must fax a written statement to the Atlas Safety Department (800-638-9797, ext. 7147) within 24 hours outlining the reason why the test was not completed within the 32 hour limit.

4-3-5

A driver who is required to take a post-accident drug and/or alcohol test may, at Atlas' discretion, be suspended from Atlas service while awaiting the post-accident test results.

4-3-6

A driver who tests positive for drugs and/or alcohol, who refuses to test with respect to a post-accident drug and alcohol test as required, who unnecessarily delays reporting to the test site following an accident, or who otherwise fails to comply with Atlas' post-accident testing procedures, will be subject to disciplinary action, up to and including discharge or disqualification. Drivers needing assistance in locating a testing site should contact the Atlas Safety Department (800-638-9797, ext. 2429). After normal working hours and on weekends and holidays, contact Rick Kirby at 812-499-8409 (cell phone) or 812-491-9546 (home).

4-4 Random Testing

4-4-1

Atlas is required to test drivers on a random basis, and all such tests will be unannounced ahead of time. Atlas will establish two separate pools for random testing, one for drivers required to undergo DOT-mandated testing and one for drivers required to undergo Atlas-authority testing. Each pool will be maintained and treated separately for required random testing.

4-4-2

Under Atlas' random selection process, every driver within each pool will have an equal chance of being selected each and every time the selection is conducted. Appropriate safeguards are also present to ensure that the identity of individual drivers cannot be determined prior to or at the time of their selection.

4-4-3

A driver shall only be tested for alcohol while performing safety-sensitive functions, just prior to performing safety-sensitive functions or just after the driver has ceased performing such functions. Testing for drugs does not require the driver to be in a safety sensitive role.

4-4-4

The first of each month, Atlas will provide each agent or operating division with a list of its drivers who have been selected for a random alcohol or drug test from each pool. The agent or operating division will ensure that testing for each selected driver is completed no later than the end of the respective month. Upon notification by the agent or operating division, the selected driver must cease performing safety-sensitive functions, if applicable (refer to 4-4-3), and report to the collection site immediately. If the test(s) is not conducted within four hours of the driver being notified to proceed for the testing, the driver must fax a written statement to the Atlas Safety Department (800-638-9797, ext. 7147) within 24 hours outlining the reason why the test(s) was not completed or was delayed.

4-4-5

A driver who tests positive or who refuses to test (including adulteration or substitution of a urine specimen) is medically unqualified to drive and/or perform any other safety-sensitive function.

4-4-6

A driver who refuses to test with respect to a random test, who fails to report for the test as directed, who unnecessarily delays reporting to the test site, or who tests positive will be subject to disciplinary action, up to and including discharge or disqualification.

4-5 Reasonable Suspicion Testing

4-5-1

Each driver is required to submit to a drug and/or alcohol test whenever Atlas has reasonable suspicion to believe that the driver has used drugs and/or alcohol in violation of DOT regulations and/or this policy.

4-5-2

Reasonable suspicion will exist when a driver's appearance, behavior, speech or body odors indicate drug or alcohol use, or the chronic and withdrawal effects of drugs. Such observations must be personally observed and documented by at least one Atlas official or driver supervisor who has received training covering the physical, behavioral, speech, and performance indicators of probable drug and alcohol use. Prior to sending any driver for a reasonable-suspicion test, it is absolutely imperative that an agency official who makes a reasonable suspicion observation contact an Atlas Safety Department supervisory staff member.

4-5-3

All Atlas and agency personnel who supervise drivers must undergo at least 60 minutes of training on alcohol misuse and receive at least an additional 60 minutes of training on controlled substance use. Training for supervisory personnel is available on the Administration & Terminal Services/Safety departmental website on AtlasNet. Acknowledgement of training must also be provided to the Atlas Safety Department.

4-5-4

Whenever a driver is notified that there is reasonable suspicion to be tested, the driver will be expected to report to the test site immediately to be tested.

4-5-5

A driver who is required to take a reasonable suspicion test will be suspended from Atlas service, pending the results of his/her test.

4-5-6

A driver whose reasonable suspicion test is positive, or who fails or refuses to submit to a reasonable suspicion test when directed to do so by Atlas, will be subject to disciplinary action, up to and including discharge or disqualification.

4-5-7

Atlas reserves the right, under Atlas-authority testing, to conduct drug and/or alcohol tests even if the requirements in this Section 4-5 are not met.

