

ROADSIDE VIOLATION ACCOUNTABILITY POLICY

Effective Date 01/01/2024, Royal 3 will implement multiple changes to the company policy in order to address Unsafe Driving violations and violations that could have reasonably been detected or prevented through a proper pre-trip and/or post-trip inspection. We believe in clear and straightforward consequences for the benefit of all team members.

Please take note of the following policies:

A. First offense: Any driver who receives a violation on a roadside inspection report, the following Schedule of Fines is in effect.

1. Any violation with a point total of 1 – 5 as indicated in FMCSA's SMS Methodology Appendix A, will result in a written warning and a \$100.00 fine.
2. Any violation with a point total of 6 – 8 as indicated in FMCSA's SMS Methodology Appendix A, will result in a written warning and a \$250.00 fine.
3. Any violation with a point total of 9 - 10 as indicated in FMCSA's SMS Methodology Appendix A, will result in a written warning and a \$500.00 fine.

B. Second offense: First offense: Any driver who receives a violation on a roadside inspection report, the following Schedule of Fines is in effect.

1. Any violation with a point total of 1 – 5 as indicated in FMCSA's SMS Methodology Appendix A, will result in a written warning and a \$200.00 fine.
2. Any violation with a point total of 6 – 8 as indicated in FMCSA's SMS Methodology Appendix A, will result in a written warning and a \$500.00 fine.
3. Any violation with a point total of 9 - 10 as indicated in FMCSA's SMS Methodology Appendix A, will result in a written warning and a \$1000.00 fine.

C. Third offense: TERMINATION.

Each step in the corrective action plan listed should be documented and placed in the driver's permanent company file.

If the violation noted on the roadside inspection includes the issuance of a citation by an officer for that offense, the penalties listed above will still apply until the citation has been adjudicated in the appropriate court. If the charge is reduced to a non-moving violation or dismissed and removed from the inspection, the driver will be refunded the amount of the fine. It is the driver's responsibility to ensure the citation is challenged in court and to obtain the appropriate documentation to have the citation removed from the inspection. If the company hires an attorney, the driver is responsible for all legal fees.

FMCSA's SMS Methodology Appendix A is attached to this policy. Review the attachment as necessary to determine the point total associated with each violation.

Date:

4/18/2025

Driver:

Safety Manager:

[Signature]
Graciela Paniagua