

ROADSIDE VIOLATION ACCOUNTABILITY POLICY

Effective Date 01/01/2024, Payal Inc 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:

07/11/25

Driver:

Yael McCall

Safety Manager:

[Signature]

ROADSIDE CLEAN INSPECTION REWARDS POLICY

To encourage and recognize the good safety performance, effective Date 01/01/2024, Royal3Inc will reward all drivers whose inspection report results on **NO VIOLATIONS DISCOVERED**.

NO VIOLATIONS DISCOVERED MEANS:

1. NO VIOLATIONS.
2. NO WARNINGS.
3. NO TICKETS.
4. NO ACCIDENTS.

JUST BECAUSE YOU GET A WARNING DOES NOT MEAN IT IS A CLEAN INSPECTION. THERE CAN BE NO VIOLATIONS ON THE INSPECTION REPORT!

Please take note of the following policies:

1. Level 1 clean inspection - \$400.00
2. Level 2 clean inspection - \$300.00
3. Level 3 clean inspection - \$200.00

1. The Reward and Recognition Policy will acknowledge performance and initiatives at Company, team, and individual levels.
2. Reward methods will be used to align individual performance and corporate objectives.
3. Rewards will be designed to encourage individuals to behave in ways that support the company's values.

To be eligible for the Roadside Clean Inspection Rewards Policy, you must have a result of zero violations reported on the Driver/ Vehicle Inspection Report performed by DOT.

Date: 07/11/25

Safety Manager: [Signature]

Driver: [Signature]



FUEL POLICY

01.

Why Fuel Policy?

We need to follow fuel rules to avoid high IFTA penalties and extra costs. This policy helps us avoid penalties and stay compliant.

02.

Where to Buy Fuel?

Use your **company fuel card** every time.
Buy fuel only at **Pilot or Flying J** truck stops.
No other fuel stations are allowed unless you have permission
(**Emergency Fueling**).

03.

If You Buy Fuel with Your Card? - This is Strictly Prohibited!

Our EFS fuel card only works at Pilot and Flying J. You cannot fuel at any other truck stop.

1st Time → Warning

2nd Time → \$200 Fine (from your paycheck)

3rd Time → \$500 Fine (from your paycheck)

4th Time → Termination (Job Lost)

If you pay for fuel with your personal card at any truck stop, we will take action:

Important: Your paycheck will be put on hold until we receive all fuel receipts
(The deadline for submission is with your trip sheets.)

We track all fuel purchases daily. Any unauthorized fuel-ups will be flagged.

04.

Emergency Fueling

If you must buy fuel somewhere else due to an emergency, call us first!

24/7 Help: 630-485-7370 ext 1

We will give you a money code for fuel. \$50-\$150

No call = violation and possible fines.



FUEL POLICY

05.

Fuel Receipts – Very Important!

You must send a fuel receipt right after fueling. Missing receipts create problems and cost extra money.

Missing Receipt = \$100 Fine (from your paycheck)

No excuses. No exceptions.

Fuel receipts must be sent to the person who gave you the money code.

06.

Final Reminder

Some drivers have not followed fuel rules, and the company has lost money because of it. Now, we must be strict. By working at Royal3 Inc., you agree to follow this fuel policy. If you don't, you will face penalties.

McCall Gerald J.

DRIVER NAME

Gerald McCall

SIGNATURE

07/11/25

**Stay compliant, avoid penalties, and
keep your job!**