4-6 Return-To-Duty Testing

4-6-1

Atlas is not obligated, and by the inclusion of this provision in this policy, does not undertake or commit to any obligation under this policy, to re-instate or re-qualify any driver who violates any DOT or Atlas prohibition or requirement concerning drugs and alcohol.

4-6-2

Should Atlas elect to consider reinstating or re-qualifying a driver who violates any DOT or Atlas prohibition concerning drugs or alcohol, that driver will be required to submit to and pass a drug and alcohol test that must be directly observed before he/she will be permitted to return to duty.

4-6-3

Before being permitted to return to duty, the driver must also execute a "last chance" agreement, be evaluated by a substance abuse professional, successfully complete the education and/or treatment recommended by the substance abuse professional and submit to any follow-up testing which the substance abuse professional determines is required.

4-6-4

Any driver who refuses to test with respect to a return-to-duty test, who refuses to execute Atlas' "last chance" agreement, who fails to successfully complete the education and/or treatment as directed by the substance abuse professional or who tests positive will be considered unqualified to perform a safety-sensitive function and immediately disqualified. No further qualification or re-qualification effort shall be permitted.

4-7 Follow-Up Testing

4-7-1

Atlas is not obligated and, by the inclusion of this provision in this policy, does not undertake or commit to an obligation under this policy, to reinstate any driver who violates any DOT or Atlas prohibition or requirement concerning drugs and alcohol.

4-7-2

Any driver who, after violating any DOT or Atlas prohibition or requirement concerning drugs and alcohol, is returned to a safety-sensitive function is required to submit to unannounced follow-up testing as one condition of being reinstated, re-qualified or otherwise permitted to return to duty.

4-7-3

At a minimum, the driver will be required to submit to at least six tests during the first 12 months following the driver's return to duty. The SAP will determine any additional follow-up testing required and may extend such follow-up testing requirements for up to 60 months after the driver's return to duty. All such tests will be conducted without prior notice being given to the driver.

4-7-4

After notification by Atlas, the responsible operating division or agent will be allowed a maximum window of 72 hours in which to notify a driver that a follow-up test that must be directly observed is required. Upon notification by the operating division or agent, a driver who is required to take a follow-up test must report to the collection site immediately, but no later than four hours from the time of notification.

4-7-5

A driver who tests positive, who refuses to test or who unnecessarily delays reporting to the collection site will be considered unqualified to perform a safety-sensitive function and immediately disqualified. No further qualification or re-qualification effort shall be permitted.

5-0 Testing Methodology and Integrity

5-1

To ensure the integrity and accuracy of each test, all specimen collection, analysis, and laboratory procedures shall be conducted in accordance with DOT's procedural protocols and safeguards set forth in 49 CFR Part 40. This currently includes, among other things:

- (1) procedures to ensure the correct identity of each driver at the time of testing;
- (2) a strict chain-of-custody procedure to ensure that the driver's specimen is not tampered with;
- (3) the use of a trained breath alcohol technician (BAT) or screening test technician (STT) and DOT-approved testing devices for conducting alcohol tests;
- (4) the use of a laboratory which has been certified by the U.S. Department of Health and Human Services (DHHS);
- (5) the confirmation of an initial positive drug screen by a second analysis using gas chromatography/mass spectrometry (GCMS);
- (6) the confirmation of an initial positive alcohol screen by a second analysis using an evidential breath testing device; and
- (7) Atlas' appointment of a qualified medical review officer (MRO) to review drug test results before they are reported to Atlas' designated representative.

All Atlas-authority testing will be conducted using the same methodology, however, no DOT-mandated drug testing forms may be used for Atlas-authority testing.

5-2 For All Drug Tests

5-2-1

All drug tests conducted under this policy require that the driver must provide a specimen of his/her urine.

5-2-2

Urine specimens will be analyzed at a DHHS-certified laboratory for the presence of the following drugs:

- (1) marijuana;
- (2) cocaine;
- (3) opiates;
- (4) amphetamines; and
- (5) phencyclidine.

Specimens will be tested in accordance with DOT procedures outlined in 49 CFR Part 40, Subpart F, including the use of cut-off levels for determining positive specimens on screening and confirmation analyses. In addition to testing for drugs of abuse, the DOT requires that specimens be tested at the laboratory to determine that they are valid urine specimens. Specimen validity testing will be conducted in accordance with applicable DOT and DHHS requirements. Atlas-authority testing will follow this same protocol.

5-2-3

In general, a driver will be permitted to give a urine specimen in privacy and without being observed by collection site personnel. However, a driver forfeits this right whenever there is reason to believe that he/she may alter or substitute a specimen. In circumstances when the MRO verifies a test as an invalid specimen, the MRO will direct an immediate recollection of a specimen under direct observation.

5-2-4

All drug tests will be administered using the split sample methodology required by DOT. Under this methodology, the driver must provide at least 45 milliliters (ml) in a specimen container. The specimen will then be divided into two specimen bottles by the collector. 30 ml will be poured into one bottle and 15 ml into a second bottle. Both bottles will be sent to the laboratory. The bottle containing 30 ml will be analyzed as the driver's primary specimen. The second bottle will be held by the laboratory, to be sent to another lab at the driver's request in the event that the primary specimen is verified as positive, adulterated or substituted. In the event the primary specimen is verified as positive, adulterated or substituted the driver will be notified either by Atlas' MRO or by Atlas of the test result and given the option to have the second bottle sent to a different laboratory for analysis. To exercise this option, the driver must advise Atlas' MRO within 72 hours of being told that the primary specimen was positive, adulterated or substituted.

5-2-5

Except for the use of methadone and medications containing alcohol, nothing in this policy prohibits a driver's use of a controlled substance medication legally prescribed by a licensed physician:

- (1) who is familiar with the driver's medical history and specific safety-sensitive duties, and
- (2) who has advised the driver that the prescribed medication will not adversely affect the driver's ability to operate a motor vehicle safely

Medications prescribed for someone other than the driver, however, will not be considered lawfully used when taken by the driver under any circumstances.

5-2-6

A "positive" drug test may be declared "negative" by Atlas' MRO if the driver can prove with clear and convincing evidence that the drug which was used was prescribed by a licensed physician who is familiar with the driver's medical history and specific duties and was lawfully used at the time of the test. The determination of this will be made by Atlas' MRO.

5-3 For All Alcohol Tests

5-3-1

All alcohol tests conducted under this policy require that the driver must provide a breath and/or saliva specimen for any test conducted by, or on behalf of, Atlas. In the case of an alcohol test conducted by a federal, state or local law enforcement officer following an accident, the driver must provide either a breath or blood specimen, as directed by the law enforcement officer.

5-3-2 Alcohol tests will be administered using a breath and/or saliva specimen, taken by an STT or BAT using an approved alcohol screening device (ASD) or evidential breath testing device (EBT), except in cases of on-scene post-accident testing conducted by federal, state, or local officials.

5-3-3

Before being tested by or on behalf of Atlas, each driver will be required to:

- (1) present his/her photo identification, and
- (2) execute a DOT "Alcohol Test Form" provided by the STT/BAT for a DOT-mandated test and a non-DOT form for Atlas-authority testing.

A driver who refuses to provide his/her identification, provides a false identification, refuses to sign the "Alcohol Test Form", or who otherwise refuses or fails to cooperate will be deemed to have refused to test, and will be subject to disciplinary action up to and including discharge, in addition to the penalties imposed by DOT.

5-3-4

Prior to each alcohol breath test conducted by or on behalf of Atlas, the STT/BAT will instruct the driver on how the test will be performed.

5-3-5

If the driver is unable to provide an adequate breath specimen for the initial test, and there is a qualified STT to administer a saliva alcohol screening test using an approved ASD, the driver should be offered that opportunity. In the event that a driver is unable to provide an adequate amount of saliva for the initial test, the STT should conduct the test using an EBT. In the event that a driver is unable to provide an adequate amount of breath for the initial or confirmatory test after several attempts to do so, the driver will be required to submit to an evaluation by a licensed physician to determine whether a valid medical condition exists. If the physician determines that a valid medical condition does exist, the test result will be reported to Atlas as a canceled test. If the physician determines that a valid medical condition does not exist, the test result will be reported to Atlas as a refusal to test.

6-0 Test Results

6-1 For Drug Tests

6-1-1

In the event that the test result of a driver's primary specimen is positive, adulterated or substituted, the driver will be notified by Atlas or its MRO and advised that he/she has 72 hours to request that the MRO send his/her split specimen to a second, Atlas-approved DHHS-certified laboratory for analysis. Pending the outcome of this additional analysis, the driver will continue being considered physically unqualified to work by DOT.

6-1-2

Before a driver's test result will be verified positive for drugs, the driver will be given the opportunity to speak with Atlas' MRO and demonstrate that there was a legitimate medical explanation for the positive test result. If the MRO determines that a legitimate medical reason does exist, the test result will be reported to Atlas as "negative." If the MRO determines that a legitimate medical reason does not exist, the test result will be reported to Atlas as a "verified positive", identifying the drug(s) detected in the specimen. In the case of a test reported as adulterated or substituted, the driver will be given the opportunity to discuss the result with Atlas' MRO and demonstrate that there is a medical explanation or the laboratory's findings of adulteration or substitution. If the driver presents an acceptable medical explanation, the driver will be required to submit to a medical examination by a physician acceptable to the MRO to validate the existence of a bona fide medical condition or disorder. If the examining physician and the MRO agree that there is a medical explanation for the specimen adulteration or substitution findings, the MRO will cancel the test and report the reasons for its cancellation to Atlas and, if applicable, to the DOT. If there is no acceptable medical explanation for the specimen adulteration or substitution findings, the MRO shall report the test as refusal to test.

6-1-3

Except as provided in Section 4-2-4 of this policy (concerning pre-employment tests), a driver whose test result is verified positive for drugs will be considered unqualified to perform or continue performing his/her functions safely and will be immediately discharged or disqualified. In addition, a driver whose test result is verified as a refusal to test will be immediately discharged and disqualified.

6-1-4

If a driver or driver applicant's drug test is reported as negative-dilute, it will be treated as a negative test. If a driver or driver applicant's drug test is cancelled by MRO and the MRO has directed that another specimen be collected under direct observation procedures, the driver/driver applicant must comply or it will be deemed a refusal to test.

6-2 For Alcohol Tests

6-2-1

In the event that the driver provides an adequate breath or saliva specimen and the initial test registers an alcohol concentration level that is less than 0.02, the test result will be reported as a "negative" and no additional test will be required at that time.

6-2-2

In the event that the driver provides an adequate breath or saliva specimen and the initial test registers an alcohol concentration level of 0.02 or greater, a second, confirmatory test will be performed. The confirmatory test must be conducted using an EBT and be administered by a qualified BAT. In the event that the driver provides an adequate breath specimen and the confirmatory test registers less than 0.02, the test result will be reported to Atlas as negative.

6-2-3

DOT prohibits any driver whose confirmatory breath alcohol test registers 0.02 or more but less than 0.04 from performing or from continuing to perform any safety-sensitive function until the driver's next regularly-scheduled duty period, but for no less than 24 hours. However, an Atlas driver who, after providing an adequate breath specimen, has a confirmatory test that registers 0.02 or more but less than 0.04 will be immediately suspended for 7 days.

6-2-4

A driver who, after providing an adequate breath specimen, has a confirmatory test that registers 0.04 or greater will be immediately disqualified and will be subject to additional disciplinary action by Atlas up to and including discharge or disqualification. A confirmatory breath test of .04 or greater is a violation of DOT regulations.

7-0 Disqualification Penalties

7-1

An applicant who experiences a positive drug test result may reapply for qualification consideration following expiration of a 180-day period from the date of the test and may thereafter be found qualified, subject to the provisions discussed in Sections 4-6 (Return-To-Duty Testing) and 4-7 (Follow-Up Testing) and further provided the applicant has not tested positive for alcohol or drugs or refused to be tested under a past employer's or prospective employer's alcohol or drug testing program. The applicant must also meet all other Atlas qualification standards.

7-2

An Atlas-qualified driver who experiences a positive alcohol (.04 or greater) or drug test result may reapply for qualification consideration following expiration of a 180-day period from the date of a positive drug test or a 60-day period from the date of a positive alcohol test and may thereafter be found qualified, subject to the provisions discussed in Sections 4-6 (Return-To-Duty Testing) and 4-7 (Follow-Up Testing) and further provided the driver has not tested positive for alcohol or drugs or refused to be tested under Atlas', a past employer's or prospective employer's alcohol or drug testing program. The driver must also meet all other Atlas qualification standards. Note: The 60-day suspension period applies if the driver's BAC registers 0.04 or higher. Although DOT policy only requires a 24-hour disqualification period for a BAC of 0.02 or more but less than 0.04, any Atlas driver with a BAC of 0.02 or more but less than 0.04 will be suspended for 7 days.

8-0 Maintaining Contact with the Company and MRO After a Drug Test

8-1

A driver who is tested for drugs is required to remain in contact with Atlas and Atlas' MRO while awaiting the results of his/her test. A driver is also required to advise Atlas of his/her whereabouts and the telephone number where he/she can be reached during this time. The telephone number provided by the driver on the CCF at the time of the specimen collection should be a telephone number where the MRO can reasonably reach the driver in the week following the drug test.

8-2

Atlas' MRO is First Advantage Corporation (formerly d/b/a/ Substance Abuse Management Inc.), whose telephone number is 800-809-1012.

8-3

A driver who refuses or fails to remain in contact with Atlas and Atlas' MRO will be considered insubordinate and subject to disciplinary action, up to and including discharge or disqualification. In addition, a driver who fails to remain in contact may waive his/her right, under Section 6-1-2 of this policy, to speak with Atlas' MRO before a test is confirmed positive.

9-0 Drug and Alcohol Information

9-1

Atlas is required to provide educational materials for all drivers, explaining the DOT's requirements and Atlas' policies and procedures to meet those requirements. In addition to this policy, Atlas will provide drivers with information concerning:

- (1) the effects of drugs and alcohol on an individual's health, work, and personal life;
- (2) the signs and symptoms of a drug or alcohol problem; and
- (3) the available methods of intervention when a problem does exist.

9-2

Each driver is required to certify that he/she has been given a copy of this policy and other drug and alcohol information by Atlas in accordance with Paragraph 9-1 of this policy. In accordance with Paragraph 4-2-3 of this policy, applicants are required to execute the certification as a condition of being qualified. An applicant who refuses to do so will not be qualified. Existing drivers who refuse to execute this required certification will be subject to discipline, up to and including discharge or disqualification.

9-3

Any driver or driver applicant who engages in any conduct prohibited under this policy will be provided with information concerning the resources available to evaluate and resolve a drug or alcohol problem, and the names, addresses and telephone numbers of substance abuse professionals, counseling and treatment programs.

9-4

All questions concerning the educational materials provided by Atlas, or about this policy, should be directed to appropriate persons identified on the "Contact List" that accompanies this policy.

10-0 Confidentiality

10-1

Atlas will maintain all records generated under this policy in a secure manner so that disclosure to unauthorized persons does not occur. Thus, the results of any tests administered under this policy and/or any other information generated pursuant to this policy will not be disclosed or released to anyone without the express written consent of the driver, except where otherwise required or authorized by 49 CFR Part 382 or Part 40 (Subpart P). In addition, Atlas' contract with its designated service agents requires them to maintain all employee test records in confidence.

10-2

However, Atlas may disclose information required to be maintained under this policy to the driver, a decision-maker in a lawsuit, grievance, or other proceeding initiated by or on behalf of the driver, and arising from the results of an alcohol and/or drug test administered under this policy, or from Atlas' determination that the driver engaged in conduct prohibited by this policy (including, but not limited to, a worker's compensation, unemployment compensation, or other proceeding relating to a benefit sought by the driver.) Atlas may be required to release information to a DOT agency or other Federal agency as required by 49 CFR Part 40, Subpart P.

10-3

Upon written request by any covered driver, Atlas will promptly provide copies of any records pertaining to the driver's use of alcohol or drugs, including any records pertaining to his or her alcohol or drug tests. Access to a covered driver's records will not be contingent upon payment for records other than those specifically requested.

10-4

Atlas will also permit access to all facilities utilized and alcohol or drug testing documents generated in complying with the requirements of 49 CFR Part 382 to the Secretary of Transportation, any DOT agency with regulatory authority over Atlas or any of its covered drivers or to a State oversight agency. When requested by the National Transportation Safety Board as part of an accident investigation, Atlas will disclose information related to the administration of a post-accident alcohol and/or drug test administered following the accident under investigation.

10-5

Records will also be made available to an identified person or a subsequent employer or carrier upon receipt of a written request from a driver, but only as expressly authorized and directed by the terms of the driver's written consent. The subsequent release of such information by the person receiving it will be permitted only in accordance with the terms of the driver's consent and/or Federal regulations.

Contact List:

For Questions Regarding	Contact Person	Phone Number
* DOT/Atlas Drug and Alcohol Testing Requirements	Rick Kirby	(800) 638-9797, Ext. 2459
* Medical Review Officer	First Advantage	(800) 809-1012 (414) 977-7264
* Drug and Alcohol Counseling and Rehabilitation Services	Al-Anon Alcohol and Drug Referral Hot Line (A.A. Information see note below) Narcotics Anonymous National Cocaine Hot Line	(800) 344-2666 (800) 252-6465 (855) 441-6819 (855) 418-6306
* To Order Drug Screen Testing Supplies	Jason Snyder (Safety)	(800) 638-9797 ext. 2581

NOTE: Alcoholics Anonymous (A.A.) local chapter information and phone numbers can be obtained by calling the Alcohol and Drug Referral Hot Line.